OECD Tourism Trends and Policies 2014

OECD

OECD Tourism Trends and Policies 2014

This work is published on the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of the OECD or of the governments of its member countries or those of the European Union.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Please cite this publication as:
OECD (2014), *OECD Tourism Trends and Policies 2014*, OECD Publishing.
http://dx.doi.org/10.1787/tour-2014-en

ISBN 978-92-64-20418-8 (print)
ISBN 978-92-64-20864-3 (PDF)

OECD Tourism Trends and Policies
ISSN 2076-7765 (print)
ISSN 2076-7773 (online)

European Union
Catalogue number: KE-01-13-732-EN-C (print)
Catalogue number: KE-01-13-732-EN-N (PDF)
ISBN 978-92-79-33869-4 (print)
ISBN 978-92-79-33867-0 (PDF)

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.

Photo credits: Cover © vectomart/Shutterstock.com; © saref/Shutterstock.com.

Corrigenda to OECD publications may be found on line at: *www.oecd.org/about/publishing/corrigenda.htm*.

© OECD 2014

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of the source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to *rights@oecd.org*. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at *info@copyright.com* or the Centre français d'exploitation du droit de copie (CFC) at *contact@cfcopies.com*.

Preface

Tourism has demonstrated remarkable resilience. The challenges posed by the global crisis, political turmoil, natural disasters and rising oil prices have not prevented tourism from becoming one of the largest and fastest growing sectors in the world economy. G20 countries also recognise it as a vehicle for job creation, economic growth and development.

International tourist arrivals are projected to surpass 1.8 billion by 2030, on the back of rapid growth in emerging tourism economies. Changing global market trends and travel behaviours offer both challenges and opportunities for OECD countries. Active and innovative policies are essential for tourism to remain a competitive sector and grow in the years to come – however, the way these policies are developed has changed profoundly as the range of policies influencing, and influenced by, tourism become more closely integrated.

OECD Tourism Trends and Policies 2014 highlights key reforms in tourism organisation and governance in 48 OECD and partner countries, with a focus on issues that are high on the national and international policy agenda. The potential for visa and travel facilitation policies to boost economies is the focus of much attention. Realising this potential requires a strategic, integrated approach with greater coherence among tourism and other policy domains. At the international level G20 countries have committed to work towards developing travel facilitation initiatives, while the OECD is actively engaging with countries and international organisations to advance this agenda.

The report provides comparative data on taxation in tourism with new information on how tourism-related taxes support infrastructure and tourism development, including budgets related to marketing and promotion, safety and security, and environmental protection.

OECD Tourism Trends and Policies 2014 is a rich source of data on domestic, inbound and outbound tourism, and on the size of the tourism economy – encompassing companies, jobs and consumption. It provides a clear picture of new policies designed to improve competitiveness and support sustainable development and growth in tourism, covering issues, such as the impact of digital technologies, transport trends, domestic and social tourism, innovations, and the need to develop the skills that the market demands. Reforms are also needed to align more closely transport and tourism policies. It also calls for enhancing the value of tourism employment, and ensuring that government support is fit for purpose, well-targeted, and effective.

I would like to thank the OECD Tourism Committee for their work in preparing *OECD Tourism Trends and Policies 2014*, in partnership with the European Commission. This publication remains an international reference and benchmark on how effectively countries are supporting competitiveness, innovation and sustainable tourism growth.

Angel Gurría
OECD Secretary-General

Foreword

This fourth edition of OECD Tourism Trends and Policies, *undertaken in partnership with the European Commission, builds on the work of the Organisation's Tourism Committee, highlighting key reforms in tourism organisation and governance and providing a comprehensive analysis of tourism trends and policy developments in 48 OECD and partner countries. It focuses on issues high on the national and international policy agenda, including travel facilitation and visa issues, and the evolving relationship between taxation and tourism.*

The report begins by analysing recent trends in tourism and associated developments in government policy based on country responses to a 2013 policy and statistical survey. Chapter 1 outlines the economic importance of tourism and sets out the role of government in its promotion and development. The linkage between tourism performance and overall economic growth and the impact of the global economic crisis are considered. Tourism policy priorities, reforms and developments are analysed and country practices are highlighted.

It then considers the impact on travel and tourism of visa and entry policies that regulate the movement of people across national borders. Chapter 2 considers the potential for smarter approaches to support tourism and economic growth, while simultaneously maintaining the integrity and security of national borders. The chapter also outlines the issues and challenges policy makers face in developing and implementing policy in this area, providing examples of different approaches adopted by governments and their impacts. A number of policy considerations are then discussed, to inform policy making and contribute to the current debate on travel facilitation.

The report also examines the role of tourism taxation and the potential impacts on the competitiveness and attractiveness of destinations. Chapter 3 explores the evolving relationship between taxation and tourism, examining the rationale and concerns from both a government and industry perspective, and provides comparative information in the form of an inventory of tourism-related taxes, based on a survey of OECD and partner countries, highlighting recent trends and interesting practices.

The report benefitted from significant contributions, feedback and guidance from policy makers and statisticians from both OECD countries and non-member economies, all of whom worked closely with the OECD Tourism Committee Secretariat (Alain Dupeyras, Peter Haxton, Jane Stacey, Soo Jin Kwon, Laetitia Reille and Opal Taylor) to accurately present current policies, good practices, and a wide range of statistics. The statistical component of the report has been significantly strengthened and in line with the Organisation's move to accessible, open, and free data, will be available via the OECD's statistical online platform – OECD.Stat.

Alain Dupeyras co-ordinated this year's edition of the publication. Chapter 1 was drafted by Paul Bates, external expert, with significant inputs from the secretariat. Chapter 2 and Chapter 3 build upon the previous work undertaken by the OECD Tourism Committee and were drafted by the secretariat. Part II was edited by Nancy Cockerell, external expert, and the secretariat.

Table of contents

Executive summary 11

Part I

Active policies for tourism

Chapter 1. **Tourism trends and policy priorities** 17
Tourism trends 18
Tourism policy priorities 26
References 45

Chapter 2. **Travel facilitation, tourism and growth** 47
Travel facilitation challenges 49
Country practices and policy considerations 52
Impact of travel facilitation 65
References 70

Chapter 3. **Taxation and tourism** 71
Concepts and definitions in tourism taxation 75
Inventory of tourism-related taxes, fees and charges 77
References 97

Part II

Country profiles: Tourism trends and policies

Reader's guide 101

OECD countries 107
Australia 108
Austria 117
Belgium 124
Canada 132
Chile 139
Czech Republic 144
Denmark 151
Estonia 157
Finland 164
France 171
Germany 180

Greece . . . 186
Hungary . . . 191
Iceland . . . 198
Ireland . . . 204
Israel . . . 211
Italy . . . 217
Japan . . . 222
Korea . . . 228
Luxembourg . . . 235
Mexico . . . 239
Netherlands . . . 247
New Zealand . . . 252
Norway . . . 259
Poland . . . 265
Portugal . . . 272
Slovak Republic . . . 279
Slovenia . . . 285
Spain . . . 292
Sweden . . . 300
Switzerland . . . 306
Turkey . . . 313
United Kingdom . . . 318
United States . . . 325

Non-member economies . . . 333
Argentina . . . 334
Bulgaria . . . 340
China . . . 347
Croatia . . . 352
Egypt . . . 359
Former Yugoslav Republic of Macedonia (FYROM) . . . 366
India . . . 371
Indonesia . . . 375
Latvia . . . 379
Lithuania . . . 385
Malta . . . 391
Romania . . . 397
Russian Federation . . . 403
South Africa . . . 407

Follow OECD Publications on:

http://twitter.com/OECD_Pubs

http://www.facebook.com/OECDPublications

http://www.linkedin.com/groups/OECD-Publications-4645871

http://www.youtube.com/oecdilibrary

http://www.oecd.org/oecddirect/

This book has...

StatLinks

A service that delivers Excel® files from the printed page!

Look for the *StatLinks* at the bottom of the tables or graphs in this book. To download the matching Excel® spreadsheet, just type the link into your Internet browser, starting with the *http://dx.doi.org* prefix, or click on the link from the e-book edition.

© OECD 2014

Executive summary

In OECD countries, tourism is big business, directly accounting for 4.7% of GDP, 6% of employment and 21% of exports of services.

International tourist arrivals surpassed 1 billion in 2012 and are forecast to reach 1.8 billion by 2030. OECD countries play a leading role in global tourism, accounting for around 57% of international tourist arrivals and growing by 3.6% in 2012. Growth in international arrivals to the OECD has slowed in recent years and countries are losing market share.

Major emerging tourism economies are experiencing rapid tourism growth, outperforming OECD and global averages and changing the structure of the global tourism market. China in particular is a leading growth engine and this is expected to continue in the coming years with the projected expansion of the Chinese economy.

Domestic tourism is very significant to the tourism economy and represents around 78% of tourism consumption in OECD countries. Together, domestic and international tourism are capable of supporting employment and adding local value. Active tourism policies are essential for advanced tourism economies to prosper in the global tourism economy.

OECD Tourism Trends and Policies 2014 provides an in-depth analysis of tourism trends and policy developments in 48 OECD member and partner countries. Based on a 2013 country survey, the report highlights key reforms in tourism organisation and governance. It also focuses on issues high on the national and international policy agenda, including travel and visa facilitation as well as the evolving relationship between taxation and tourism.

The role of government in tourism policy is evolving, with a greater focus on competitiveness, value for money, and sustainable growth. Tourism policy is also becoming more complex, with a wider range of policies influencing, and influenced by, tourism.

Countries are looking for ways to remain competitive and maximise the economic and other benefits of tourism growth. Governments are looking to make travel as easy and efficient as possible; the challenge is to encourage legitimate travellers while delivering on economic, security and other national policy priorities.

The global financial and economic crisis has led to increased pressure on public budgets supporting tourism development such as marketing, infrastructure and environmental protection. Tourism taxation provides governments with funding to help support public investment, but at the same time tax reductions and incentives can help stimulate tourism growth.

Tourism policy priorities

- Tourism policies and planning are becoming more country-specific and taking a longer-term view. They are also more dynamic in nature, adjusting to decreasing budgets, shifts in tourism markets and demographic change.
- Countries are reforming tourism governance to better address complex inter-ministerial challenges. There is also a move to integrate tourism more into national economic plans given its ability to create jobs, promote regional development, and generate export revenue.
- Countries are implementing new financing models and partnerships to relieve pressure on tourism budgets and encourage a higher level of co-operative or industry participation, particularly in marketing activities. They are also increasing their scrutiny of National Tourism Organisation activities, rationalising policy delivery functions and programmes, and focusing more on source markets as well as new technologies and social media.
- At the same time, there is a growing awareness of the importance of domestic tourism, its ability to provide a stable source of revenue in uncertain times, as well as more inclusive benefits through the promotion of social tourism, which is accessible to all. Many countries are taking measures to stimulate the domestic market.

Travel facilitation, tourism and growth

- G20 countries have recognised the role of travel and tourism as a vehicle for job creation, economic growth and development and have committed to work towards developing travel facilitation initiatives. In Europe, new estimates indicate that 6.6 million travellers from six key target markets were lost due to the visa regime in 2012, equating to EUR 5.5 billion in direct GDP contribution.
- Governments have implemented a variety of approaches to facilitate travel, from streamlining visa processing and changing visa requirements to introducing other forms of travel authorisation and improving border processes such as eVisa, visa on arrival, automated border processing, and trusted traveller programmes.

Taxation and tourism

- There has been a general increase in tourism-related taxes, fees, and charges in recent years, including those associated with air travel, those with an environmental focus, and incentives for investment and spending.
- The rationale for specific tourism-related taxation varies from country to country. Apart from contributing to general tax revenue and supporting public investment in tourism development, other common purposes include: cost recovery for passenger processing and environmental protection; encouraging visitor spending and job creation; and funding promotional activities.
- Many countries have introduced reduced rates of consumption tax for tourism-related activities – focusing primarily on hotels and restaurants – to boost tourism and stimulate employment in the sector, or tourist/VAT refund schemes to encourage visitor spending.

- Industry is concerned by the sheer number of levies payable by tourism operators, what they see as regular increases above inflation and the lack of a clear link with the cost of service delivery, which results in many taxes raising more than their stated objectives.
- The OECD will continue to work with countries to better understand how tourism-related taxation affects the international competitiveness and attractiveness of destinations.

Key recommendations

- Greater coherence across government policies is needed to boost tourism and economic growth. Policies such as innovation, transportation, taxation, service quality and visas influence people's desire to travel and the competitiveness of destinations.
- Governments should focus more on evaluating the tourism policies, given the widespread pressure on public finances in many countries. More detailed monitoring, evaluation and analysis, of existing taxes and incentives for example, would give policy makers the tools to implement evidence-based policies to support the long-term sustainable growth of the tourism industry.
- Governments and the tourism industry need to develop skills to keep pace with market developments. Digital and social media require a major shift in approaches to marketing, promotion and service delivery, including tailored marketing to individual consumers and learning how to communicate with digitally-aware tourists.
- Closer alignment is needed between transport and tourism policy and sustainable energy policies at national and international level, given the heavy reliance of tourism on air travel and the risks associated with climate change.
- Measures that identify and facilitate high volume, low risk legitimate travellers to move more freely and efficiently should be adopted, targeting constrained resources where they are most needed to secure borders and meet economic, security and other needs.

Active policies for tourism

PART I

Chapter 1

Tourism trends and policy priorities

This chapter covers recent trends in tourism and associated developments in government policy. It is based on OECD member and partner countries' responses to a policy and statistical survey. Recent trends in tourism are identified. The chapter outlines the economic importance of tourism and sets out the role of government in its promotion and development. The linkage between tourism performance and overall economic growth and the impact of the global economic crisis are considered. Tourism policy priorities, reforms and developments are analysed and country practices are highlighted.

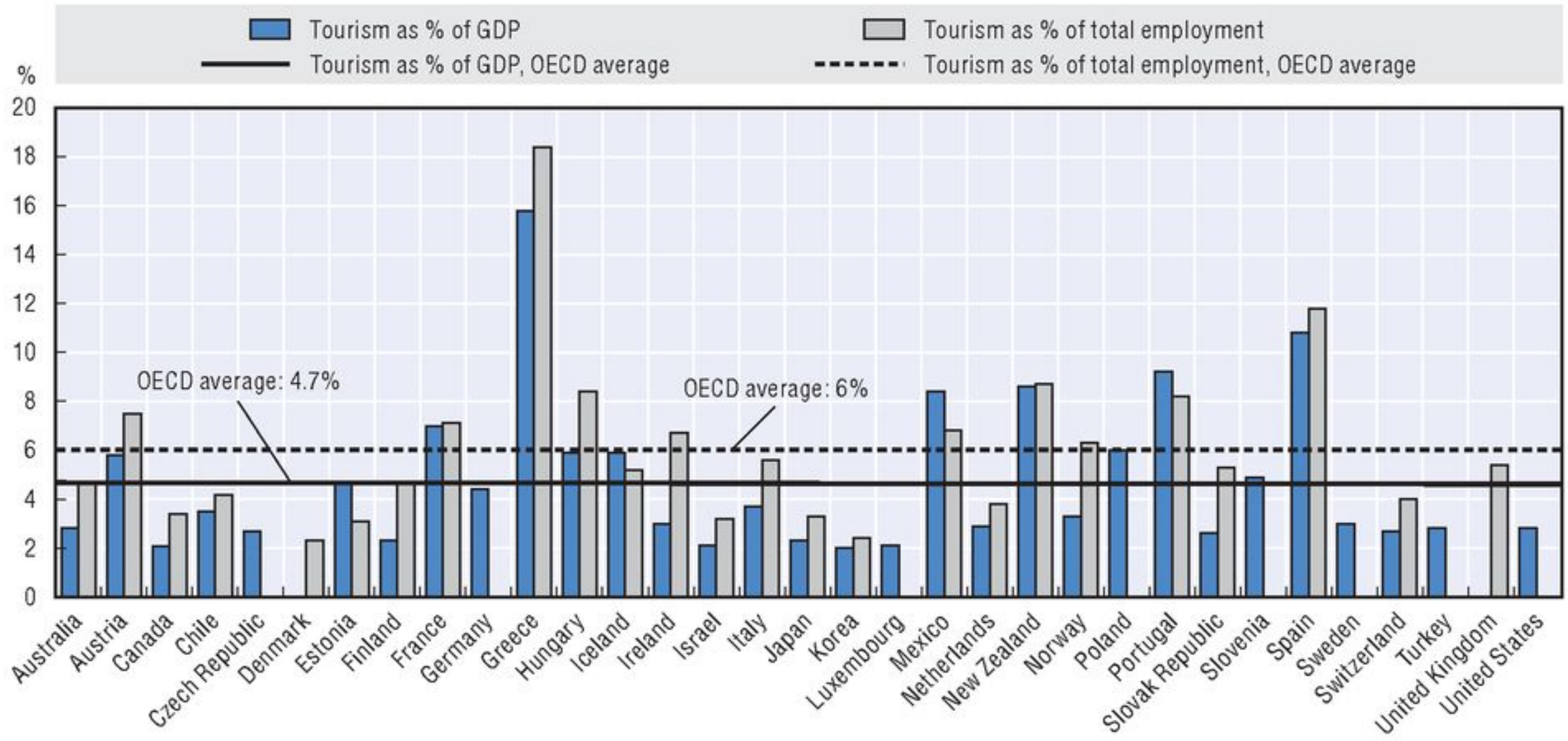
The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

Tourism trends

Tourism is a big business worldwide. Tourism is a key services export for many economies around the world and contributes to job creation and regional economic development. The latest available data shows that in OECD member countries, tourism directly contributes, on average, around 4.7% of GDP and 6% of employment (Figure 1.1) and 21% of exports of services. If we consider the total impact of tourism, including direct, indirect and induced impacts, tourism represents around 9% of GDP and employment.

Figure 1.1. **Direct contribution of tourism to OECD economies**

As percentage of GDP and employment, 2012 or latest year available



Data refer to direct and indirect impacts for Greece, New Zealand, Poland and Spain.

Source: Country data, OECD data processing.

StatLink http://dx.doi.org/10.1787/888932985618

While the number of international tourists exceeded one billion for the first time in 2012, that number is expected to increase to 1.8 billion by 2030. The World Tourism Organization (UNWTO) long-term forecast – *Tourism Towards 2030* – envisaged an annual average growth in tourism arrivals of 3.3% over the period 2010 to 2030. Actual performance up to and including 2013 suggests that this forecast remains broadly on track.

OECD member countries play a leading role in international tourism, representing 57% of global arrivals in 2012. International arrivals to the OECD area increased by 3.6%. Over the period 2008-12, the average annual growth in international arrivals to the OECD was 1.9%, below the global average of 2.8%. A breakdown of international tourist arrivals for OECD members and selected non-OECD economies is provided in Table 1.1.

Table 1.1. **International tourist arrivals, 2008-12**

	Type of indicator	2012	Average annual growth rate 2008 to 2012	Growth rate 2011 to 2012
		Thousand	%	
Australia	Visitors	6 141	2.4	4.5
Austria	Tourists	18 907	2.6	4.8
Belgium	Tourists	6 198	1.6	2.0
Canada	Tourists	16 344	-1.0	2.1
Chile	Tourists	3 554	7.0	13.3
Czech Republic	Tourists	9 452	-1.7	4.8
Denmark	Tourists	3 297	-7.5	4.7
Estonia	Tourists	2 744	7.2	3.0
Finland	Tourists	4 226	4.2	0.8
France	Tourists	83 013	1.2	1.8
Germany	Tourists	30 410	5.1	7.3
Greece	Visitors	15 518	-0.7	-5.5
Hungary	Tourists	14 878	4.1	9.2
Iceland	Visitors	673	7.6	18.9
Ireland	Tourists	6 035	-4.6	0.2
Israel	Tourists	2 886	3.0	2.3
Italy	Visitors	76 293	1.9	0.6
Japan	Visitors	8 368	0.1	34.6
Korea	Visitors	11 140	12.8	13.7
Luxembourg	Tourists	905	0.8	3.5
Mexico	Tourists	23 403	0.5	0.0
Netherlands	Visitors	11 680	3.7	3.4
New Zealand	Tourists	2 484	1.0	-1.4
Norway	..	..	..	..
Poland	Tourists	14 840	3.4	11.2
Portugal	Tourists	7 685	2.0	3.7
Slovak Republic	Tourists	1 528	-3.6	4.7
Slovenia	Tourists	2 156	2.4	5.8
Spain	Tourists	57 701	0.2	2.7
Sweden	Tourists	10 914	..	9.6
Switzerland	Tourists	8 566	-0.1	0.4
Turkey	Tourists	35 698	4.6	3.0
United Kingdom	Tourists	29 282	-0.7	-0.1
United States	Tourists	66 969	3.7	6.8
Argentina	Tourists	5 585	4.4	-2.1
Bulgaria	Tourists	6 541	3.1	3.4
China	Tourists	57 725	2.1	0.2
Croatia	Tourists	10 369	4.6	4.5
Egypt	Visitors	11 500	-2.6	17.3
Former Yugoslav Republic of Macedonia	Tourists	351	8.3	7.3
India	Tourists	6 580	5.7	4.3
Indonesia	Visitors	8 044	6.6	5.2
Latvia	Tourists	1 435	-3.9	-3.9
Lithuania	Tourists	1 900	4.2	7.0
Malta	Visitors	1 444	2.8	2.0
Romania	Tourists	1 653	3.1	9.1
Russian Federation	Visitors	28 168	4.5	13.0
South Africa[1]	Tourists	9 188	9.4	10.2
EU28			**1.5**	**2.8**
OECD			**1.9**	**3.6**
World		**1 035 000**	**2.8**	**4.1**

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 the period 2009 to 2012.
Source: Country data, UNWTO (world) and OECD data processing.

StatLink http://dx.doi.org/10.1787/888932985656

International tourism receipts hit a new record in 2012, reaching an estimated USD 1 078 billion – up 4% in real terms from 2011 (UNWTO). In 2012, OECD countries accounted for approximately 59% of world travel receipts and 54% of world travel expenditure. Table 1.2 provides a summary of international travel receipts, expenditure, and balance for OECD members and selected non-OECD economies.

Hotel capacity in the OECD area has risen on average by 2.7% between 2008 and 2012 (Table 1.3). The growth has been particularly strong in Japan, Poland, Turkey and Chile. Over the same period, capacity very slightly decreased (less than 0.5%) in Australia, Ireland, Israel and New Zealand.

Tourism demand closely tracks economic conditions. When economies grow, levels of disposable income also increase, resulting in higher spending on travel and tourism. The global economic crisis since 2007 has impacted heavily on tourism. Apart from depressing overall tourism demand, the crisis has shifted tourism flows with less long haul travel from major European source markets and an international trend for more holidays to be taken closer to home. Changes in the relative value of major currencies have taken place, impacting in turn on the relative competitiveness of destinations. For many tourism consumers, fewer holidays are being taken because of less discretionary spending and there is also a greater emphasis on value for money. For tourism producers, there are pressures on profit margins, a greater emphasis on reducing costs and an incentive to embrace new technologies and innovation to gain market advantage.

Unemployment in the Euro area exceeded 12% in October 2013, with the number of people out of work rising above 19 million. Government austerity programmes across Europe have contributed to economic hardship and provoked widespread public discontent, especially with more than half of young people without jobs in Greece and Spain. However, various economic indicators signal improvements in growth in major OECD economies (OECD, November 2013).

Despite the impact of the global economic, financial and social crisis and other external shocks (including adverse weather, natural disasters, political turmoil and rising oil prices), the tourism industry continues to prove its resilience by sustaining moderate growth levels over the period 2011-13. Tourism is adjusting to the changing market and economic conditions in different parts of the world.

Tourism growth continues to be stronger in the emerging economies in the East and the South compared to the advanced economies that are mainly represented by OECD member countries. The trends in 2012 underline this development, with growth in arrivals in Asia/Pacific of 7% compared to 3% in Europe.

Significant shifts in inbound/outbound markets and market share are expected over the period 2010-30. The share of international arrivals to the emerging economies will surpass that to the advanced ones. The rate of average annual growth of arrivals to emerging economies is forecast to be 4.4% – double the rate for the advanced economies (UNWTO). South Asia will be the fastest growing region and North East Asia the fastest growing sub-region, while North America will be the slowest. Already figures for 2012 show China in third place with the Russian Federation and Malaysia in ninth and tenth place in the top ten arrival markets.

In the case of outbound tourism, average annual growth in trips over the period to 2030 will be 17 million for Asia Pacific, 16 million for Europe, 5 million for the Americas, 3 million for Africa and 2 million for the Middle East. UNWTO analysis for 2012 shows

Table 1.2. **International travel receipts and expenditure, 2011-12**

Million USD

	Travel receipts		Travel expenditure		Travel balance	
	2011	2012	2011	2012	2011	2012
Australia	31 486	31 546	26 719	27 493	4 767	4 053
Austria	19 833	18 895	10 469	10 054	9 364	8 841
Belgium	13 096	13 013	20 507	20 189	-7 411	-7 176
Canada	16 800	17 402	33 323	35 058	-16 523	-17 656
Chile	1 875	2 139	1 651	1 821	224	318
Czech Republic	7 671	7 039	4 553	4 297	3 118	2 742
Denmark	6 344	6 129	10 005	9 600	-3 662	-3 471
Estonia	1 247	1 226	805	795	443	430
Finland	3 816	4 140	4 868	4 803	-1 052	-663
France	54 678	53 553	44 844	39 067	9 834	14 486
Germany	38 785	38 160	85 771	83 388	-46 987	-45 227
Greece	14 603	13 419	3 150	2 369	11 453	11 050
Hungary	5 629	4 841	2 485	1 968	3 144	2 872
Iceland	748	845	741	782	8	64
Ireland	3 981	3 697	7 423	6 758	-3 441	-3 061
Israel	5 304	5 493	3 838	3 752	1 467	1 740
Italy	42 943	41 188	28 613	26 355	14 330	14 832
Japan	11 277	15 039	27 191	28 074	-15 913	-13 034
Korea	12 525	14 231	19 934	20 101	-7 408	-5 870
Luxembourg	4 464	4 606	3 717	3 707	747	899
Mexico	11 869	12 739	7 832	8 449	4 037	4 291
Netherlands	14 352	13 735	20 603	20 077	-6 251	-6 341
New Zealand	5 579	5 394	3 442	3 715	2 137	1 680
Norway	5 232	5 359	16 074	16 867	-10 841	-11 508
Poland	10 683	10 938	8 462	8 758	2 221	2 180
Portugal	11 324	11 058	4 134	3 785	7 190	7 272
Slovak Republic	2 426	2 299	2 178	2 160	247	139
Slovenia	2 746	2 685	1 135	943	1 610	1 742
Spain	59 812	55 642	17 167	15 304	42 645	40 338
Sweden	10 421	10 363	15 264	15 478	-4 843	-5 114
Switzerland	17 100	15 979	13 657	13 802	3 443	2 177
Turkey	25 054	25 653	4 883	4 094	20 171	21 559
United Kingdom	35 069	36 613	50 998	51 473	-15 929	-14 860
United States	115 552	126 214	78 229	83 451	37 323	42 763
Argentina	5 212	4 732	5 352	5 713	-141	-981
Bulgaria	3 691	3 774	1 240	1 314	2 451	2 460
China	48 464	50 028	72 585	101 977	-24 121	-51 949
Croatia	8 454	8 979	808	947	7 646	8 031
Egypt	10 441	9 046	2 083	2 399	8 358	6 647
Former Yugoslav Republic of Macedonia	240	234	113	111	127	122
India	17 708	17 972	13 699	12 342	4 008	5 630
Indonesia	8 554	9 121	6 308	7 173	2 246	1 948
Latvia	698	722	740	674	-42	48
Lithuania	1 220	1 361	797	901	423	460
Malta	1 266	1 271	332	340	934	930
Romania	1 417	1 467	1 957	1 833	-541	-366
Russian Federation	11 328	10 759	32 902	42 798	-21 575	-32 039
South Africa	9 515	9 996	5 283	4 069	4 232	5 927
EU28	**383 263**	**373 388**	**354 327**	**338 611**		
OECD	**624 325**	**631 272**	**584 664**	**578 785**		
World	**1 041 000**	**1 078 000**	**1 041 000**	**1 078 000**		

For more information, please see the country profiles.

The conversion from national currency to US dollars has been calculated using IMF annual average exchange rates for the corresponding year.

Source: Country and IMF data, OECD data processing.

StatLink http://dx.doi.org/10.1787/888932985675

Table 1.3. **Hotel capacity and occupancy, 2008-12 or latest available**

	Units	Capacity per 1 000 inhabitants	Total capacity available	Average annual growth rate	Annual growth rate	Hotel occupancy rate
		2012	2012	2008 to 2012	2011 to 2012	2012
				%		%
Australia	Bed places	27.4	632 452	-0.2	-0.3	42.3
Austria	Bed places	70.3	594 841	0.6	0.1	39.2
Belgium	Bed places	15.9	175 478	0.7	0.5	..
Chile	Bed places	10.1	175 613	5.0	12.1	28.3
Czech Republic	Bed places	25.5	271 427	1.3	3.7	35.8
Denmark	Bed places	15.5	86 619	4.4	1.5	40.0
Estonia	Bed places	24.5	31 590	1.5	0.8	45.1
Finland	Bed places	22.9	123 979	1.0	1.5	40.0
France	Bed places	19.4	1 238 644	0.3	0.8	60.3
Germany	Bed places	22.0	1 817 567	1.1	0.2	39.9
Greece	Bed places	69.3	771 271	1.9	1.0	48.3
Hungary	Bed places	17.1	170 592	2.5	0.1	30.8
Iceland	Bed places	65.3	21 032	3.0	5.6	37.6
Ireland	Bed places	36.9	166 961	-0.3	10.0	42.0
Israel	Bed places	16.6	126 608	-0.3	0.2	54.5
Italy	Bed places	37.1	2 252 636	0.8	0.0	40.2
Japan	Bed places	26.0	3 307 957	15.2	-0.7	36.4
Korea	Rooms	..	77 045	3.4	2.9	65.2
Luxembourg	Bed places	27.9	14 629	0.5	-4.4	29.9
Mexico	Bed places	10.9	1 321 092	2.3	1.4	53.2
Netherlands	Bed places	13.0	216 824	2.2	1.4	45.5
New Zealand	Rooms	..	87 695	-0.5	1.0	48.9
Norway	Bed places	37.4	186 675	4.4	4.8	35.4
Poland	Bed places	6.7	256 869	6.9	5.2	33.0
Portugal	Bed places	27.9	296 321	2.0	2.5	39.5
Slovak Republic	Bed places	22.0	119 630	2.3	9.1	26.8
Slovenia	Bed places	23.8	49 291	0.5	0.0	42.6
Spain	Bed places	39.3	1 838 958	2.2	0.3	52.1
Sweden	Bed places	24.0	228 387	1.2	1.4	38.0
Switzerland	Bed places	33.9	271 168	0.1	-1.0	40.8
Turkey	Bed places	9.1	667 379	5.8	7.7	51.5
United Kingdom	Bed places	22.6	1 410 580	4.4	-0.4	48.0
United States	Rooms	..	4 900 642	1.5	0.5	61.4
Argentina	Bed places	14.8	608 217	3.0	1.0	32.3
Bulgaria	Bed places	35.9	261 159	2.2	8.1	37.8
China	Bed places	1.9	2 677 400	-2.3	3.5	59.5
Croatia	Bed places	36.4	156 792	-1.0	1.3	37.3
Egypt	Bed places	5.1	412 108	-0.6	-1.5	40.0
Former Yugoslav Republic of Macedonia	Bed places	7.1	14 864	8.0	6.6	17.8
India	Bed places	0.2	257 542	16.4	38.8	55.3
Indonesia	Bed places	2.5	627 754	4.6	7.5	62.7
Latvia	Bed places	13.1	27 067	4.8	-1.2	24.6
Lithuania	Bed places	8.6	26 114	5.8	7.5	28.1
Malta	Bed places	89.9	38 325	-0.5	-2.1	56.1
Romania	Bed places	12.4	270 172	3.4	8.7	27.1
Russian Federation	Bed places	4.0	573 300	7.1	14.4	31.0
South Africa	Rooms	..	70 900	1.2	0.6	47.3
EU28	**Bed places**	**30.5**	**12 995 613**	**1.5**	**0.8**	
OECD	**Bed places**	**27.3**	**28 973 833**	**2.7**	**0.5**	

For the total, one room counts for two bed places.
All data for Iceland, Ireland, Italy, Korea, Poland, Turkey, the United Kingdom, Latvia, Lithuania and Malta refers to 2011, and for India and the Russian Federation to 2010.
Occupancy rate data for Greece, Hungary, Romania and South Africa refers to 2011, for Latvia and Lithuania to 2010, and for India to 2008.
Occupancy rate data for France, Mexico, China and Egypt refers to rooms, and for the United States to bed-places.
Source: World Tourism Organization, OECD data processing.

StatLink http://dx.doi.org/10.1787/888932985694

China in first place for outbound tourism with revenues of USD 102 billion – a spectacular increase of 37% on 2011 – boosted by rising disposable incomes, a relaxation in restrictions on foreign travel and an appreciating currency. Chinese spending on tourism is now eight times what it was 12 years ago, with a move away from group to independent travel. The Russian Federation is now the fifth most important source market for outbound tourism in revenue terms. In the case of India, outbound visits are expected to grow to 20 million by 2015, up from 8 million in 2006.

The trend is towards shorter trips, either domestic in nature or closer to home and a search for more authentic experiences. Travellers are also getting older with the number aged over 55 now at 23%. Holidays remain by far the main reason for taking an international trip (71%) ahead of business travel and visiting friends and relatives (IPK). More people are flying rather than using their car or other means of transport.

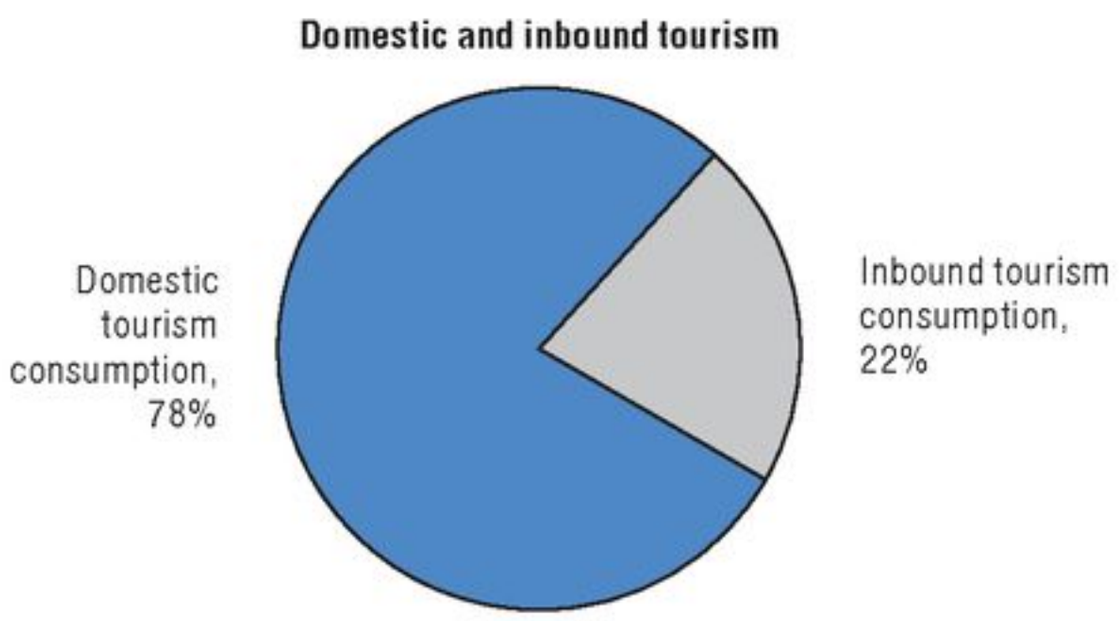
Domestic tourism is very significant to many OECD members. Data for 2012 or the latest available year indicated that domestic tourism represents 78% of internal tourism consumption, and inbound tourism 22% (Figure 1.2). Table 1.4 provides an analysis of internal (domestic and inbound) tourism consumption for selected OECD and non-member economies. In six OECD countries, namely Canada, Germany, Japan, Mexico, the United Kingdom and the United States, domestic tourism consumption represents more than 80% of internal consumption. Considering the main products and services consumed by tourism demand (domestic and inbound), passenger transport represents the largest group (23%), followed by accommodation and food and beverage (17% each), and culture sports and recreation (7%).

Demographic change is one of the external factors that will shape tourism demand and development in the medium to longer-term. The world population is estimated to increase from 6.9 billion in 2009 to 8.3 billion in 2030. However this growth will not be evenly spread. The European population is forecast to reduce by 1% and will include a greater proportion of people aged over 50. Asia will see a growth rate of 18% driven by China and India – each estimated to represent just under 20% of the world's population. The Americas will see a population growth rate of 17% driven by South America.

The propensity for international travel is estimated to increase from a rate of 11.5 to 20 per 100 people by 2030 with life expectancy continuing to rise worldwide (IPK). An older cohort of international travellers is likely to impact on holiday taking, affecting patterns of

Figure 1.2. **Internal tourism consumption**

By type of tourism and product, OECD average



Source: Country data, OECD data processing.

StatLink http://dx.doi.org/10.1787/888932985637

Table 1.4. **Internal tourism consumption, 2012 or latest year available**

	Reference year	Internal tourism consumption (ITC)	Domestic tourism consumption	Inbound tourism consumption
		Million USD, current prices	As % of ITC	
Australia	2012	110 325	76	24
Austria	2012	40 657	47	53
Belgium	..	..	..	..
Canada	2012	81 815	80	20
Chile	..	..	..	..
Czech Republic	2011	11 793	45	55
Denmark	2011	15 357	59	41
Estonia	2009	1 888	12	88
Finland	2012	19 228	71	29
France	2012	191 503	66	34
Germany	2010	341 520	86	14
Greece	..	..	..	..
Hungary	2008	6 703	37	63
Iceland	..	..	..	..
Ireland	2007	9 278	46	54
Israel	2012	9 574	50	50
Italy	..	..	..	..
Japan	2011	269 438	95	5
Korea	..	..	..	..
Luxembourg	..	..	..	..
Mexico	2011	129 359	88	12
Netherlands	2010	41 578	77	23
New Zealand	2012	18 961	59	41
Norway	2009	16 788	71	29
Poland	2010	7 312	39	61
Portugal	2008	21 933	41	59
Slovak Republic	2008	4 716	46	54
Slovenia	2009	4 532	36	64
Spain	2008	177 081	51	49
Sweden	2012	40 649	61	39
Switzerland	2008	33 654	57	43
Turkey	..	..	..	..
United Kingdom	2011	199 965	83	17
United States	2011	872 366	83	17
OECD average			**78**	**22**
Argentina	..	..	..	..
Bulgaria	..	..	..	..
China	..	..	..	..
Croatia	2012	10 650	16	84
Egypt	2011	14 748	17	83
Former Yugoslav Republic of Macedonia	..	..	..	..
India	..	..	..	..
Indonesia	2011	27 189	67	33
Latvia	..	..	..	..
Lithuania	2010	1 865	48	52
Malta	..	..	..	..
Romania	2007	7 700	77	24
Russian Federation	..	..	..	..
South Africa	2011	23 832	59	41

For more information, please see the country profiles.
The conversion from national currency to US dollars has been calculated using IMF annual average exchange rates for the corresponding year.
Source: National Tourism Satellite Account, OECD data processing.

StatLink http://dx.doi.org/10.1787/888932985713

travel, including frequency, length of stay and demand for products. This will, in turn, impact on communications strategies by National Tourism Organisations (NTO) and private companies. Older people are likely to be more resistant to marketing that is specifically targeted to their age and more likely to be receptive to communications that are not age dependent. There will also be an increase in intergenerational travel with the emergence of the "vertical" family (i.e. a family with more tiers – grandparents and great grandparents – but fewer people in each generation) and an associated demand for new, customised tourism offerings.

Transport developments impact on patterns of air access. Air travel remains the principal means of transport for international tourists. The aviation sector is cyclical in nature and, traditionally, civil aviation was regarded as inherently loss-making and requiring government subsidy. The low cost airline model has changed that worldwide, enabling carriers that successfully embrace the model to make profits consistently over a long number of years.

The significant rise in oil prices over the past five years has impacted heavily on the transport sector and is associated with a consolidation of airlines and air services. This includes consolidation among long-haul carriers that often have their origins in traditional flag carriers and also among short-haul carriers or the short-haul components of traditional flag carriers. Other pressures on air access include the impact of the worldwide recession on the propensity to travel by air, airport charges, government travel taxes and security and other measures that make air travel a less attractive proposition. To compensate for rising costs and a relative softening of demand, airlines seek to keep load factors high and extract maximum ancillary revenues from passengers while keeping the base ticket price as low as possible.

On long-haul routes, new players are entering the market place and expanding their range of services and destinations to serve new source and destination markets. Long-haul service providers are refocusing their proposition on the quality of their product offering and good onward connectivity to other destinations. Many are exiting short-haul routes or hiving them off into separate enterprises. On short-haul routes, successful low cost carriers are showing flexibility in adapting their route network rapidly to where opportunities are greatest, both to open up new markets and capture traffic available as a result of the failure of other airlines or their departure from a route.

The past three decades have seen air travel increase at an annual average rate of 5.2% compared with 3.4% for land/sea. By 2030, 52% of all travel will be by air. The impact of climate change will continue to exert pressure in the medium-term for more sustainable transport, with pressure for reduction in carbon emissions focused on air travel in particular. However experience in the operation of the EU carbon credits system suggests that unilateral action is difficult to successfully implement. This, in turn, is putting pressure on airlines, aircraft manufacturers and national and international air regulatory bodies to deliver greater fuel efficiency in design and service operation.

Visitors are demanding more individual and authentic experiences and are relying more heavily on technology to plan and enhance their trips. In general, consumers are continuing to focus on their personal financial circumstances, remaining very conscious of prices and value for money. The image and stability of destinations remains of critical importance.

Digital technologies and social media are impacting on tourism in significant and sometimes unanticipated ways. The Internet has clearly established itself as the main platform to buy travel, accounting for 54% of bookings – well ahead of travel agencies, which have slipped back to 24% (IPK). More widespread access to the Internet across the globe has shifted the balance of power from the providers of tourism services to consumers and facilitated a move to self-guided holidays and independent travel, even in more remote tourist regions.

Consumers have access to a wide range of information sources when choosing a holiday destination or an accommodation or service provider. The perception of "trusted sources" of information has shifted from NTOs and service providers to networks of self-appointed and often anonymous reviewers. People are relying more on personal information and recommendations from commercial and social media and are using mobile technology to access information, products and services before and during their trips.

In the coming decade it is anticipated that there will be significant improvements in access to cheap high speed Internet, even in the more remote areas of emerging economies. This opens up possibilities for the creation of sophisticated mobile device applications to access information on the move. In general, the trend is away from using desktop and laptop computers towards increasingly sophisticated smart phone and tablet devices. These serve as a social media communications platform, camera, real time provider of feedback and up to date information on tourism destinations, products and services and a convenient means of downloading travel information.

At a sectoral level, the cruise industry continues to prosper although profit margins are under pressure from pricing mark-downs, fuel costs and declining on board spend. Adventure travel is also a growing niche market, both in soft as well as hard adventure, as part of a trend towards self-discovery and authentic travelling experiences. Medical tourism is on the rise as well, with estimates of a market value between USD 40 and USD 60 billion and annual growth rates of up to 20% (IPK).

Having regard to the general trends outlined above, the context for tourism policy is an evolving one, affected as it is by a wide range of developments. This requires governments to review and make adjustments to their policies and plans so that they continue to be relevant and effective in supporting growth and competitiveness.

Tourism policy priorities

Most governments are developing active and innovative policies to improve competitiveness and support the sustainable development of tourism. In Chapter 1 of *OECD Tourism Trends and Policies 2012*, the rationale for tourism policy was set out in the context of the fragmented nature of the sector, requiring co-ordination of government actions at the national and sub-national level, as well as linkage with private sector businesses that both compete and co-operate with one another. Government actions impact on tourism in a variety of areas. These include:

- Providing infrastructure.
- Controlling or managing tourism attractions such as national parks, forests and heritage and cultural centres.
- Regulating markets such as aviation.
- Setting quality, training and environmental standards.

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

- Ensuring border security and developing visa policy.
- Stimulating tourism growth and investment.

In many countries, the full competence for tourism does not lie with central government as there is a significant role to be played in tourism governance at a sub-national or provincial/state level.

Governments at a national, regional and local level play an important role in the delivery of the tourism product. Spheres of involvement include promotion, marketing and helping to develop transport services. They also include stimulating emerging niche markets as well as supporting SMEs in financing, human resource development and the use of technologies. A "whole of government" approach is increasingly seen as an essential component of a supportive government framework, including when dealing with the impact of crises and disasters affecting the industry.

As the tourism industry in a country develops and matures, so too does the nature of effective policy intervention. Historically a common pattern for government in the early development stage involves broad responsibilities for planning and promoting tourism and, in some cases, operating commercial businesses. Later, as the industry matures, government intervention is most likely to involve action in co-ordination at national and sub-national level. As a country develops its tourism industry, the policy focus shifts from maximising visitor numbers and receipts, to the creation of conditions for competitive tourism businesses and regions. This change has meant that today, in advanced OECD country destinations, government policy tends to focus more on creating the competitive environment for sustainable development as part of an overall planning and policy function, rather than active engagement in the tourism sector (Box 1.1).

Box 1.1. **Government roles in tourism policy**

- Setting national tourism policy.
- Determining and allocating the tourism budget.
- Setting an appropriate legislative framework.
- Overseeing the administrative structures for policy delivery.
- Assessing and influencing wider government policies impacting on tourism.
- Putting in place appropriate research, statistical and evaluation programmes.

Governance and strategic direction

Most countries have multi-annual tourism policies and plans in place to develop the tourism sector and to give direction and focus to government policy at national and sub-national level. Perhaps not surprisingly, there is remarkable continuity in the content and areas of policy attention across countries, with a common emphasis on marketing, product development and investment, workforce training, quality and innovation and a more integrated approach across government.

Since 2010, many tourism policies and plans have either been updated or re-oriented (Australia, France) or new plans have been developed (Austria, Canada, Chile, Croatia, the Czech Republic, Estonia, Italy, Japan [Box 1.2], Malta, Mexico, Norway, Portugal, the Slovak Republic, Spain, Switzerland, the United Kingdom, the United States [Box 1.3]) to take account of changes in the industry marketplace or to reflect new government priorities.

Box 1.2. **Action programme to position Japan as a tourism destination**

As one of the "three arrows" – three core policies to revitalise Japan's economy – the government of Japan launched a new growth strategy "Japan Revitalization Strategy" in June 2013. The growth strategy acknowledges tourism as one of the major policy areas to stimulate economic growth, and sets the goal of generating JPY 4.7 trillion in consumption and 1 million in employment through tourism by 2030.

In June 2013, the Ministerial Council on Tourism hosted by the Prime Minister decided on a new tourism strategy "Action Programme towards the Realisation of Japan as a Tourism-oriented Country". The tourism strategy emphasises the need for a "whole of government" approach to achieve the goals, and identifies four priority policy areas to be addressed:

- Develop and market "Japan Brand":
  - Integrated government action to promote Japan Brand as a destination.
- Travel facilitation:
  - Visa requirements for Association of Southeast Asian Nations (ASEAN) relaxed in July 2013.
  - Improvement of air access.
- Improvement of standards for welcoming tourists:
  - Immigration and emigration procedures.
  - Transportation access through integration of tourism and transport policies.
  - Foreign language signs and wi-fi connection.
- Promotion of meetings, incentives, conferences and exhibitions (MICE).

Box 1.3. **United States National Travel and Tourism Strategy**

President Obama issued an Executive Order on travel and tourism in January 2012 that called for a Task Force on Travel and Competitiveness, chaired by the Secretary of Commerce and the Secretary of the Interior, and charged the Task Force with developing a National Travel and Tourism Strategy. The National Strategy sets an ambitious but achievable goal of increasing American jobs by attracting and welcoming 100 million international visitors, who are estimated to spend USD 250 billion annually by the end of 2021. The Strategy also encourages Americans to travel within the United States and its territories to see all that the US has to offer.

To meet these goals, and to ensure that the United States is creating conditions for growth, the Task Force identified five key areas for the United States to address:

- Promoting the United States as never before.
- Enabling and enhancing travel and tourism to and within the United States.
- Providing a world class customer service and visitor experience.
- Co-ordinating across government.
- Conducting research and measuring results.

The National Strategy is being implemented through the Tourism Policy Council, the interagency forum established by law to co-ordinate federal policies and programmes related to travel and tourism.

The improvement of the competitiveness of the destination in the global market is a main driver in many countries' tourism strategies. Key areas of competitiveness such as tourism prices, visa policy rules or tourism regulations are addressed with a view to increasing the attractiveness of the destination for consumers, and to lifting the burden on tourism enterprises and enabling markets to function more effectively.

In April 2013, OECD countries adopted a set of "Indicators for Measuring Competitiveness in Tourism". This work aims to guide governments in their analysis of tourism competitiveness over time and to advise them in their policy choices.

According to the World Economic Forum *Travel and Tourism Competitiveness Report*, OECD countries constitute 18 of the Top 20 ranked countries in terms of competitiveness. The 2013 Report highlights the potential of the travel and tourism industry to boost economic resilience and job creation, but warns that environmental sustainability remains a key concern for the future. Initiatives such as smart visa policies are seen as critical for the industry to maintain growth momentum.

The general similarity in the approaches being adopted across countries, and the measures contained in their tourism policies and plans, are noteworthy. This raises issues as to how dynamic, robust and fit-for-purpose such approaches are in light of the rapidly changing environment in terms of markets, demography, consumer needs, advances in technology and constrained tourism budgets.

A whole of government approach is necessary. Tourism as an area of government policy is subject to an unusual level of change in departmental/ministry configuration and in the period covered by this report there has been further evidence of realignment of departmental/ministerial responsibility for tourism and its closer integration into national economic plans.

Increasingly, the tourism portfolio is being consolidated in economics ministries, although in other cases it is grouped with transport, culture or sport. In Greece and in Malta, a separate Ministry of Tourism was established in 2012 whereas in Denmark policy functions have reverted to the Ministry of Business and Growth from Visit Denmark. Innovation has been identified as a priority in policy development, perhaps best reflected in the incorporation of the tourism portfolio in the new Ministry of Business, Innovation and Employment in New Zealand and the new Ministry of Industries and Innovation in Iceland.

Over the past few years, there have been many examples where tourism has been more closely integrated into national economic plans (Australia, Ireland, Japan, Mexico [Box 1.4], the Netherlands, New Zealand, Spain) with a growing recognition of its potential contribution to job creation, regional development and foreign revenue earnings. Australia has identified tourism as one of four government priorities for foreign investment attraction (*www.tourisminvestment.com.au*).

In some countries, there has been an integration of national marketing agencies across economic areas such as trade, tourism and enterprise (Iceland, the Netherlands, Slovenia) in order to optimise the value and impact of all international marketing activity.

The complexity of institutional structures in place in many countries to implement tourism policy, while understandable given the number of stakeholders involved, is very striking. This raises issues as to the level of commitment to rationalising such structures to promote maximum policy coherence and effectiveness.

Box 1.4. **Mexican government tourism cabinet**

The President of Mexico has acknowledged that tourism is one of the economic activities with the greatest potential for growth in the coming years with significant capacity to generate development and employment. Mexico's National Tourism Policy is cross-governmental, aligning all levels of government as well as actions and budgets of federal agencies that impact on the sector. To co-ordinate these efforts, the President has created a Tourism Cabinet, chaired by him, including sectoral stakeholders in order to incorporate visions from the private and public sectors in the development of national policy.

The Tourism Cabinet serves as an instrument for public policy planning. It is a co-ordination mechanism for government to increase management capability and to facilitate the implementation of tourism sector priorities.

In order to achieve its objectives, eight working groups discuss and prepare policy recommendations on the following topics: planning and institutional co-ordination; connectivity and infrastructure; registration, quality and certification of tourism services; investment facilitation and financing; travel facilitation; effective promotion; comprehensive security for tourism, and innovation, competitiveness and tourism product development.

The Tourism Cabinet comprises the Ministers of the Interior; Foreign Affairs; Finance; Environment and Natural Resources; Economy; Communications and Transport; Agriculture, Urban and Rural Development; the Federal Executive Counsel and the Chief of the Presidential Office. The Ministry of Tourism heads its secretariat. In addition, more than twelve government agencies participate in the working groups.

The Tourism Cabinet will drive an ambitious agenda of cross-cutting projects that not only will result in the attraction of more tourists but will also increase the economic return of the sector, reaffirming tourism as a driver of sustainable growth.

Source: www.sectur.gob.mx.

Budgetary pressures on national and regional governments in many countries – in particular in Europe – arising from the global economic crisis, have resulted in reduced tourism budgets in many cases. Cuts have been made in core tourism budgets, for example in Croatia, Ireland, Israel, the Netherlands, Romania, Slovenia, Spain and the United Kingdom. These budgetary pressures have also led to greater emphasis on accountability and performance evaluation.

New models for tourism marketing are being sought that relieve pressure on government funding and encourage a higher level of co-operative or industry participation. This has led in turn to new financial models for marketing and greater scrutiny of the functions and programme activities of NTOs, together with a rationalisation of policy delivery functions and programmes (Denmark, Ireland, the United Kingdom) with fewer bodies and reduced functions in areas such as industry regulation. In addition, more effective use of new technologies is being exploited within national tourism policy frameworks.

The pace and extent of adjustment required within NTOs to address current challenges in terms of reduced budgets, market shifts and technological change remains a concern given the risk of institutional inertia and a continuation of "business as usual". While there is evidence of awareness of the impact of social media and technology on consumer behaviour, there is limited indication of innovative approaches being adopted by NTOs to address these developments. To accommodate such trends, the role of the NTO must be a constantly self-critical and evolving one.

In marketing, there are some long-standing examples of successful public-private arrangements (Austria, Canada, Sweden). For example in Sweden, the budget of Visit Sweden is financed on a 50/50 basis by industry while 25% of the Austrian National Tourism Organisation is funded by the Chambers of Commerce. These arrangements are being extended to other countries (Croatia, Iceland, the United Kingdom, the United States). Other examples of public-private partnerships are emerging in the area of investment in tourism product (Austria, the Slovak Republic). However, other countries have been less successful in entering such partnerships due to the lack of strong industry structures and the high number of SMEs in the sector. Relatively few successful models for co-operative marketing programmes between government and industry have been identified. This raises concerns about the commitment and enthusiasm on both sides to come up with mutually acceptable and workable models.

Some countries have moved to minimise the impact of cuts on marketing activities through a tighter focus on target source markets or niches (France, Poland, Spain), through the establishment of co-operative campaigns with industry (Austria, Spain, Sweden, the United Kingdom) or through greater use of new technological media. In other countries, funding requirements have been supplemented by receipts from tourism-related taxes (Australia, Croatia, the United States) or through the use of EU Structural Funds in the case of newer Central and Eastern European Union member states.

As the tourism industry matures and consumer protection laws become more widespread, the case for traditional heavy forms of regulation of tourism services becomes less persuasive in many countries. Moreover the impact of social media and new technologies means that consumers have access to readily available information and comment on major tourism consumables such as accommodation, dining and attractions. This has led to many countries engaging in a process of reviewing regulation relating to tourism services and activities.

In recent years, several countries have accelerated deregulation programmes (Belgium Flanders, Greece [Box 1.5], Israel, the Netherlands, Spain, the United Kingdom) – in particular relating to travel agents, guides and classification of accommodation. In the Netherlands, the United Kingdom and some other countries, deregulation is being pursued as an integral part of overall enterprise policy designed to reduce the regulatory burden on industry. In Australia, regulatory reform has been pursued jointly by the Commonwealth, states and territories to address regulatory impediments to investment in the supply of short-term accommodation and other tourism products in capital city and regional areas.

Tax reductions can help to stimulate tourism growth. Taxation is an instrument of government policy that impacts on tourism and is discussed in greater detail in Chapter 3. Developments in taxation in recent years include VAT reductions and tax refund programmes to help stimulate tourism growth, the allocation of revenues from certain taxes to underpin tourism budgets and controversy surrounding the impact of travel taxes. There was a high profile VAT reduction on restaurants by France some years ago. More recently, significant VAT reductions were applied to certain tourism services in Hungary, Ireland and Sweden and are considered further in Chapter 3. In the case of Korea, commencing in 2014, foreign visitors who pay hotel charges themselves, will be reimbursed for the 10% VAT charged on room stays. Receipts from room taxes, passenger movement charges (Australia, the United States) and gambling taxes (Portugal) are being used to underpin tourism budgets in certain countries. In other countries (Germany, Spain,

Box 1.5. **Development of an updated institutional legal framework for Greek tourism**

One of the four principles of the Greek National Tourism Strategy is the development of an updated institutional and legal framework for tourism services. In 2012 there has been a series of legislative regulations to bring this about including:

- Recognition of thermal springs and the licensing of thalassotherapy and therapeutic centres.
- Establishment of Greek National Tourism Organization (GNTO) Special Service for Promoting and Licensing Tourism Enterprises, a "one-stop-shop" service for tourism investments.
- Simplification of the licensing procedure for tourism enterprises.
- Introduction of a new form of integrated tourism investment, the Complex Tourism Accommodation, which includes 4 or 5* hotel accommodation, special tourism infrastructure (conference centres, golf courses, spas, etc.) and tourist residences (villas).
- Liberalisation of the tourist guide profession.
- Simplification of procedures and the abolition of limitations concerning the operation of travel agencies and rent-a-car agencies.

the United Kingdom) controversy has surrounded the imposition and levels of air travel taxes, leading to charges by the airlines and tourism industry representative bodies of adverse damage to inbound tourism flows.

Effectiveness of policy interventions and delivery structures

Some countries are developing more sophisticated measures to assess tourism spend. Pressure on tourism budgets and public intervention measures worldwide has placed a greater emphasis on policy evaluation and impact assessment. There are moves, both at a national level and internationally, to develop more sophisticated performance measures for tourism spending and to move away from simple indicators such as tourism numbers, revenues and bed nights. The objective is to allow a more robust monitoring of tourism policies and plans over time.

Developing effective evaluation models is still a work in progress in many countries, given the difficulties in assessing tourism impact, because it is influenced by so many external factors. The challenges involved in evaluating the effectiveness of marketing spend, in particular, are well known, although market share analysis, brand awareness tracking and *ex ante* market and consumer surveys are increasingly being used. A number of countries (Australia [Box 1.6], Finland [Box 1.7], Japan, Spain, the United States) are taking measures to improve the flow of data and statistics on tourism at national and sub-national level and to enhance measures of effectiveness.

OECD work on the *Evaluation of Tourism Policies and Programmes* reviews evaluation initiatives and provides a basis for future approaches to evaluation of tourism policies and programmes to be conducted in a way that allows greater comparability across different measures and builds a body of practices and evidence to develop capacity and capabilities in each country.

Box 1.6. **Australian Tourism Scoreboard**

The annual *State of the Industry Report*, published by Tourism Research Australia, on behalf of the government, includes a Tourism Scorecard and an overview of the performance of the Australian tourism industry compared to the previous year. The 2013 Scorecard has been further refined from earlier editions, in tracking progress against the specific international and domestic demand-side growth targets as outlined in the Tourism 2020 policy. It also includes supply-side indicators for international and domestic aviation capacity, accommodation room supply and the number of jobs in tourism.

Box 1.7. **Indicators to measure the efficiency of the Finnish Tourist Board**

A survey of the efficiency of tourism marketing by the Finnish Tourist Board was carried out in 2012. The objective was to identify indicators for more reliably assessing the efficiency of the Board's activities. Other elements explored in the survey were the development of Finland's capability in tourism, a benchmarking of the resources of the Board in comparison with certain reference countries and the effectiveness of marketing measures. In order to adequately evaluate the efficiency of the Board's activities, monitoring information on the entire supply chain was required, the nature of the marketing measures carried out and the achieved outputs and impacts. New indicators are now being used in the performance agreement for 2013 between the Ministry of Employment and the Economy and the Finnish Tourist Board.

Building on the OECD Committee's work in this area, the commitment to and expertise in professional evaluation of effectiveness of tourism policies needs to be enhanced in the light of widespread pressures on the public finances in many countries.

In a number of mature tourism destinations (Spain, the United Kingdom, the United States), countries are also seeking to strike a balance between the role and value of national and regional brands on the one hand and promotional activities by industry service providers on the other to optimise marketing effectiveness. A growing share of national tourism budgets are being deployed to areas other than marketing to promote the emergence of new regional destinations, niche product areas and innovation (Box 1.8). As this regards quality assurance and training, the trend towards deregulation is freeing up resources for alternative activities, and facilitating a shift towards more co-operative activities with industry.

Digital technologies and social media

Developments worldwide in established social media platforms, such as Twitter, Facebook, YouTube and the China-based social media site Weibo along with the influence of sites such as TripAdvisor, have shifted the source of advice and information to a loose but powerful online community often with local knowledge of tourism products and services. This has created powerful platforms for immediate feedback from tourists that service providers can find difficult to handle. The pace of change is rapid with new platforms and Apps coming on stream daily.

Box 1.8. **Maximising the benefit of the New Zealand Cycle Trail**

The New Zealand Cycle Trail (NZCT) project was established in 2009 for the purpose of creating jobs and stimulating regional economies through additional tourism. Along with the government's investment of NZD 50 million, the commitment of the local communities generated a further NZD 30 million of co-funding towards the construction of 19 "Great Rides". More than 2 500 kilometres of diverse and predominantly off-road trails showcase the best of New Zealand's landscape. In April 2013, the New Zealand Cycle Trail was recognised as one of the best cycle trails in the world at the International Trails Symposium in Arizona. A further two trails have since been added and two more are under construction, making a total of 23 Great Rides. NZCT has since expanded to include on-road cycle touring routes, with the long-term aim of developing a nationwide cycle network to enable locals and international visitors to explore all of New Zealand by bike.

By the end of 2013, the governance of the NZCT will be transferred from the Ministry of Business, Innovation and Employment to New Zealand Cycle Trail Inc (NZCT Inc.). The strong commercial focus of this independent, membership-based organisation will help NZCT to realise its full potential over the longer term and maximise the benefits it can bring to regional New Zealand. This includes, for example, raising New Zealand's profile as a premier cycle tourism destination, attracting high value tourists, and spreading visitor flows and expenditure throughout the regions.

The growing importance of social media and digital technologies on tourism has required a major shift in the approach to marketing and promotion by NTOs as they move away from traditional forms of print and media advertising to embrace these platforms. The power and influence of the online travel agents and their linkages to Internet providers has been a subject of some controversy and the true "objectivity" of anonymous online reviews is the subject of debate and criticism by service providers. Nonetheless, the increased use of social media by tourists is being recognised by policy makers and specific policy responses are being developed to address the issues emerging.

All key stakeholders in tourism will need to develop the competencies to cope with emerging digital and social media shifts. The scale and pace of these developments creates challenges for national and regional tourism organisations and tourism enterprises to keep abreast of developments and continually update their marketing strategies, including online strategies. This will include, but not be limited to, developing techniques to tailor marketing messages and tourism experiences to the individual consumer, learning how to relate to an emerging young demographic of tourists who are "digital natives" and harnessing the interest generated by "virtual tourism". A particular emphasis will be required on developing the capacity for effective marketing and use of social media among tourism service providers at local levels. To maximise the potential of these developments will also require continued progress by governments on reduced data-roaming charges worldwide or alternative mechanisms to facilitate local Internet access at modest cost such as widespread free wi-fi.

Already some countries have stepped up support programmes to ensure that tourism service providers embrace new technologies and become more proficient in their use. For example, Australia has developed a National Online Strategy for Tourism. The traditional role of the Tourist Information Centre has also come under scrutiny as more and more information becomes available on smartphones and other mobile devices. The role of these offices is likely to change over time to enabling digital and self-service access to information. Portugal is supporting the presence of tourism companies on the web (Box 1.9).

Box 1.9. **E-Tourism in Portugal**

In 2011, Turismo de Portugal launched a project to establish a co-operative network for R&D in tourism, 2011-13, in order to mobilise the capacity of universities for tourism research. This project aims to boost the potential impact of an R&D agenda on the sustainability and competitiveness of tourism. The network has been promoting various activities (workshops, seminars, etc.) that bring together companies and the scientific and technological community, facilitating the generation of new business ideas.

One spinoff from this Network is Tourism Enterprise on the web, a new project that will bring together tourism companies and associations, Regional Tourism Boards and technology providers to help develop the companies' web presence. This project will evaluate the technology maturity of tourism business, disseminate best practice and stimulate network collaboration targeting specially SMEs.

The European Commission has also funded the development of a new web-based platform to facilitate social tourism in Europe as part of the CALYPSO programme (Box 1.10).

Box 1.10. **CALYPSO social tourism platform in Europe**

CALYPSO is a European Commission initiative that improves the lives of underprivileged citizens across Europe by helping youth, families facing difficulties, seniors or people with disabilities to go on holidays, while at the same time helping local economies to extend the tourist season. The CALYPSO exchange model promotes off-season tourism in particular in regions where tourism is well developed but highly seasonal, gives less known, small and emerging destinations the opportunity to promote themselves to a broader range of European tourists and encourages longer-lasting employment in the tourism industry by making it possible to extend jobs beyond the peak season.

The European Commission has funded the development of a new platform for tourism service providers and organisations. Professionals can offer their services to these organisations at a special price, mainly during the low season. They will in return benefit from low booking fees. The project was led from 2012 to 2013 by the International Social Tourism Organisation (ISTO). The platform will be run by a European non-profit organisation.

Source: www.ecalypso.eu/steep/public/index.jsf.

The potential contribution of the new technologies to address pressures on national tourism budgets is being increasingly recognised in the context of its ability to provide data to facilitate analysis of consumer wants and needs – grounded in qualitative and quantitative research – to underpin value for money in government tourism budgets.

Transport and travel facilitation

The impact of travel authorisation and visa policy on tourism is discussed in greater detail in Chapter 2, building on the work of the OECD Tourism Committee in its 2013 Report on *Facilitating Travel for Growth*. The importance of striking a balance between security and adequate border protection on the one hand and ease of travel on the other is being increasingly recognised and has been acknowledged by G20 Ministers at a meeting in

Mexico in May 2012. Together with recognition of the need to facilitate the growth in tourism from new and emerging markets, this has led to visa liberalisation and innovation in entry policies at national and transnational levels.

Governments are progressively aligning their marketing strategies, visa and aviation policies to stimulate growth from emerging markets. A number of countries have re-oriented their marketing strategies and visa arrangements to stimulate growth from the key emerging source markets of China, India and the Russian Federation (Australia, France, New Zealand, Poland, the United States). China is now the second most important market in terms of visitor arrival numbers for both Australia and New Zealand whereas the growing importance of the Russian Federation is being acknowledged in policy changes in countries such as Croatia, Egypt, Finland, Israel and Poland.

There are many examples of visa liberalisation and innovation over recent years, both at national and transnational levels (Australia, Ireland, Japan, Korea, Mexico, New Zealand, Poland, the United Kingdom, the United States). These developments have been prompted, in part, by the high growth in tourism flows from the BRIC countries and the need to distinguish tourist travel from other visa requirements. Examples include reduced bureaucracy, bilingual sites/documentation, reduced information requirements and the introduction of multi-entry visas, visa waivers and reduced or no charges for tourist visas. There is also evidence of a greater use of technology with, for instance, the use of permits and e-vouchers in the case of Poland, on-line e-visitor visas free of charge in the case of Australia or automatic immigration clearance system – the Smart Entry Service – in the case of Korea.

The advantages of transnational agreements such as those applying in the Schengen area and for Australia/New Zealand, as well as moves to create a common visa travel area between the United Kingdom and Ireland, are worthy of particular note.

From a tourism policy perspective, the challenge of aligning aviation and tourism policy is to ensure that policy on airport charges, government travel taxes, visas and tourism marketing and promotion stimulates competition for and supply of air services from tourism source markets. Where national or sub-national authorities directly own airports, they can negotiate directly with airlines and provide stimulus packages to encourage growth. Where airports are private or independent bodies, governments tend to focus on creating a regulatory framework for airport charges and other taxes that stimulates growth.

The general perception is that trends in international travel are closely aligned with the economic cycle and grow in line with GDP. There are indications however that the correct combination of policies can grow air travel, in particular, disproportionately to GDP.

A number of countries (Canada, Israel, Korea, the United States) have reaffirmed their "open skies" policies to facilitate greater connectivity and air access. Israel recently signed an "Open Skies" agreement with the European Union. It is expected that the implementation of the agreement in the coming years will reduce flight costs, increase Israel's competitiveness and the number of incoming tourists. Canada's "Blue Sky" policy for facilitating international air travel – has led to new or expanded agreements with nearly 80 countries and is aligned with their strategy to speed up access to visas, enhance passenger convenience and improve the welcome to visitors on arrival in Canada. Korea has signed, as of December 2012, air services agreements with 93 countries and conducted open skies agreements with 27 countries for the deregulation of passenger traffic rights.

While ease of travel is essential for tourism purposes, the heavy reliance of tourism on air travel is a concern given risks associated with climate change. This points to the need for a closer alignment between transport and tourism policy and sustainable energy policies at national and international level.

Domestic tourism

Countries are stimulating domestic demand to counter over-reliance on international tourism. The impact of the global economic crisis on tourism has made many countries more aware of the value and contribution of domestic tourism, leading to re-focussed efforts on stimulating domestic holidays and "staycations".

A number of countries are focusing specifically on stimulating domestic demand, (Hungary, Indonesia, Korea, Romania, South Africa, Spain, the United Kingdom and the United States). The United Kingdom for instance has set itself the goal of increasing the proportion of UK residents that holiday in the United Kingdom to match those that holiday abroad. South Africa has recognised that there is lack of a travel culture amongst South Africans, especially in the case of previously disadvantaged communities. As a result a Domestic Tourism Growth Strategy has been developed, the objectives of which are to increase domestic tourism revenue and volume, to improve measures and efforts aimed at addressing seasonality and equitable geographical spread (Germany, Box 1.11), and to enhance a culture of tourism/travel among South Africans. To encourage more domestic tourism, Korea in 2014 will introduce a "Replacement Holiday Plan" under which employees will receive an extra day off when a public holiday falls on a weekend, providing an average 1.1 additional vacation days a year. China has also agreed on a plan to provide paid holidays starting in 2020.

In some countries, the need to support tourism demand and address seasonality also has a strong social dimension. This is the case in France, where the National Agency for Holiday Vouchers (ANCV) implements a policy of social tourism. The objective is two-fold: to reduce inequalities in access to holidays and leisure, and to enable participation by the greatest number possible. ANCV has two tools at its disposal:

- Holiday vouchers intended for private and public sector employees – in 2012, 3.8 million employees benefited (or 9 million people including their families), with vouchers totalling EUR 1.4 billion issued.
- Other programmes targeting the four key audiences of single parent families, young adults, people with a disability and the elderly. In recent times actions directed at young people have intensified.

Box 1.11. **Tourism prospects in rural Germany**

Completed at the start of 2013, the "Tourism prospects in rural areas" project is one of the most important tourism policy projects launched by the federal government. Tourism is especially important for jobs and income particularly in rural areas, which are often structurally weak regions. With a practical guide and ten complementary, detailed short reports, the project makes a key contribution to making rural areas more appealing for tourists. A nationwide road show will present the results of the projects at ten local events. In this connection, workshop sessions will be held with key players in the tourism industry, public tourism professionals and representatives from the political and administrative arena to discuss and improve upon the project results.

Rejuvenation of the tourism offer

A number of new and revised tourism policies and plans have focused on identifying niche market areas of comparative advantage in order to enhance competitiveness and maximise investment in marketing and product development (Bulgaria, Finland, Lithuania, the Slovak Republic, Turkey). This process has been accelerated given the growing consumer interest in customised and authentic holidays and changes in visitor expectations and demographics.

Policies at national and regional level are increasingly focusing on identifying, nurturing and investing in product development experiences that emphasise unique selling points for particular destinations. Steps are also being taken to avoid the degradation of the tourism product, in particular in popular "must see" resorts. A favoured policy approach is to help spread the benefits of tourism more widely in countries by active regional dispersal measures, focused on identifying and promoting new tourism centres and niche products, and extending the tourism season. In addition, many countries have a policy objective of stimulating investment in the tourism sector through specific investment and financing initiatives.

Growth in niche areas such as cruise tourism, activity and adventure holidays, seniors travel, health tourism, culture and heritage, rural tourism, food and wine and gay and lesbian has been at higher levels than traditional holidays, leading to greater market and product segmentation in policy initiatives. Major events and sports tourism has become a particular target market (Argentina, Brazil, New Zealand, Poland, Ukraine, the United Kingdom). New niches such as health tourism (Hungary, Korea), diaspora tourism (Ireland [Box 1.12], Scotland), industrial sites and memorial tourism (Belgium, France [Box 1.13]) and route tourism (Europe [Box 1.14], Mexico) are also evident.

Box 1.12. **The Gathering, Ireland 2013**

In 2012 the Irish government launched *The Gathering Ireland 2013* – Ireland's biggest ever tourism initiative – taking place throughout 2013. Over 70 million people worldwide claim Irish ancestry. Throughout 2013, Ireland is extending a welcome to those who have moved away, their relatives, friends and descendants and inviting them home to gatherings in villages, towns and cities. Communities throughout Ireland are showcasing and sharing the very best of Irish culture, tradition, business, sport, landscape, food and the uniquely Irish sense of fun. The initiative provides an opportunity for those with ancestral links and an affinity for Ireland to play a part in – and benefit from – efforts to revive the economy.

This year-long celebration of festivals, events and other gatherings around the country is providing support for the tourism industry during 2013 as well as a legacy impact for future years. The target is to generate 325 000 incremental visitors in 2013 and to leave a legacy of community structures and engagement with tourism that will benefit the sector in the longer-term. Indications from the Irish tourist industry are that The Gathering is working well and is having a real effect on people's interest in visiting Ireland. The success of the initiative is backed up by the latest tourism statistics, with encouraging signs for visitor numbers from North America, and Mainland Europe supported by significant growth in transatlantic air access for the peak summer period.

Box 1.13. **Industrial and commemorative tourism in France**

In France there has been a focus on the development of new niche sectors such as industrial and commemorative tourism, tapping into the growing attraction of cultural and heritage tourism and learning experiences. Some five thousand enterprises are already open to the public, welcoming some 10 million visitors in areas such as energy, agri-tourism, cosmetics and arts and crafts. This has prompted the creation of a new public/private initiative – l'*Association de la Visite d'Enteprise* – which has established, for the first time, a website to categorise enterprises open to the public.

Another emerging niche area is memorial tourism, with more than 6 million visitors in 2010 to fee-paying sites, over half of which were international tourists. Beginning in 2014, France will be a focus for the international commemoration of sites for the centenary of the First World War and the 70th anniversary of the Normandy landings. In order to enhance accessibility to the sites and to improve their management, the French government has launched a supporting initiative in association with *Atout France* and the relevant regional authorities.

Box 1.14. **European Cultural Routes**

The Council of Europe and the European Commission collaborate to help the development of European Cultural Routes. The Council of Europe certifies some Routes, monitors their quality and trains their managers with the financial support of the EU. The European Commission provides seed money to link local success stories into a large, more visible and more attractive tourism product. It also advertises Routes in collaboration with the European Travel Commission and through specific actions at major trade fairs.

These Routes invite tourists to discover how Europeans co-operate and compete since ancient times, creating great emotions and artefacts. Their rich diversity makes them particularly attractive: from pilgrimage routes such as the Camino of Santiago de Compostela or Via Francigena, to Mozart ways; from the Limes – the border of the Roman empire – to the Vikings route or the liberation of Europe by the Allies during the Second World War; from the Olive Tree route to the Hanseatic merchant route. The rich European industrial past and future is not forgotten. The European Route of Ceramics, for example, shows how innovation coming from Asia was welcome and enriched by entrepreneurs in Faenza, Italy, Delft, the Netherlands, Stoke-on-Trent, the United Kingdom or Selb in Saxony, Germany for tableware but also for space exploration.

OECD work *on Food and the Tourism Experience* analysed food experiences in a wide range of countries and regions around the world. The study develops new knowledge on the relationship between food experiences and tourism that can stimulate the development of appropriate clusters, support mechanisms and marketing and branding activities. The potential for developing food tourism is being recognised in a number of countries (Australia, Austria, Denmark, France, Ireland, Italy, Korea, Norway, Portugal, Romania, Spain). In Austria a number of initiatives have been introduced. These include "Genuss Region Osterreich" (*www.genuss-region.at/*) which focuses on specific local products for each region and a large number of regional events and a new site for wine tourism (*www.diereisezumwein.at/*) which was launched in August 2013 by the Austrian Wine Marketing Board.

In order to further stimulate synergies between tourism and gastronomy, the European Commission funded the development of a new portal providing information on gastronomic events in Europe. The portal helps tourists from Europe and abroad to add a gastronomic dimension to their trips and is hosted by the European Travel Commission (*www.visiteurope.com/home.aspx*).

Sustainable tourism and innovation

Sustainable growth has three elements – economic, environmental and social – and requires an appropriate balance between the three. Many environmental sustainability elements have already been mainstreamed in economic policy at national level through support for energy conservation, recycling and the adoption of environmental best practice. Hotel and other tourist accommodation providers have shown themselves to be at the vanguard of adoption of environmental best practice. Such trends may be expected to continue. Customer demand for sustainable and eco-friendly tourism products is expected to grow but eco-tourism as a significant stand-alone niche sector has been slow to develop.

Customer demand for sustainable and eco-friendly tourism products is expected to grow. The *Report on Climate Change and Tourism Policy in OECD Countries* contains an assessment of the current situation with a review of the state of policy making on tourism and climate change and provides recommendations to address the mitigation and adaptation challenges that the tourism sector faces. National governments are key actors, particularly in regulating and taxing greenhouse gas emissions and creating incentives for carbon reductions. The role of international organisations such as the United Nations Environmental Programme (UNEP) and regional and industry based initiatives is also important. The report concludes that current policy, with few exceptions, is inadequate for the scale of the challenge, both on mitigation and adaptation, and sets an agenda for further research and development.

The *Report on Green Innovation in Tourism Services* builds on the OECD Innovation Strategy that identifies five principles that can help governments to use innovation as a tool to improve economic performance, address societal challenges and enhance welfare. These principles include empowering people to innovate, unlocking specific projects, creating and applying knowledge, using innovation to address global and social challenges and improving the governance and measurement of policies for innovation. A number of countries have adopted innovative approaches to tourism to help improve competitiveness and sustainability (Austria [Box 1.15], Germany, Iceland, Korea, New Zealand, Norway, Spain, Switzerland).

While innovation in product and service delivery in tourism is widely identified as a policy priority, the search for successful models of public policy intervention to facilitate such innovation continues. Innovation must become a matter of routine for tourism businesses with "process" innovation becoming increasingly important to help bring down costs, leading to quality improvements, lower prices and increased profitability. A whole of government approach is needed to maximise synergies and reduce duplication in supports.

The "10 Year Framework of Programmes on Sustainable Consumption and Production" (Box 1.16), reaffirmed at the United Nations Conference on Sustainable Development (Rio+20) is also relevant in this context.

Box 1.15. **Innovations Million subsidy in Austria**

In Austria, a strong focus has been put on innovation in tourism. New measures introduced from 2012 onwards include a biannual award organised in co-operation with the *Länder* dedicated to innovative best practice under a specific topic, with project financial support for the winner. Product innovation workshops are organised by the Austrian National Tourism Organisation, and there are increased subsidies available for innovation. One such subsidy is the Innovations Million which supports innovative flagship tourism projects based on stakeholder co-operation at the level of the destination, and for which a one million euro budget is available each year. The selection of projects follows a call for proposals, which are evaluated by a jury of experts. In 2012, seven such projects were awarded funding for product development, distribution and communications.

Source: www.bmwfj.gv.at/Tourismus/Tourismusfoerderung/Seiten/Innovationsmillion.aspx.

Box 1.16. **10 Year Framework of Programmes on Sustainable Consumption and Production**

Promoting sustainable patterns of consumption and production is one of the three overarching objectives of, and essential requirements for sustainable development, reaffirmed at the 2012 United Nations Conference on Sustainable Development (Rio+20). Countries strengthened their commitment to accelerate the shift towards sustainable patterns of consumption and production in both developed and developing countries with the adoption of the 10 Year Framework of Programmes on Sustainable Consumption and Production Patterns (10 YFP) in the Outcome Document "The Future we Want".

The 10 YFP is a global framework of actions to enhance international co-operation. Sustainable tourism, including ecotourism, is included as one of the five initial programmes, through bringing together existing initiatives and partnerships working in similar areas, building synergies and co-operation between stakeholders to leverage resources towards mutual objectives and minimising duplication of effort.

The 10 YFP includes a secretariat, a UN Interagency Co-ordination Group, a small Board, National and Stakeholders Focal Points and a Member State Body to receive reports.

Source: www.unep.org/10yfp.

Skills and human resources

Governments recognise the potential of the tourism sector to help address the unemployment challenge. At a time of unprecedented high unemployment, especially in Europe, there is still evidence in many countries of skills shortages in the tourism sector (Box 1.17). However in a small number of countries, such as Australia, the challenge is the reverse, with shortages due to low unemployment levels and a workforce seeking to establish careers in other sectors of the economy.

Most countries have recognised for many years the importance of education and training in tourism policy. There has been a range of policy responses to stimulate general interest in careers in hospitality. These include supporting enterprises to improve recruitment and staff retention, improving the quality of jobs and the professionalisation of the sector through, for example, career progression and facilitating formal training programmes in educational institutions and within enterprises themselves (Box 1.18).

Box 1.17. **Addressing skills gaps in Slovenia**

As part of its new Tourism Development Strategy, 2012 to 2016 – Partnership for Sustainable Slovenian Tourism – the Slovenian Tourism Administration, in partnership with the relevant Chambers of Commerce, the National Institute of Vocational Education and Training and the Training and Employment Service of Slovenia, have organised workshops, seminars, media campaigns and ad hoc labour exchanges to address skills gaps in the workforce.

One of the policy measures is the creation of a public private system for gaining practical experience and training by selected employers through subsidising scholarships given to the students by private companies. The Tourism administration also initiated the establishment of a "schools hotels" network where pupils can obtain practical experience. To support human resource development, an expert working group has been established including parties representative of the Ministry of Labour and Social Affairs and Economic Development and Technology and the Trades Unions.

Box 1.18. **Country initiatives in tourism education and training**

The Canadian Tourism Human Resource Council (CTHRC) works with businesses, educators, government agencies, and other stakeholders to identify and address common human resource issues in the sector. Together with its provincial/territorial partners, the CTHRC is responsible for the stewardship of the national system of competency standards and professional certification for tourism sector occupations. Through its emerit brand, the CTHRC also offers a vast array of training and consulting solutions that promote tourism careers and inform business practices in order to support enhanced visitor experiences through quality service and hospitality.

Through *Tourism 2020*, the Australian government is responding to labour and skills shortages. In 2011, the largest body of research ever conducted to profile the tourism labour force, the Australian Tourism Labour Force Report, highlighted that an additional 56 000 people were needed to fill tourism vacancies by 2015. The Report found that around half of all tourism businesses in Australia were experiencing recruitment, retention and skills shortages and targeted regional solutions were needed to respond to these issues. State and territory Tourism Ministers identified eight employment "hot spots" in regions experiencing the most acute pressures. The Australian government is working across government and industry to deliver eight Tourism Employment Plans (TEPs) as one of its cornerstone strategies. The TEPs better connect businesses to government programmes and develop regional capacity to support ownership of the TEP. This includes the development of short and long term strategies as part of a three year plan to improve access to training and workforce planning, improve recruitment and retention, the use of non-traditional labour and improved promotion and recognition of career pathways. A supportive TEP Guide and Advisory service have also been implemented by the Australian government to support other regions develop their own TEPs or use strategies to come out of the pilots to benefit a region.

The Egyptian Tourism Workforce Development project involves a mobile training approach where trainers target their audiences in specific geographical regions. The project involves a focus on improving skills and providing better levels of service and food safety in line with international best practice, the creation of a specialist unit to lead the process and the introduction of a programme to improve supervisory and managerial skills in hotels and restaurants. The programme is being delivered in 12 tourism regions by mobile regional hospitality master trainers.

The identification of continuing labour and skills shortages in many countries at a time of historically high unemployment, particularly youth unemployment, raises issues as to the recognition of and value placed on employment in tourism and hospitality and how this might be enhanced.

The *OECD Report on Education and Training for Competitiveness and Growth in Tourism* examines good practice and challenges in the development of education and training in the hotel and restaurant sector. The report sets out good practice education and training policies and programmes that support a more attractive labour market and business environment in tourism, allowing the industry to maintain a sufficient and highly qualified workforce and hence support productivity improvements in the industry. It looks at mechanisms to increase productivity and to address labour shortages and the role of migrant workers.

External shocks

Tourism is more vulnerable to external shocks than many other economic sectors. Tourism is particularly sensitive to the impact of natural disasters, wars, terrorism, political unrest, civil disturbances and human and animal health scares. While post-analysis shows that such events have resulted in reduced tourism demand in the short-term, the ability of the sector to bounce back has been particularly striking as consumers become more immune and desensitised to such events. What is clear from analysis of tourism flows over time is that the propensity to travel remains strong. In policy terms, contingency planning for such eventualities is improving and is increasingly being built into national tourism policies and plans.

Best practice for coping with external shocks – as exemplified in the case of New Zealand (Box 1.19) and Japan (Box 1.20) in the aftermath of major earthquakes – includes close market monitoring of impact on tourism flows, provision of accurate and timely information to travellers, co-ordination within national emergency planning, appropriate diplomatic actions as well as adjustments in marketing activities. The value of a post-event impact assessment to generate awareness of damage to tourism can be particularly beneficial. Safety and security policies are necessary to protect tourists and are increasingly valued by travellers. However it is also important that any restrictions on the movement of people arising from such shocks are in accordance with best international guidelines and advice to avoid needless disruption based on unfounded risks or fears.

Box 1.19. **Crisis management in New Zealand**

The Visitor Sector Response Group, which was set up to ensure the welfare of affected visitors following the February 2011 Canterbury earthquake, has since evolved into the Visitor Sector Emergency Advisory Group. The group, which comprises representatives from tourism industry bodies and government agencies active in the visitor sector, will plan its response to future emergencies that impact on international visitors to New Zealand. The group will be activated when incidents occur or threats emerge that could impact on the visitor sector, such as events that affect the welfare and disrupt the travel plans of overseas visitors and attract significant inaccurate media coverage that could damage New Zealand's reputation as a destination. Members of the group will make use of their international networks to disseminate accurate and timely information offshore. They will also work to mobilise the sector's domestic resources to assist with national and local responses during emergencies.

Box 1.20. **Boosting tourism after the Great East Japan Earthquake**

The Great East Japan Earthquake in March 2011 severely affected both domestic and inbound tourism in Japan. In the immediate aftermath of the earthquake, concerns about safety in Japan, with some countries discouraging their citizens from visiting the country, resulted in a severe impact on the number of foreign visitors.

To recover domestic and inbound tourism, the government of Japan took the following actions:

- Provision of accurate information on the situation in Japan, especially in Fukushima.
- Circulation of information on radioactive monitoring through a webpage and messages from distinguished personalities overseas.
- Launch of "Share your WOW! Japan Photo Contest".
- Launch of "Destination TOHOKU Campaign" especially in heavily affected areas.
- Designation of 30 tourist zones in the Tohoku region, and provision of tour products interpreting local history and lifestyle.
- Strengthening of tourism promotion in target foreign markets.
- Invitations to foreign travel agents and oversea media.
- Hosting International Summit.
- Provision of site visits to the earthquake hit areas.

Although issues remain to be addressed such as rumors based on lack of accurate information, inbound tourism to Japan is showing remarkable recovery. In the first half of 2013, the number of foreign visitors to Japan reached its highest level, and is estimated to meet the goal of 10 million foreign visitors to Japan in 2013.

References

Eurostat (2013a), *Tourism Satellite Accounts (TSAs) in Europe*.

Eurostat (2013b), *Tourism Statistics, http://epp.eurostat.ec.europa.eu/portal/page/portal/tourism/introduction*.

Glover, P. and B. Predeaux (2011), "An aging population and changing family structures", in I. Yeoman, C. Hsu, K. Smith and S. Watson (eds.), *Tourism and Demography*, Goodfellow Publishers Ltd.

IPK International (2012), *World Travel Trends Report 2012/2013*, prepared on behalf of ITB Berlin, Messe Berlin GmbH.

OECD (2013), *Indicators for Measuring Competitiveness in Tourism: A Guidance Document*, OECD Publishing, Paris, *http://dx.doi.org/10.1787/5k47t9q2t923-en*.

OECD (2012a), "Green Innovation in Tourism Services", *OECD Tourism Papers*, OECD Publishing, Paris, *http://dx.doi.org/10.1787/5k4bxkt1cjd2-en*.

OECD (2012b), *OECD Tourism Trends and Policies 2012*, OECD Publishing, Paris, *http://dx.doi.org/10.1787/tour-2012-en*.

OECD (2012c), *Food and the Tourism Experience: The OECD-Korea Workshop*, OECD Studies on Tourism, OECD Publishing, Paris, *http://dx.doi.org/10.1787/9789264171923-en*.

OECD/UNEP (2011), *Climate Change and Tourism Policy in OECD Countries*, OECD Studies on Tourism, OECD Publishing, Paris, *http://dx.doi.org/10.1787/9789264119598-en*.

UNWTO (2013), *Tourism Highlights, http://mkt.unwto.org/publication/unwto-tourism-highlights-2013-edition*.

UNWTO (2011), *Tourism Towards 2030 – Global Overview, http://pub.unwto.org/WebRoot/Store/Shops/Infoshop/TT_2030_global_overview_excerpt.pdf*.

UNWTO (2010), *Demographic Change and Tourism, http://pub.unwto.org/WebRoot/Store/Shops/Infoshop/4C10/AFC1/0B46/FC46/3883/C0A8/0164/866C/100610_demogr_change_excerpt.pdf*.

World Economic Forum (2013), *Travel and Tourism Competitiveness Report, http://www3.weforum.org/docs/WEF_TT_Competitiveness_Report_2013.pdf*.

Yeoman, I., R. Li Yu and M. Mars (eds.) (2012), *2050 Tomorrow's Tourism*, Victoria University of Wellington, Channel View Publications.

PART I

Chapter 2

Travel facilitation, tourism and growth

This chapter considers the impact on travel and tourism of visa and entry policies which control the movement of people across national borders. It is based on recent work by the OECD Tourism Committee and draws on case study material from OECD and partner countries. The chapter considers the potential for smarter approaches to support tourism and economic growth, while simultaneously maintaining the integrity and security of national borders. The issues and challenges policy makers face in developing and implementing policy in this area are outlined. The different approaches governments have adopted, and their impacts, are also highlighted. A number of policy considerations are then discussed, to inform policy making and contribute to the current debate on travel facilitation.

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.

International travel and tourism depends on the ability of people to travel freely from where they live to their destination, crossing borders and entering other countries. However, a range of factors influence travel mobility and limit the free movement of people, with adverse consequences for tourism and economic growth. Safety and security, customs and immigration, access infrastructure and aviation regulations are just some of the issues which can influence the freedom to travel. Travel facilitation focuses on reducing these impediments and making travel simple and straightforward.

The OECD's work in this area examines how countries can adjust to global market trends and maximise tourism as a source of growth by making travel easier and more efficient. Enabling people to travel more freely can enhance the ability of countries to attract visitors and take advantage of business opportunities in a changing global market place.

Visas are an important policy issue and have been the focus of much attention, being one of the main tools used to control the movement of people across national borders. A visa is a document issued by a state which permits the holder to enter, leave or stay in a country for a specific period of time. Visas are an advance check on the *bona fides* of a traveller and their purpose of travel and itinerary, prior to permitting entry to the country. The requirement for, and granting of, a visa may vary according to a number of factors, including the length of stay, purpose of visit, country of origin and reciprocal visa policy, in addition to security and migration issues.

However, being in possession of a visa or other form of travel authorisation does not guarantee the holder right of access to a country – the final decision to permit entry is made by border officials at the port of entry. Consequently, travel authorisation and entry policies are interlinked. Such policies may act as an impediment to tourism, not solely due to the requirement for a visa, but also the way in which this requirement is administered. The OECD's work highlights a range of different approaches which governments have adopted to remove such impediments and make travel easier and more efficient (Box 2.1).

It is important to emphasise at the outset that all references to "travel" and "travellers" in this chapter refer to *legitimate non-migrant temporary travel/travellers*. A *legitimate* or *bona fide non-migrant temporary traveller* is one who satisfies all relevant requirements and is eligible to enter a country for a short period of time (generally less than 90 days), specifically for non-migratory purposes including leisure, business and study, in accordance with that country's temporary entry policy.

The right of each country to determine and enforce the rules and regulations governing entry and exit, including evaluating the *bona fides* of a traveller, is also acknowledged. Efforts to make travel easier must comply with the relevant legal framework at national level, or international level as in the case of multi-lateral agreements such as the EU Schengen Agreement (see Box 2.3).

Box 2.1. **Government approaches to travel facilitation**

- **Streamlining and enhancing visa processing,** including simplified procedures, shorter and/or translated application forms, consistent implementation of regulations, online application, automated and/or faster processing, improved customer service and capacity at consulates, outsourcing, mobile biometric capture.
- **Changes to visa requirements,** including reduced documentation, cost, personal presence at consulate requirement.
- **Changes to visa conditions,** including multiple entry visas, extended validity, eligible categories of persons.
- **Changes to the method of visa issuance,** including visa on arrival, immigration on board, electronic visa.
- **Removal of visa requirement,** including visa exemption, visa waiver programmes.
- **Introduction of other forms of travel authorisation,** including acceptance of trusted documents from other countries, electronic travel authorisation.
- **Improvements in the border entry/exit process,** including automated passenger processing, pre-arrival/departure security screening.

These rules and regulations are based on the unique set of policy priorities in each country, nationally and internationally. Policy makers are faced with a number of challenges when seeking to find the appropriate balance between the various policy considerations, in order to develop a coherent mix of policies which deliver the best possible outcome overall.

Travel facilitation challenges

Ensuring people are able to travel and engage in tourism activity is central to realising the economic and other benefits of tourism growth. With tourism's role as an economic driver, export industry and engine of job creation increasingly recognised, countries are taking measures to encourage tourism demand and assist tourism enterprises. The potential for travel facilitation to boost the global tourism economy is high on the national and international agenda, with governments and private sector organisations alike actively working on these issues.

This is most notably evident by the inclusion for the first time of a reference to tourism in the G20 Leaders Declaration in 2012, which recognised the role of travel and tourism as a vehicle for job creation, economic growth and development and committed to work towards developing travel facilitation initiatives. Similar commitments to explore ways to enable international visitors to move more freely and efficiently have been made by countries in other international fora also (Box 2.2). The OECD is actively engaging with countries and international organisations to promote the travel facilitation agenda, including through the on-going work of the OECD – World Tourism Organization (UNWTO) Informal Working Group on Travel Facilitation and Visa Issues.

The performance of international tourism is closely linked to that of the world economy. In its long range economic forecast, the OECD predicts wide variations between countries and regions, with growth in emerging market economies outpacing growth in the OECD area. The balance of economic power is expected to shift dramatically over the next

Box 2.2. **International agenda on travel facilitation**

G20: For the first time, the G20 Leaders Declaration 2012 (Los Cabos, Mexico 18-19 June) acknowledged the economic contribution of travel and tourism and the need to develop travel facilitation initiatives in support of this: "We recognise the role of travel and tourism as a vehicle for job creation, economic growth and development, and, while recognising the sovereign right of States to control the entry of foreign nationals, we will work towards developing travel facilitation initiatives in support of job creation, quality work, poverty reduction and global growth."

T20: The T20 Declaration 2012 (Mérida, Mexico 15-16 May) said that "Member states will further work to ensure fast, transparent and effective travel facilitation and visa programmes based upon existing international commitments, for the purpose of increasing travel and tourism and job creation". Welcoming the work carried out to evaluate the impact of travel facilitation, identify best practice and monitor progress, the T20 Declaration 2013 (London, the United Kingdom, 4 November) noted "the advances in visa facilitation following the G20 Los Cabos Declaration and the remaining barriers to progressing the travel facilitation agenda, including entry processes and procedures, as a means to grow the G20 economies and create jobs".

APEC: Recent APEC declarations similarly recognise the potential for travel facilitation to promote tourism and facilitate business and commit to make progress on this issue, most recently in the APEC Leaders Declaration 2013 (Bali, Indonesia, 8 October) which states: "We will … progress work on the Travel Facilitation Initiative as a way to promote tourism and facilitate business, by making travel more accessible, convenient and more efficient while also safe and secure."

European Commission: In 2012, the European Commission adopted a communication entitled "Implementation and development of the common visa policy to spur growth in the EU", which states: "A smarter visa policy should continue to provide security to our external borders and the good functioning of the Schengen area whilst at the same time facilitate travel opportunities for legitimate travellers, including tourists. In a milestone change, the Communication explicitly mentions the objective of the EU common visa policy to contribute to economic growth and its economic impact should be taken into account in this context."

OECD: In 2013, the OECD Tourism Committee report *Facilitating Travel for Growth* emphasised the role of travel facilitation in supporting growth, the variety of approaches implemented by governments and the potential for a strategic integrated approach with greater coherence between policies to deliver positive results.

UNWTO: The UNWTO *Tourism Visa Openness Report* highlights the potential for countries to stimulate tourism growth and obtain socio-economic benefits through visa facilitation. The 2013 report notes that progress has been made in recent years, with governments taking action to ease visa procedures as a means to increase their competitive advantage.

50 years as a result. China is expected to overtake the United States as the world's largest economy as early as 2016, while the combined GDP of China and India is forecast to exceed that of the entire current OECD by 2060.

A similar trend is evident in the tourism economy. International tourist arrivals surpassed 1 billion in 2012 and are projected to reach 1.8 billion by 2030. Countries that once dominated global tourism are experiencing relative declines and are losing market share. While OECD countries continue to play a leading role, accounting for nearly

two-thirds of international arrivals, growth has slowed in recent years. Major emerging tourism economies are experiencing rapid tourism growth, outperforming both OECD and global growth averages. Arrivals in emerging economy destinations are expected to surpass advanced economy destinations by 2015, according to UNWTO forecasts – with Asia and the Pacific gaining most.

This rapid tourism growth in emerging economies is changing patterns of travel flows, requiring new marketing and servicing skills and appropriate product development to meet the needs of these new markets, as well as measures to facilitate travel from these markets. Broader societal trends are also impacting the tourism market. Tourism both influences and is influenced by globalisation, while changing social values, lifestyles and demographics, particularly ageing, are leading to changes in tourism demand. The effects of these changes can be seen in the increasingly competitive global tourism market as new destinations and source markets emerge, with mature destinations seeking to maintain competitiveness.

Making legitimate travel easier can enhance the ability of destinations to appeal to visitors in this evolving environment. The additional time, effort and cost associated with visa and entry formalities, whether real or perceived, can influence destination choice, consumer behaviour and global patterns of travel, with implications for the tourism economy. Introducing measures to make these policies and processes more efficient and effective can improve the travel experience and boost growth.

Much of the travel facilitation discussion to date has been on the tourism growth opportunities which may be realised by streamlining visa processes and moving towards more liberalised visa policies. The classic approach requires travellers from visa-required countries to submit an application, along with supporting documentation including their passport, to the relevant consular office. Proposed approaches receiving attention include electronic visa issuing or "eVisas" and the introduction of common regional visas, as well as visa on arrival and visa waiver schemes.

In this context, governments are faced with a number of challenges, with implications for converting the expected tourism growth from making travel easier into economic growth and jobs.

Globalisation and changing tourism trends: On the one hand, globalisation is strengthening competition and driving structural changes in global tourism, with the emergence of new destinations and changes in demand trends. The projected growth in international travel also has implications for improving travel mobility, both in terms of absolute volume and changing travel flows. Significant tourism growth from emerging economies in particular is bringing new travel and demand patterns. However, travellers from these countries are likely to encounter more demanding visa requirements and border crossing formalities when visiting OECD countries. This may impede travel from these markets, limiting the potential to build closer economic ties and take advantage of the associated tourism and economic opportunities.

Shifting market trends and travel behaviours, including shorter planning time, also suggest the need to assess the impact of existing regimes on travel, now and in the future. Removing unnecessary impediments to travel will enable OECD countries to compete more effectively. Making travel easier will have a positive impact on the attractiveness of

destinations and the ability to appeal to visitors in an increasingly competitive global tourism market. By reducing the time, cost and effort involved, destinations can position themselves as more tourist friendly and welcoming, relative to competitor countries.

Security and border integrity considerations: On the other hand, states have the sovereign right to control access of foreign nationals to their territories. Issues of national security are central to restrictions on travel, which are also related to other national priorities, including labour market, immigration and health. Such restrictions are based on balancing a complex set of local economic, political and social considerations. Efforts to improve traveller mobility must acknowledge and consider overall national priorities, particularly security issues. Changes in the global security landscape following 9/11 have resulted in greater focus on improving the security of national borders, with heightened security measures now in force in many airports. Safety and security are critical issues affecting the growth of tourism and the global economy in general. They are also key issues for travellers.

The visa and entry regimes in operation today are based on historical travel patterns, with many designed at a time when travel volumes were considerably lower. In the context of current and projected growth in international travel, resourcing constraints mean that countries will not be able to continue to deliver these services in the future as they have done in the past. Governments need to target available resources where they are most needed, to secure borders and provide for the security of nations and travellers. Measures which identify and facilitate high volume, low risk legitimate travellers would enable constrained resources to be targeted where they are most needed.

Balancing security and freedom of travel: Governments must therefore consider whether existing policies and processes are suitable and sustainable, as increasing demand for travel is putting pressure on existing travel facilitation systems. The relationship between travel facilitation and travel flows is complex and the issue is more than a simple trade-off between travel mobility and security. Government's must find the appropriate balance between policy considerations, which takes into account the impact of such restrictions on the overall goals of government policy, including the potential for such policies to inhibit economic growth and recovery.

The challenge is to find solutions which allow legitimate travellers to move more freely and efficiently while delivering on security and other priorities. Initiatives which enable countries to process high volume, low risk passengers more efficiently and effectively can help to maximise resource use and reinforce national and traveller security in face of rising travel volumes. These solutions need to be flexible, scalable and sustainable in the long term, capable of dealing with future travel volume growth, changing travel flows and broader economic and socio-political developments. OECD Tourism Committee work has underlined that governments are developing new policies concerning, for instance, travel documents and entry/exit procedures (e.g. regulations concerning border entry, visas) to help ensure the safety and security of travellers and of host countries.

Country practices and policy considerations

Temporary entry policies vary considerably, as they are tailor-made to the policy context and priorities of each country. Some countries, such as the United States or Australia, operate highly controlled entry policies. For example, anyone wishing to enter Australia for any purpose, including tourism, must obtain a visa prior to arrival, with the exception of New Zealand travellers who apply for a specific temporary visa on arrival.

Elsewhere, more liberal policies are in operation, such as intra-regional travel across the European Union, where minimal restrictions exist. The requirements and processes implementing such policies can range from relatively simple to quite complex and may also differ depending on a traveller's country of origin.

Travel facilitation initiatives are similarly tailored and are based on balancing a unique set of economic, political and social considerations. Governments have implemented a variety of approaches, demonstrating the capacity of countries to take steps to facilitate legitimate travel within the context of existing policy, as well as through policy development (see Box 2.1). Initiatives introduced by European countries including the Czech Republic, France, Poland and Spain also demonstrate the capacity of countries to enhance people's ability to move more freely within the context of regional policy, through more efficient and effective implementation of the regulations governing the common external border. Members of the Schengen area are subject to the uniform rules of the Schengen Agreement and must comply with the EU Visa Code which establishes the procedures and conditions for issuing visas for short term travel. Thus, the control of cross-border travel flows is a matter of EU rather than national policy. However, each country retains responsibility for implementation of the Code (Box 2.3).

Box 2.3. **Schengen area**

The Schengen area refers to the territory of the countries in which the Schengen Agreements are in force and where internal border controls have been abolished. Within this area, citizens, many non-EU nationals, business people and tourists can freely circulate without being subjected to border checks. Since the signing of the first Schengen Agreement in 1985, it has gradually grown and encompasses today almost all EU States and a few associated non-EU countries.

While having abolished their internal borders, Schengen States have also tightened controls at their common external border on the basis of Schengen rules to ensure the security of those living or travelling in the Schengen area. These rules cover several areas:

- A common set of rules applying to people crossing the EU external borders, including the types of visa needed and how checks at external borders have to be carried out.
- Harmonisation of the conditions of entry and of the rules on visas for short stays (up to three months).
- Enhanced police co-operation (including rights of cross-border surveillance and hot pursuit).
- Stronger judicial co-operation through a faster extradition system and transfer of enforcement of criminal judgments.
- Establishment and development of the Schengen Information System (SIS).
- Establishment and development of the Visa Information System (VIS).
- Documents needed for travelling in Europe.

Source: European Commission.

Overall, the approaches are based on facilitating high (or potentially high) volume, low risk travellers, while maintaining or increasing the integrity of border control policies and systems. The extent to which tourism considerations are a factor in the introduction of measures varies. In some instances, tourism outcomes are specifically targeted. This is the case, for example, in

Egypt, where tourists from certain countries are permitted to enter with their national ID cards in place of a passport, and in Poland and Spain, where tourism industry partners support travellers in the visa application process. In other cases, tourism benefits are a positive side-effect of broader measures to facilitate travel to promote trade, encourage economic integration and enhance the efficiency, effectiveness and integrity of border management.

Anticipation of traveller mobility issues in relation to a major event, such as the Rugby World Cup 2011 in New Zealand and EURO2012 in Poland/Ukraine, and the impact of a significant shift in visa policy, such as Poland's accession to the Schengen agreement, provide further impetus to introduce measures to facilitate travel flows. While travellers from emerging economies are a key target of many initiatives, other initiatives seek to facilitate travel flows from neighbouring countries and established source markets.

Countries also target travel to specific sub-national regions. Korea, for example, permits Chinese tourists in possession of an invitation certificate to enter Jeju Island without a visa, while Japan grants multiple entry visas to Chinese tourists who visit Okinawa and Tohoku, in order to boost the local economies of these regions. A special Local Border traffic regime enables Schengen countries to conclude bilateral agreements with non-EU countries so that border residents can apply for permits entitling them to travel back and forth without a Schengen visa. One such agreement exists between Poland and the Russian Federation, where local border traffic has risen sharply since its launch in July 2012. Border permit holders tend to use the permits frequently, for stays ranging from a few hours to a few days. Poland reports a positive economic impact on the border regions due to the implementation of such agreements.

The variety of approaches adopted reflects the unique circumstances and national priorities of each country. It also reflects a country-by-country assessment of the potential opportunities and consequences of freer travel flows from each origin country, to determine the most appropriate policy response. Several OECD countries have adopted a combination of initiatives. This illustrates the many different steps countries can take to promote travel freedom, as well as the requirement to tailor initiatives to the unique circumstances of each country. It also raises the need for a more complete understanding of the various approaches, in order to be more informed about the potential impacts and broader implications within the national policy context.

Many of the travel facilitation initiatives implemented in OECD and partner countries have been realised through:

- Co-ordinating and co-operating with other government ministries and agencies.
- Balancing the benefits of travel facilitation while safeguarding security and border integrity.
- Developing the capacity of tourism and other stakeholders to effectively design and deliver win-win solutions.
- Leveraging technology, including biometrics, electronic authorisation systems, online application and/or electronic visa processing.
- Outsourcing and partnering with private sector, including travel industry, external service providers and airport authorities, thereby integrating temporary entry policy and processes through the tourism value chain.
- Proactively raising awareness and ensuring accurate information is available in relation to the temporary entry requirements of a country.

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

Much can be achieved within existing policy frameworks, through streamlining and optimising delivery systems. Countries should therefore focus on identifying real or perceived impediments in the current delivery systems in the first instance, and developing appropriate solutions, while new policy approaches may further ease and promote travel. The OECD's work has identified a number of interlinked policy considerations when designing and implementing effective policies to facilitate travel for growth. These considerations and country approaches will now be explored and further discussed.

Advocating a strategic, integrated approach

Facilitating travel is intrinsically linked with wider governance issues, as it involves finding the appropriate balance between a range of economic, political and social considerations related to cross-border travel. Realising the potential for travel facilitation to boost international tourism requires a greater coherence between tourism and other policy domains, accompanied by appropriate support policies, to generate significant positive impacts on growth and job creation. Co-operation between government ministries and agencies (e.g. foreign affairs, security) which have different, potentially conflicting, policy objectives and priorities is required to find mutually beneficial solutions.

In some countries, such as the Czech Republic and Egypt, co-ordination between the relevant ministries and agencies and, in some cases, private sector representatives, have been formalised with the creation of an inter-ministerial working group or committee. In other countries, co-ordination appears to be more informal and ad hoc, involving a series of meetings and consultations, as well as on-going close working relationships with stakeholders.

Many initiatives are linked with a strategic, integrated approach to national tourism development and are part of a comprehensive set of measures to achieve national tourism goals, including boosting tourism arrivals, diversifying the tourism market and enhancing the economic impact of tourism. Such initiatives can also contribute to addressing wider access issues, notably in relation to aviation policy, access and connectivity.

Mexico, for example, has adopted a strategic approach to travel facilitation within the context of an overall tourism strategy and other national goals, with travel facilitation initiatives an important component in delivering on the National Tourism Policy. The need for support policies in order to achieve successful results from travel facilitation initiatives is also recognised in Mexico (Box 2.4).

Travel facilitation initiatives need to be accompanied by a whole-of-government approach and appropriate support policies, in order to generate significant positive impacts on growth and job creation. These support policies include product development, marketing and promotion, servicing skills development and capacity building, in order to attract and service new tourism markets.

The strategic link between travel facilitation and broader national priorities apparent in a number of countries reflects the increased recognition by governments of the economic importance of tourism and its potential to contribute to economic growth, job creation and other national goals and priorities.

In Ireland, for example, the introduction of a Visa Waiver Programme for emerging economies has both tourism and wider business generation goals, as it is linked with the Irish government's objective of export-led recovery and more specifically with tourism's contribution to job creation as part of the Jobs Initiative. Under this programme, nationals

Box 2.4. **Multi-initiative approach to facilitating travel to Mexico**

In February 2013, the President of Mexico announced the new National Tourism Policy, stating that "Tourism is a priority and a strategic sector for Mexico's national development, and is a vehicle to a more prosperous and inclusive country". Travel facilitation is one of eight priority areas of work of the Federal Tourism Cabinet which has been established under the policy.

Mexico's travel facilitation strategy consists of six initiatives, including accepting trusted documents from third countries, leveraging technology to target travellers from emerging markets, removing the visa requirement as part of broader economic development and integration with partner countries, expediting entry and regulatory simplification. Prior to the implementation of each initiative, the involved countries' immigration offices and embassies in Mexico were consulted. Training workshops with employees and immigration agents were also held. The initiatives are supported by additional market measures such as product diversification and country image strengthening to achieve successful results.

of eighteen visa-required countries who: i) are holders of certain UK short stay visas, and ii) have been granted permission to enter the United Kingdom with that visa, are permitted to also travel to Ireland (see Box 2.7).

Recognition of tourism as a national priority and linking travel facilitation with the achievement of national goals can play an important role in bringing stakeholders together and focusing dialogue between the relevant ministries and agencies on working towards a common goal. Strong political support and high level commitment can also contribute to successful outcomes, as the experience in New Zealand and the Philippines demonstrates.

Beyond the national context, travel facilitation is intrinsically a global issue, involving the nationals of one country seeking to cross the border of a second country, thus requiring dialogue and co-operation between national governments. This is particularly the case in relation to the introduction of reciprocal facilitation measures, such as the negotiation of mutual visa waiver or exemption agreements.

Enhancing security and border integrity

Upholding the integrity of border control systems and safeguarding national security are essential to facilitating travel flows. Initiatives to enable travellers move more freely must be at least as secure as, if not more secure than, existing systems. This requires appropriate risk management approaches to ensure policies and procedures do the job they are designed to do, without unnecessarily hindering the mobility of legitimate travellers.

Security also impacts on economic growth and is important for travellers and traveller choice. Identifying areas of common ground in what may initially appear to be divergent priorities of national security and tourism will support dialogue and relationship building between the relevant ministries and agencies, and ultimately to working in an integrated manner.

Risk management approaches adopted by countries to achieve the desired win-win solutions include:

- Extending visa facilitation initiatives to countries with high visa approval/compliance ratings.

- Applying special conditions and additional eligibility requirements, depending on country of origin.
- Working with authorised agents and travel industry partners, subject to certain conditions and sanctions for breaches of compliance.
- Recognising and accepting "trusted documents", including the use of biometrics.
- Identifying "trusted travellers" who are willing to share personal information in advance of travel, thereby enabling countries to assess the risk in advance – by virtue of their willingness to share information, such travellers are likely to be low risk travellers.
- Establishing reciprocal, bilateral or multilateral arrangements with other countries.

Countries who wish to participate in the United States Visa Waiver Programme (VWP), for example, must go through an extensive security evaluation process. Aspiring countries must complete a thorough security review and comply with a number of requirements, including: reciprocal visa free travel, low visa refusal rate, issuance of biometric passports, agreements on information sharing and repatriation of nationals. Participating countries, meanwhile, must maintain enhanced counter-terrorism, law enforcement, border control and document security standards (Box 2.5).

Box 2.5. **United States Visa Waiver Programme**

The Visa Waiver Programme (VWP) enables nationals of participating countries to travel to the United States for business or tourism stays of 90 days or less without obtaining a visa. The VWP evaluates security threats broadly on a country-by-country basis and has the added capability to screen individual travellers for potential threats that they may pose to the security of the United States, resulting in enhanced security. The designation of new VWP countries is subject to numerous requirements and VWP members also have to undergo biennial reviews led by the Department of Homeland Security with participation from the Departments of Justice and State, as well as the Director of National Intelligence.

The US government can determine, prior to travel, whether an otherwise VWP-eligible traveller poses a security risk to the United States. VWP travellers are required to have a valid authorisation through the Electronic System for Travel Authorisation (ESTA) prior to travel, indicating that the individual is eligible to travel to the United States under the VWP and does not pose a law enforcement or security risk. VWP travellers are also screened at the port of entry into the United States and are enrolled in the Department of Homeland Security's US-VISIT program, which provides biometric identification services.

The critical importance of safeguarding security and border integrity is evidenced by the suspension of reforms in 2009 to the VWP law granting greater flexibility to admit countries to the programme as it was not possible to monitor and verify the departure of all foreign nationals exiting through US airports.

In New Zealand, meanwhile, the introduction of an automated clearance system for passengers arriving or departing from New Zealand airports leverages technology to enhance the passenger experience while maintaining or enhancing security (Box 2.6).

Box 2.6. **SmartGate Passenger Clearance System in New Zealand**

SmartGate is a two-step automated passenger clearance system that is available to Australian and New Zealand ePassport holders over 16 years of age: i) arriving at and leaving major international airports in New Zealand; and ii) arriving at Australia's eight international airports. At special kiosks, SmartGate reads a microchip embedded in ePassports to validate the passport. At the SmartGate gate biometric data and photo-matching technology are used to confirm that the passenger is the passport holder to provide accurate and fast automated clearance. The gate process normally takes between 13-22 seconds.

The design philosophy focused on enhancing the passenger experience while maintaining or enhancing security, ensuring it was at least compatible with New Zealand's manual processing systems in managing risk. Passengers are subject to the same alert or watch list checks as for manual processes. Independent software is used to provide assurance around gate performance, including the level of "false accepts" – the false acceptance matches of passport to passenger or acceptance of an invalid passport.

The success of SmartGate is demonstrated by the high level of uptake by eligible passengers, faster processing times for users and non-users and a steadily increasing repeat use and use across age groups. Since its introduction in December 2009, uptake has been stronger than expected. More than 500 000 passengers used SmartGate in its first year of operation and over 4 million passengers were successfully processed in its first 36 months. At time of writing, 65% of eligible passengers use SmartGate on arrival in New Zealand. It takes SmartGate users 17 minutes on average from leaving the plane to clearing passport control, compared with 20 minutes for non-SmartGate users – down from 18 and 22 minutes respectively in December 2010. These improved systems helped border officials efficiently process approximately 85 000 supporters, 760 players and officials from 19 teams and 400 Guests of government and other dignitaries for the Rugby World Cup 2011.

Building stakeholder capacity

The quality of institutions and capacity of stakeholders to design and implement pro-active, coherent government policies to facilitate travel is important to realising the best possible outcome overall. Given the cross-cutting nature of tourism, the activities in other policy domains may impact travel and tourism, and vice versa. National tourism administrations, other relevant ministries, diplomatic and border control agencies and the private sector each have a role to play in developing and implementing policy which may impact on travel flows, directly or indirectly. Stakeholders need to be aware of travel facilitation issues within the overall policy context and understand their role as key stakeholders. A key starting point is to establish links and build dialogue between relevant policy domains, to raise awareness and open communication channels.

For national tourism administrations, travel facilitation extends their work into policy spheres which are largely unfamiliar, notably foreign affairs and security. Tourism policy makers need to be informed stakeholders, capable of co-ordinating with other arms of government to effectively contribute to the design and development of appropriate policy responses. They need to actively engage in the dialogue with other stakeholders and effectively articulate tourism considerations, to support broader recognition and understanding of the way other policy domains interact with and impact on travel and

tourism. By playing an active role in policy discussions and in liaising with private sector stakeholders, tourism policy makers can help to ensure travel and tourism considerations are taken into account to develop mutually beneficial solutions.

Similarly, in other administrations, policy makers may have limited experience of tourism. While the situation varies from country to country, consideration of tourism and other economic factors in the design and implementation of temporary entry policy has been relatively limited to date. Building awareness and understanding of the economic importance of tourism, and the impact of visa and border control policies on travel flows and the tourism economy, would support a more integrated and coherent approach to policy making.

As with all policy, implementation is key. The way temporary entry policies are implemented is critical in determining the actual outcomes and the extent to which the stated policy objectives are achieved. Consular and border control agencies play an important role in this regard. Ensuring officials are knowledgeable about tourism-related issues, including the economic importance of tourism and the potential for implementation processes to influence travel flows, can help achieve successful outcomes from policy or process changes.

Border control officials play a particularly central role – a visa or other form of travel authorisation permits a traveller to present to border officials and request permission to enter the country. Border officials make the final decision to grant (or refuse) entry and determine the conditions of entry (e.g. length of stay). They are also the first point of contact for tourists on arrival to a country and can influence initial impressions of the destination.

Finally, the private sector also has a role to play in making the process more efficient and effective. Supporting the tourism industry to be informed and knowledgeable can ensure travel consumers are better advised and serviced, particularly during the early stages of the travel consumer journey. This may be particularly relevant for first time travellers or travellers from major emerging tourism markets, who are likely to face more restrictive travel requirements. Travellers from these markets tend to travel longer distances and visit more than one destination. They are also more likely to use the services of a travel agent or tour operator, particularly when language and knowledge barriers exist.

Outsourcing elements of the process to external service providers and authorised agents from the tourism industry provides a further reason to build industry capacity, in order to facilitate verification and ensure the systems' integrity. Ensuring that the information provided by the tourism industry, including travel agents and airlines, as well as travellers themselves, matches the passport details when inputting data into visa applications, reservation and check-in systems means the necessary checks can be carried out quickly, avoiding unnecessary delays.

Countries such as Ireland (Box 2.7), Mexico, Poland, Spain and the United Kingdom have adopted a number of initiatives, including training workshops and information sessions with immigration officials and the travel industry and updating the relevant Travel Industry Management System (TIMS) information, which is used by airlines to assess who is visa-required for travel to a particular country.

Spain offers basic visa management training to travel agents, while the United Kingdom Visa and Immigration Service (UKVI) organises visa workshops on a quarterly basis for travel agents who provide visa application services to consumers, covering basic visa rules and updates. As part of the United Kingdom's efforts to increase visa regime competitiveness to attract more visitors from China, it also intends to develop a new online visa training module for travel agents to improve agents' knowledge of the United Kingdom regime (see Box 2.11).

Box 2.7. **Irish Visa Waiver Programme stakeholder engagement**

Under the Irish Visa Waiver Programme, nationals of eighteen designated countries who are holders of certain UK short stay visas and have been granted permission to enter the United Kingdom with that visa are permitted to also travel to Ireland without the need to apply for an Irish visa. In addition, long-term residents in the United Kingdom and Schengen area who are nationals of the eighteen countries covered by the programme are are not charged for Irish visas. Discussions are continuing on the development of a reciprocal visa arrangement for the Common Travel Area between Ireland and the United Kingdom.

The programme was launched by the Prime Minister, Deputy Prime Minister, Minister for Justice and Equality and Minister for Transport, Tourism and Sport on 30 June 2011 and has been publicised by the Irish tourism agencies in the relevant markets, as well as on the websites of the Irish Naturalisation and Immigration Service (INIS) and relevant embassies. A detailed note on the initiative was devised for use by embassy and visa staff overseas, tourism promotion agencies, carriers and immigration officials. The Visa Section of INIS also held information sessions for immigration officials at the main port of entry to the State, Dublin Airport. In addition, a comprehensive information note was drafted for use by carriers and the information for Ireland in the Travel Industry Management System (TIMS), which is used by carriers to assess who is visa-required for travel to any particular country, was amended to reflect the provisions of the programme.

Leveraging technology

Technology has substantial potential to increase the security and efficiency of the global travel system. Technology can support more efficient and effective policy implementation through:

- Streamlining and automating manual processes, improving consistency and reducing the chance for human error.
- Outsourcing of administrative tasks to external service suppliers.
- Establishing greater connectivity through the tourism supply chain, to the travel industry and travellers themselves, for example online visa application submission.
- Supporting information dissemination and communication, particularly via the Internet.
- Improving traveller identification/verification, from the use of smart passports with chip technology and machine readable travel documents to the application of IRIS technologies in airports.
- Enhancing security by exploiting the full potential of biometric technology.

  Biometric technologies in particular offer significant potential, enhancing the security and integrity of travel documents and assisting automatic verification at border control. The use of biometrics enables high volumes of travellers to be processed rapidly and with greater accuracy, enhancing both mobility and security of cross-border movements and improving the overall travel experience.

  The International Civil Aviation Organisation (ICAO) has adopted standard specifications for machine readable travel documents, including biometric ePassports, to facilitate international travel and enhance interoperability. Greater consistency and compliance with ICAO standards, particularly in relation to passport issuing and biometics, can ensure that verification can be undertaken quickly and without any unnecessary

inconvenience to the traveller, while closer international co-operation and agreement on such issues, including for example consensus on biometric standards, may further aid the development of streamlined arrangements.

While biometrics offer significant potential, an important aspect of such approaches is the need for mutual recognition of travel documents and electronic data sharing. Data sharing is a sensitive issue, raising concerns including data protection, security and the sharing of sensitive information, as well as civil liberty issues. Work by the OECD on digital identity management has highlighted that while electronic identity cards and ePassports can ease verification and authentication, they also require careful balancing of these benefits against security, privacy, costs, customer experience and other considerations.

Countries are leveraging technologies in a number of ways, from allowing online submission of visa applications, streamlining delivery systems, supporting end-to-end electronic visa processing, delivering electronic travel authorisation and automating border entry processes. Since 1996, Australia has been leading the way on electronic visas, refining and expanding its eVisa products and pioneering the use of electronic lodgement and automated end-to-end visa processing. The eVisa initiative enables potential tourists to apply online for a visa, directly or through an authorised third party. In addition to being more convenient for travellers, the information is automatically captured in the visa processing system and subjected to electronic checks and processes. This reduces the need to manually input information and ensures greater consistency in its validation, while also improving the ability to identify individuals in future interactions (Box 2.8).

Box 2.8. **Australian eVisa initiative**

The eVisa initiative enables potential tourists with access to a computer and Internet connectivity to apply online for a visa anytime, anywhere. Clients enter details through a series of screens and pay the Visa Application Charge electronically via credit card. The information is captured in the Department of Immigration and Border Protection's visa processing system and a number of checks and processes are completed electronically to validate client data. The eVisa electronic processing concludes with the applicant notified of the outcome via email. Visa details are verified by airlines against the traveller's passport at the time of check-in and again at the Australian border by Australian Customs and Border Protection Service officers.

Any application that cannot complete the whole process electronically is referred to a processing centre located in Australia for manual completion. This allows staff to manage risk, maintain integrity in the programme and improve the quality and consistency of processing and decision-making. In 2012-13, over 68% of all Visitor visa applications were lodged electronically.

Australia intends to progressively roll out online tourist visa application to all countries, moving away from only permitting perceived low risk countries from accessing online lodgement facilities and is phasing out physical visas in passports and has stopped stamping passports on arrival and departure, enabling further streamlining arrangements. Australia also provides information online to visa holders about their current visa status through the Visa Entitlement Verification Online (VEVO) initiative.

Other countries are also considering implementing eVisa systems, with Turkey, for example, introducing an electronic visa application system in 2013. Technology is also being used to facilitate entry at borders.

New Zealand uses facial biometric technology and matching in the automation of border entry processes, allowing more accurate, faster, less intrusive passenger processing. At special kiosks, SmartGate reads a micro-chip embedded in passports and uses biometric data and photo-matching technology to validate passports and travellers to provide accurate and fast automated clearance (see Box 2.6). Australia similarly offers SmartGate automated processing and is trialling extending eligibility, while Israel is also piloting the use of technology to automate the border entry process. Schengen's Visa Information System, meanwhile, collects, processes and shares information relevant to external border management and can perform biometric matching for identification and verification purposes.

While technology creates opportunities, it also raises a number of challenges. A key challenge is ensuring the automated systems maintain the integrity of manual systems. The interoperability of systems in use by different countries is a further issue, as in order to exploit the potential of biometrics and machine readable travel documents, border authorities must be able to access the information on travel documents issued by other countries. Leveraging the potential of biometrics requires the collection of biometric data in the first instance, which in turn requires potential visitors to present in person to the relevant authorities. Building the technological infrastructure also requires considerable investment and proper capacity planning to ensure the system is stable, usable, accessible and scaleable. Countries considering introducing eVisa systems, for example, need to balance financial and other costs with available resources. Other technical issues include client servicing and providing support in a 24/7 environment.

While the opportunity for technology to support travel facilitation is acknowledged, it is worth noting the potential for low tech solutions to produce tangible results, including: reduction in the length of the application form and number of documents required; availability and accessibility of information regarding the temporary entry requirements and processes, including the availability of information in multiple languages; better workload and resource planning; and outsourcing of administrative tasks.

Promoting public private partnerships

Public private partnerships are important in developing and implementing tourism policies and enabling destinations and the tourism industry to become more competitive and innovative in the global tourism market. Public and private sector stakeholders respectively are responsible for various inter-dependent elements of the tourism supply chain. The private sector is also often best placed to identify tourism development opportunities, including new niche or source markets, and those areas where policy interventions can be of most assistance.

Outsourcing responsibility for administrative aspects of the visa process to private sector service providers through contractual arrangements for service delivery is one approach governments are adopting. In other cases, responsibilities are outsourced to authorised agents from the tourism industry, thereby establishing linkages through the tourism value chain and providing value added convenience for travellers. Such approaches may be part of broader reforms and on-going activities to modernise border control systems. Outsourcing may alleviate the administrative burden for consulates and

other relevant agencies, freeing up available government resources to focus on core consular and border control activities. Other potential benefits include faster processing times, increased accessibility and reduced travel time for applicants. External service providers may have regional service centres, removing the need for travellers to travel to the consulate.

Countries such as France and Spain have outsourced certain visa application formalities to a network of external service providers, removing the need to travel large distances to a consular office, making the visa process easier and faster. Some countries, including Poland and Spain, also permit the travel industry to submit visa applications on behalf of travellers. Such approaches are not without their challenges and raise the issue of maintaining the integrity of systems. In the Poland case, the Polish Chamber of Tourism is responsible for monitoring compliance and implementing a system of sanctions (Box 2.9).

Box 2.9. **Polish eVoucher Scheme**

Under this initiative, an eVoucher confirming the tourist purpose of the visit to Poland may be issued by certified travel agencies and tour operators who meet certain conditions set out in a joint Declaration signed between the Minister of Foreign Affairs and the Polish Chamber of Tourism and are therefore entitled to access an electronic eVoucher system. This eVoucher document is attached to the visa application and recognised by the Polish consular bodies, thereby replacing the need for documentation providing proof of stay in Poland, hotel booking and payment, as well as certificates of employment and financial means. The eVoucher scheme seeks to simplify and speed up the tourist visa application process, as well as improving customer service and increasing the attractiveness of tourism offers by Polish travel agencies. At time of writing, 129 Polish tourism enterprises participate in the programme.

Following the introduction of the scheme, Poland recorded double digit growth in tourist arrivals from Ukraine (22%), Belarus (33%) and the Russian Federation (34%) in 2012, year-on-year, significantly ahead of the overall increase in tourist arrivals to Poland (11%). While there is an absence of data showing the extent to which the eVoucher scheme directly contributed to this increase, feedback from industry is positive.

Spain's National and Integral Tourism Plan 2012-15, meanwhile, proposes a set of actions to streamline tourism visa processing, with a particular focus on emerging markets including China and the Russian Federation. Two key actions planned include optimising the global outsourcing contract and closer co-operation between the tourism industry, Regional Diplomatic-Mission Tourism Departments (*Consejerías de Turismo*) and consulates to ensure better workload and resource planning and the adoption of common criteria to simplify procedures and reduce processing time. Activity will also be stepped up within the Visa Management Working Group, which is composed of representatives of the Ministry for Foreign Affairs and Co-operation, business associations and *Turespaña*, the Spanish Tourism Institute.

Indonesia, meanwhile, has implemented an "Immigration on Board" approach, which enables passengers eligible for visa on arrival to complete immigration formalities on board certain flights to Indonesia operated by Garuda Indonesia (Box 2.10).

Box 2.10. **Immigration on Board selected flights to Indonesia**

Indonesia offers the option of visa on arrival to citizens from 63 visa-required countries. While dedicated visa on arrival counters are provided at the airport, supply is not always sufficient to meet the number of tourists arrivals, leading to long queues. Immigration on Board was introduced to reduce the inconvenience to tourists of queuing at the airport. Initially trialled in December 2009, the service was launched in February 2010 and is offered on selected Garuda Indonesia Airlines routes.

This in-flight immigration service is based on an agreement between the Directorate General of Immigration from the Ministry of Justice and Human Rights, Indonesia and Garuda Indonesia Airlines, in collaboration with the Ministry of Tourism and Creative Economy, and Bank Rakyat Indonesia.

Raising awareness and communication

Ensuring accurate information is available and effectively communicated is vital for countries to leverage efforts to make travel easier and more efficient, particularly during the early destination decision stage of the consumer journey. Indeed, from a consumer perspective, perception may be as important as reality. Measures to provide for a smoother travel experience for travellers, meanwhile, are likely to have a qualitative impact on the overall tourism experience and the perception of a country as welcoming and tourist friendly.

Building awareness of actual temporary entry requirements and promoting travel facilitation initiatives in part determines the success of such initiatives and is an on-going challenge for countries. Clear and accurate communication of travel requirements and systems can demystify the process and make it more accessible and user-friendly, including for visa-required countries. Making information available is also important when any changes are made, in order to leverage the improvements and realise positive tourism outcomes.

As part of the United Kingdom's efforts to increase visa regime competitiveness and attract more visitors from China, the United Kingdom is developing a proactive media plan to convey the message that Britain is actively supporting the growth agenda by improving its visa service and counteracting negative stories through press interviews and workshops, along with regular contact with travel agents. The United Kingdom Visa and Immigration Service (UKVI) has drawn up a communications strategy which sets out how improvements and new services will be communicated. Messaging focuses on reinforcing positive performance facts, service accessibility and service enhancements. In November 2012, UKVI led a number of "myth busting" sessions during VisitBritain's China mission, covering the latest visa developments, clarifying misperceptions and giving delegates the opportunity to ask questions about the visa application process. As mentioned earlier, the UKVI also organises visa information workshops for agents who provide a visa application service to consumers, while a new online visa training module is also planned (Box 2.11).

In the United States, the Corporation for Travel Promotion, doing business as Brand USA, promotes travel to the United States and works with the US government to communicate entry processes and procedures for international visitors. It is financed by a portion of the proceeds from the Electronic System for Travel Authorisation (ESTA), which international visitors participating in the US Visa Waiver Programme are required to obtain prior to arrival, matched by contributions from the private sector.

Box 2.11. **Increasing competitiveness of the United Kingdom's visa regime**

The United Kingdom is pursuing a set of proposals for immediate improvements to the visa service, which benefit Chinese visitors, including: simplified Approved Destination Status process including shortened application form and streamlined requirements with the Schengen application, dedicated assistance for businesses, retention of passport by applicant, visa training for agents, mobile biometric capture service for convenience and improvements to online application process, including translation of application forms.

Other actions include: developing a proactive media plan to convey the message that Britain is actively supporting the growth agenda by improving its visa service; conducting research with customers and purchase decision makers in China to gain insight into negative perceptions and to further improve the visa service; rebutting negative stories that misrepresent the United Kingdom visa service; and committing to continuous improvement of the service based on consumer feedback. The United Kingdom continues to look for ways to improve the visa service.

Impact of travel facilitation

Facilitating legitimate travel is the focus of much discussion as it represents an important vector to boost international tourism. A number of studies have sought to quantify the impact of temporary entry regimes on travel flows and to better understand the potential benefits which may be realised by initiatives to make travel easier. These studies provide information on the economic impacts related to visa facilitation and identify opportunities for visa facilitation to yield economic returns in terms of visits, tourism receipts and jobs (Box 2.12).

Interestingly, the findings of a recent study conducted on behalf of the European Commission suggest that there may be increased positive effects to be gained by combining several initiatives, bringing greater benefits than any single facilitation measure, and almost on a par with a visa free regime. This finding is in line with the OECD's work which highlights the potential to work within existing instruments to generate benefits and emphasises the need to develop a coherent mix of policies in order to generate positive tourism and economic outcomes through travel facilitation efforts.

The OECD's work highlights several challenges in assessing the impact of travel facilitation. A key challenge is the limited extent to which it is possible to isolate and measure the impacts of temporary entry policies and travel facilitation initiatives. The relationship between travel facilitation and travel flows is complex and it is difficult to separate the impact of specific initiatives from other factors influencing travel and the tourism economy. At any given point in time, a range of factors may influence travel flows, including the economic climate, exchange rate fluctuations, political events and natural disasters.

The extent of the impact also depends on the nature of the initiative or policy. The impact of more visible and fundamental changes will be greater and more easily identified and measured. While minor changes may have a qualitative impact on the tourism experience, the impact on travel flows may be less marked. The impact is also likely to vary by traveller type and source market. Demand for business travel is less elastic than for leisure travel, while measures which focus on emerging tourism markets can be expected

Box 2.12. **Economic impact of visa facilitation**

G20: The UNWTO and the World Travel and Tourism Council (WTTC), in conjunction with Tourism Economics, prepared a report assessing the economic impact of visa facilitation for the 4th T20 Ministers' Meeting in Mérida, Mexico, 15-16 May 2012. The report states that through implementing visa facilitating measures, G20 economies have the potential to increase tourist arrivals by between 20-112 million, generating between USD 38-USD 206 billion in additional tourism receipts and directly creating between 560 000 and 3.1 million additional jobs in the tourism sector by 2015.

APEC: Building on the G20 research, UNWTO and WTTC prepared a similar study for the APEC High Level Policy Dialogue on Travel Facilitation in Bali, Indonesia, 1-2 October 2013. According to the report, APEC economies stand to gain between 38-57 million additional international tourist arrivals, generating between USD 62-USD 89 billion and directly creating between 1.0-1.4 million jobs by 2016.

Schengen area: A European Commission study to evaluate the implementation of the EU Visa Code from the perspective of travellers and the tourism industry assessed the impact of visa facilitation on the European tourism industry and overall economy. Overall, it estimates that a total of 6.6 million potential travellers from the six target markets (China, India, the Russian Federation, Saudi Arabia, South Africa and Ukraine) were "lost" due to the visa regime in 2012, with the loss of EUR 5.5 billion in direct contribution to GDP every year, adding up to approximately 113 000 jobs in the tourism industry and related sectors. This leads to an estimated 34.8 million travellers lost over five years. Interestingly, by combining several facilitation initiatives, the study suggests that Europe could potentially benefit from a total of EUR 138 billion in direct spending over five years, bringing greater benefits than any single facilitation measure, and almost on a par with a visa free regime (between EUR 120 and EUR 130 billion over five years).

Based on the evidence collected, the report made policy recommendations for a facilitation approach which serves tourism policy development, without endangering security, to inform the evaluation of the implementation of the EU Visa Code. At the end of 2013 the European Commission proposed amendments to the Visa Code with a view to developing a smarter Schengen visa policy which responds to current and future challenges. A core element of the revision are proposals to facilitate regular travellers by introducing mandatory rules on the issuing of multiple entry visas with a long period of validity, on the basis of clear and objective criteria.

Sources: UNWTO and WTTC (2012, 2013), European Commission (2013).

to generate more positive results in terms of travel and tourism arrivals. These countries are experiencing dynamic growth and are increasingly significant source markets, but as mentioned previously they are likely to face tighter travel restrictions.

Initiatives to make travel easier and more efficient are also likely to have a stronger impact at country or destination level, rather than on overall global tourism levels. The most likely result is one of displaced demand, with the traveller substituting one destination for another, rather than boosting overall global demand. A competitive assessment exercise carried out by VisitBritain, for example, found that the visa regime puts the United Kingdom at a disadvantage compared with its competitors. Evidence from recent consumer research in China supports this, as more than 40% of respondents thought the UK visa application process was more difficult than for the United States or

Schengen countries, with process and length of time taken the biggest problems. VisitBritain concluded that the perceived difficulty and expense of getting a visa to visit Britain means visitors may choose another destination instead.

Finally, it takes time for travellers to become aware of the new requirements and for this to affect travel behaviour. Given the nature of the tourism product and the time lag between planning, purchase and travel, the full impact of travel facilitation initiatives may only become evident over time. While the introduction of an initiative may initially lead to a rise in travel demand, in time any related pent up demand will dissipate. Also, as countries look to such initiatives to position themselves as more tourist friendly and welcoming relative to competitor destinations, much will depend on the ability of countries to capitalise on such initiatives to attract visitors in a dynamic global market place, relative to other countries.

Governments need to ensure greater coherence and consistency in policy development, to deliver on national priorities. This requires a more holistic evaluation of temporary entry policy, extending the assessment to take into account wider policy goals, including economic considerations. Further work is therefore needed to develop a stronger knowledge and evidence base of the economic and other impacts of temporary entry regimes, in order to support consideration of tourism's potential to contribute to economic growth when developing and implementing such policies. In particular there is a need for additional work exploring the various factors influencing travel flows, the impact of existing regimes on travel flows and the benefits realised through the introduction of travel facilitation initiatives.

While acknowledging these challenges, the OECD's work on travel facilitation indicates that win-win solutions are possible and ultimately depend on the national level situation and priorities. OECD and partner countries report a range of impacts on tourism arrivals and travel flows, along with other outcomes, following the introduction of measures to facilitate travel.

Tourist arrivals, travel flows and other tourism impacts

Available tourist arrivals data from selected OECD and partner countries points to positive outcomes following the introduction of travel facilitation initiatives, with a number of countries reporting double and even triple digit increases in arrivals from the targeted source markets.

Following the elimination of the visa requirement for partner countries in the Pacific Alliance, Mexico recorded increases in tourist arrivals from Colombia (58%), Peru (46%) and Chile (13%) from January to August 2013, compared with the same period in 2012. Turkey similarly reports a considerable rise in travel following the abolition of the visa requirement for visitors from the Russian Federation in 2010, with arrivals rising 12% in 2011.

In Korea, Chinese visitors nearly tripled following the introduction of visa free entry for Chinese tourists to Jeju Island and the extension of the categories of travellers eligible for multiple entry visas, rising from 1.07 million in 2007 to 3 million in 2012. Japan similarly recorded an increase in Chinese visitors to the Okinawa region (117%), following the introduction of multiple entry visas for Chinese tourists, on condition they visit the Okinawa region on their first visit.

In Ireland, figures indicate that the number of trips from the countries covered by the Visa Waiver Programme introduced in 2011 increased by almost 21% in the twelve months following its introduction, compared with the twelve months preceding it. Since the

introduction of visa on arrival in Egypt, meanwhile, tourist arrivals data indicate that the initiative has contributed to increasing visitors from the countries involved. Poland similarly reports an increase in tourist arrivals following the introduction of initiatives (see Box 2.9).

Data from a few countries, however, shows that the impact may vary over time and across country of origin. The data also highlights the dynamic nature of tourism flows and the influence of other factors.

The evidence from the United States, for example, indicates that the introduction of measures to facilitate travel may not automatically result in or sustain a rise in travellers, with the impact of the VWP on arrivals from target countries mixed. Fewer than half of countries participating in the VWP posted double digit increases in the number of travellers to the United States the year after they entered the programme. Most of these countries went back to single digit increases or declines the following year. Of the eight countries that entered the programme in 2008, a similar trend is apparent as three countries posted a constant increase in arrivals: Hungary (+38% overall), Latvia (+23%) and the Slovak Republic (+74%); three countries posted increases in 2009, declines in 2010 and then recovered in 2011: the Czech Republic (+53% overall), Estonia (+3%) and Lithuania (-64%); and two countries posted declines in 2009, followed by increases in 2010 and 2011: Korea (+51% overall) and Malta (-2%).

The experience of Israel and Korea similarly highlights that the impact may vary over time and across country of origin. While arrivals to Israel from the Russian Federation rose 65% between 2008-12 following the removal of the visa requirement, arrivals fluctuated during this period, notably falling 12% in 2011, impacted by the economic climate and the political events in neighbouring countries. Israel concluded a similar reciprocal agreement with Ukraine in 2011 and while arrivals from Ukraine to Israel rose significantly in 2011 (52%), 2012 data showed only mildly positive results (1%).

Following the introduction of measures to streamline visa processing for visitors from South Asia, tourist arrivals to Korea from the 11 countries concerned increased 17% in 2011, with 7 of the 11 countries experiencing double digit growth year-on-year. However, tourist arrivals from these countries grew by just 3% in 2012, with seven countries experiencing declines.

Thus, while such initiatives may facilitate travel for potential visitors, this may not necessarily result in an increase in absolute numbers. Moreover, changes to border control regimes have the potential to redraw and reshape impediments to travel. Policies which seek to facilitate travel from one source market may have knock-on impact on other markets. While Poland's accession to the Schengen agreement in December 2007 opened up the free movement of visitors from other Schengen countries, Poland recorded a significant drop in arrivals from traditionally important source markets which were now visa-required, namely Ukraine (-39% in 2008) and Belarus (-45%). Poland has subsequently acted to facilitate travel from these countries, within the framework of the Schengen agreement.

Beyond tourist arrivals and travel flows, a number of other tourism outcomes demonstrate the impact of travel facilitation initiatives in Japan, Ireland, Israel, Mexico and Poland, for example. These include:

- Increased tour operator programming of the destination, with the modification and expansion of existing tour operator itineraries and introduction of new programmes with new tour operators.
- Rise in tour group arrivals from target countries, bringing additional passengers.

- Introduction of new air routes, increased flight frequencies and improved connectivity overall.
- Positive feedback from industry.
- Diversification of source markets.

Other traveller processing impacts

A number of countries also report improvements in the efficiency and effectiveness of policy implementation, with consequent tourism and security implications, including Australia, Egypt, France, Israel, Japan, Mexico, Poland and New Zealand. These include:

- A simplified process with reduced wait time and faster processing time.
- Higher automatic approvals rates.
- Improved verification systems and greater consistency and robustness of processes.
- Improved service quality and customer experience, with better information.
- Strong uptake and use of new initiatives.
- Positive feedback from stakeholders.

Improved efficiency and effectiveness enables higher volumes of travellers to be processed within existing resources and facilities, while also providing for an easier travel experience. The benefits are not limited to those travellers targeted by the initiatives, as improvements in relation to one category of traveller can have a knock-on impact on other travellers. The introduction of automated passenger processing systems in Australia and New Zealand, for example, has resulted in more accurate, faster and less intrusive passenger processing, with all travellers benefiting as resources are redirected to focus on manual processing. As a result, more passengers are processed within existing resources and facilities, with the cost per passenger of processing arrivals decreasing (see Box 2.6).

The on-going development and intention to further expand existing initiatives to new categories of travellers and source markets is also apparent. A number of countries point to such a step-by-step approach, as well as exploration of new approaches, such as the introduction of eVisa systems. Such developments provide support for an overall positive assessment of existing initiatives, from both a tourism and security perspective.

A number of countries refer to activities monitoring and evaluating the results of travel facilitation initiatives. Not only is this important in terms of building the evidence base, but it is also imperative to guide future policy and implementation in this area. On-going monitoring and evaluation of the impacts of travel facilitation initiatives is required to ensure the initiatives are achieving their desired aims of enhancing tourism mobility and delivering on tourism strategy goals, as well as maintaining and enhancing security and delivering on other national priorities. An incremental approach to developing travel facilitation initiatives means successes can be leveraged, learning incorporated, relationships developed and evidence built.

References

APEC (2013), *2013 Leaders' Declaration: Bali Declaration – Resilient Asia-Pacific, Engine of Global Growth*, Bali, Indonesia, 8 October 2013, *www.apec.org/Meeting-Papers/Leaders-Declarations/2013/2013_aelm.aspx*.

European Commission (2013a), *Schengen, Borders and Visas, http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/borders-and-visas/index_en.htm*.

European Commission (2013b), *Study on the economic impact of short stay visa facilitation on the tourism industry and on the overall economies of EU Member States being part of the Schengen Area, http://ec.europa.eu/enterprise/sectors/tourism/international/index_en.htm*.

European Commission (2012), *Communication from the Commission to the Council and the European Parliament: Implementation and development of the common visa policy to spur growth in the EU*, COM(2012)649Final, *http://ec.europa.eu/dgs/home-affairs/what-is-new/news/pdf/communication_on_visa_policy_to_spur_growth_com_2012_649_en.pdf*.

G20 (2012), *Leaders Declaration*, Los Cabos, Mexico, 18-19 June 2012, *http://g20mexico.org/images/stories/temp/G20_Leaders_Declaration_2012.pdf*.

OECD (2012), "Looking to 2060: Long-term global growth prospects: A going for growth report", *OECD Economic Policy Papers*, No. 3, OECD Publishing, Paris, *www.oecd.org/eco/outlook/2060%20policy%20paper%20FINAL.pdf*.

OECD (2011), *Digital Identity Management: Enabling Innovation and Trust in the Internet Economy*, OECD Publishing, Paris, *www.oecd.org/sti/ieconomy/49338380.pdf*.

T20 (2013), *Tourism Ministers Declaration*, London, United Kingdom.

T20 (2012), *Tourism Ministers Declaration*, Mérida, Mexico. 16 May 2012, *https://s3-eu-west-1.amazonaws.com/storageapi/sites/all/files/pdf/final_declaration_t20_merida_0.pdf*.

UNWTO (2013a), *Tourism Visa Openness Report: Visa facilitation as means to stimulate tourism growth, http://dtxtq4w60xqpw.cloudfront.net/sites/all/files/docpdf/tourismvisaopennessreport23august20132.pdf*.

UNWTO (2013b), *Visa facilitation: Stimulating economic growth and development through tourism, http://dtxtq4w60xqpw.cloudfront.net/sites/all/files/pdf/unwto_visa_facilitation.pdf*.

UNWTO (2011), *Tourism Towards 2030 – Global Overview, http://pub.unwto.org/WebRoot/Store/Shops/Infoshop/TT_2030_global_overview_excerpt.pdf*.

UNWTO and WTTC (2013), *The Impact of Visa Facilitation in APEC Economies*, Report prepared for the APEC High Level Policy Dialogue on Travel Facilitation, Bali, Indonesia, 1-2 October 2013, *www.wttc.org/site_media/uploads/downloads/The_Impact_of_Visa_Facilitation_in_APEC_Economies.pdf*.

UNWTO and WTTC (2012), *The Impact of Visa Facilitation on Job Creation in the G20 Economies*, Report prepared for the 4th T20 Ministers' Meeting Mexico, 15-16 May 2012, *www.wttc.org/site_media/uploads/downloads/Visa_facilitation.pdf*.

PART I

Chapter 3

Taxation and tourism

There is currently an intense debate about the role of tourism taxation and its impact on the competitiveness and attractiveness of destinations; and a strong demand for more information. This chapter explores the evolving relationship between taxation and tourism. It aims to contribute to the current policy debate by enabling the reader to better understand the rationale and concerns from both a government and industry perspective, and by providing comparative information in the form of an inventory of tourism-related taxes. The inventory, based on a survey of OECD and partner countries, focuses on indirect tourism-related taxes, fees, and charges that fall under the broad category headings of: i) arrival and departure; ii) air travel; iii) hotel and accommodation; iv) reduced rates of consumption tax; v) environment; and vi) incentives. The chapter also highlights recent trends and interesting practices in the area of tourism taxation.

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.

At a time when the global economic recovery remains fragile, many countries continue to face a fiscal consolidation challenge, requiring action on both the revenue and spending sides; often necessitating trade-offs against policy objectives, including short- and long-term growth and equity.

The capacity of tourism to stimulate economies by creating employment, attracting foreign investment, earning foreign currency, and adding value nationally, regionally and locally is well recognised. However, tourism operates in a rapidly evolving and highly competitive global market place; characterised in recent years by strong growth in emerging tourism economies.

This has led to increased pressure not only on tourism and supporting infrastructure, but also on the budgets with responsibility for: i) marketing and promotion; ii) providing the necessary services and facilities to cater for tourists; iii) ensuring visitor safety and security; and iv) maintaining the natural environments that often attract them. Like any other sector, tourism is subject to a range of specific taxes, fees and charges, and tourism taxation provides governments with one avenue of funding to help support public investment for tourism development.

In this context, there is a growing interest and debate about the role of tourism-related taxation in contributing to general tax revenue, the cost of tourism on public services, and the development and provision of key visitor facilities and services; and a strong demand for more information. From a tourism policy perspective, the question is what impact such levies have on the competitiveness, attractiveness and sustainability of destinations, and what, if any, are the alternative funding mechanisms.

Countries need to be well informed in order to make choices that maximise equity, transparency and efficiency in tourism taxation. However, despite the growing interest by both governments and industry, there remains a general lack of detailed comparative information on tourism-related taxes, fees and charges and their potential impacts on the tourism economy.

This chapter presents a preliminary exploration of the evolving relationship between taxation and tourism, and contributes to the current tourism policy debate by providing the reader with: i) comparative information in the form of an inventory of tourism-related taxes, fees and charges at the national level; ii) examples of recent trends and interesting practices in tourism taxation; iii) a better understanding of the rationale and concerns from both a government and industry perspective; and iv) a benchmark for assessing changes over time.

The inventory of tourism-related taxes, fees and charges includes information provided by 30 OECD and partner countries (Australia, Austria, Chile, Croatia, the Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Japan, Latvia, Mexico, the Netherlands, New Zealand, Poland, Portugal, the Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, and

Turkey), but does not include seven OECD member countries. It represents a snap-shot of tourism taxation as of 31 October 2013; however, the inventory will continue to be developed by the OECD Tourism Committee in the future.

The chapter focuses on taxes, fees, and charges affecting primarily tourism-related activities and falling under the broad category headings of: i) arrival and departure; ii) air travel; iii) hotel and accommodation; iv) reduced rates of consumption tax; v) environment; and vi) incentives. Recent trends emerging in the chapter are outlined in Box 3.1.

Box 3.1. **Recent trends in tourism taxation**

- Despite many levies being long-standing in nature, there has been a general increase in the number and scope of tourism-related taxes, fees, charges over the last 10 to 15 years.
- The main form of *arrival and departure* levies are visas, and there has been an increase in the number of countries adopting common visa policies for short-stays (e.g. in Europe, there are currently 26 Schengen area member states, up from only seven in 1995).
- There has been an increase in the number of taxes associated specifically with *air travel* with many falling under the sub-categories of security, passenger services, and airport departures (some of which seek to stimulate environmentally friendly behaviour by increasing the price of tickets).
- The overwhelming majority of taxes specific to *hotels and accommodation* facilities (e.g. bed night taxes, accommodation taxes or occupancy taxes) are administered at the sub-national and primarily the municipal level, with only five countries identifying examples at the national level.
- *Reduced rates of consumption tax* for tourism-related activities focus primarily on hotels and restaurants, and have generally following a wider trend of maintaining or increasing standard rates in recent years; however, several countries have introduced reduced rates on restaurants for the first time.
- There has been a large increase in the number of taxes with an environmental focus and designed to encourage environmentally positive behaviour change from operators and/or tourists, or provide funding to better manage the environmental impacts of tourism activities.
- Tax incentives have been maintained and introduced to promote increased investment in hotels and other leisure facilities/infrastructure, increased spending by tourists (e.g. VAT/GST refund schemes), and to promote the development of domestic tourism.
- In general, there has been a lack of monitoring, evaluation and analysis of the impacts of tourism-related taxes and incentives to ensure they are meeting their stated objectives without adversely affecting tourism competitiveness.

Apart from the wider purpose of contributing to general tax revenue and supporting public investment in tourism development, the rationale for specific tourism-related taxation varies from country to country and by the type of levy imposed, however, several general themes are evident:

- Funding *environmental protection* and infrastructure development to better manage the impacts of tourists in sensitive areas, and ensuring commercial activities are consistent with management plans. For example, Iceland's *Accommodation Tax*, is one of very few

where revenue is *dedicated* to promote the development, maintenance and protection of nature-based tourist attractions under public ownership or supervision via the *Tourist Site Protection Fund*.

- *Cost recovery* of passenger processing at ports of entry, including customs, immigration, security, quarantine, and the issuing of short-term visas. For example a *passenger service charge* is levied on each passenger to recover both operational and capital expenditure costs related to various airport services and facilities provided to passengers at airports in South Africa.
- Ensuring the *safety and security* of those travelling to/from and within destination countries. For example in New Zealand, *passenger security charges* are levied on a per-departing passenger basis on domestic and international flights from New Zealand airports, providing funding for the Aviation Security Service, the government organisation responsible for maintaining the security of the aviation sector.
- Encouraging *visitor spending* and *job creation*. For example, in Israel, the *return of VAT* on all goods purchased by tourists is in place to encourage increased consumption, while in Ireland, the *reduced rate of VAT* on hotels and restaurants aims to boost tourism and stimulate employment in the sector.
- Funding domestic and international *marketing and promotion* activities; For example, in Mexico, 80% of revenue from the *non-immigrant tax* on those persons entering the country for tourist purposes, is directed to the Mexico Tourism Board to support domestic and international promotion activities.
- Encouraging *investment* in tourism infrastructure. For example, in Australia, a *concessional tax treatment for hotels* has been in place for nearly 30 years to encourage greater investment in the hotel sector. Under the initiative, investors in hotels and short-term accommodation developments receive concessional depreciation rates compared to investors in most other new buildings for other purposes.

There are varying opinions as to the impacts of different forms of tourism taxation on the competitiveness and attractiveness of destinations. However, it is likely to be a combination of specific tourism levies and how the tax system as a whole impacts on the tourism sector in each country that determines long-term impacts.

It is clear from various industry submissions that tourism taxation (levies and incentives) remains a key issue in all countries; one which industry believes can have significant impacts on tourism jobs, growth and competitiveness. However, evidence of a more co-operative or participatory approach to tourism taxation does exist and where, as a result, the peak industry body is "by and large, very satisfied" with the outcome. There is a general view that the multiple taxes, both tourism-related and general, are impediments for tourism businesses and can negatively affect international competitiveness. Specific examples of industry concerns are outlined in Box 3.2.

As such, the policy environment would benefit from more detailed monitoring, evaluation and analysis of the impacts of existing taxes and incentives to ensure that policy makers have the necessary tools to implement evidence-based policies to support the long-term sustainable growth of the tourism industry. This combined with a more collaborative approach towards tourism taxation could also assist governments to better balance the need to raise general tax revenue and fund key visitor facilities and services, against the concerns expressed by industry.

Box 3.2. **Industry perspectives on tourism taxation**

Examples of industry concerns relating to specific types of levies, and other issues relating to tourism taxation more broadly include:

- Perceptions that air travel levies have a primarily negative impact on destination attractiveness/competitiveness, and particularly for long-haul destinations. This assertion was supported by evidence of decreased visitor numbers on routes subject to such fees, and that many travel agents in fact recommend their customers take steps to avoid such fees by flying into adjacent destinations and then into/out of their final destination.
- The potentially negative impacts of consumption taxes (e.g. VAT, GST) on tourism competitiveness as a result of: i) not exempting the purchase of goods and services by overseas visitors from such taxes when this is the case for other export activities; and ii) the lack of a reduced rate, or the existence of a higher reduced rate for tourism-related activities (e.g. hotels and restaurants), than in competitor destinations.
- The increase in the number of taxes, fees and charges payable by tourism operators, and concerns over the lack of a clear relationship between the fees charged and the cost of service delivery. There was a view that many taxes "over-collect" against their stated objectives, and a desire for a more dedicated relationship between the revenue raised from tourism and how it is utilised. Regular, above inflation increases in visa fees and air transport levies, in particular were highlighted as evidence of this practice.
- The disproportional impact of taxes on tourism enterprises (such as those on business payrolls) compared to businesses in many other sectors, due to the labour intensive nature of tourism.
- The need for a better understanding of the tax landscape, including an analysis of the costs and benefits, price sensitivities and the overall impact on international competitiveness associated with various taxes, fees and charges.
- The value of industry consultation when governments are considering the introduction of new taxes or amendments to existing taxes that would have implications for the tourism industry.

Concepts and definitions in tourism taxation

In the OECD classification, the term taxes is used to describe compulsory unrequited payments to general government – including the central administration, agencies whose operations are under its effective control, state and local governments and their administrations, certain social security schemes and autonomous government entities, excluding public enterprises. Taxation systems in most countries are based on two primary kinds of taxes: direct and indirect. Although the distinction between the two is not always clear, a basic distinction can be made if we consider direct taxes to be those levied "directly" on income and (possibly) wealth, while indirect taxes are levied on the expenditures that the income and wealth finance, including the purchase of goods and services (e.g. VAT). However, both the composition of these groups and the characteristics of respective taxes within them (e.g. its rate or percentage, and the amount and types of any allowance, exemption, or reduction from it), can vary from country to country (OECD, 2012).

Similarly, it is not always easy to distinguish between those fees and user charges which are to be treated as taxes and which are not. While it is generally accepted that fees and charges are levied in connection with a specific service or activity, as is the case for

tourism, the strength of the link between the fee and the service provided may vary considerably, as may the relationship between the amount of the fee and the cost of providing the service.

The World Tourism Organization (UNWTO), has previously defined tourism taxes as those taxes that are "applicable specifically to tourists and the tourism industry or, alternatively, if not specific to the tourism industry, those which are applied differently in rival destinations" (UNWTO, 1998). However, nearly all goods and services consumed by tourists are also consumed, to at least some degree, by non-tourists. As such, it could be argued that the taxable item is not the tourism activity itself, but rather a tax base roughly linked to it, and any fiscal measure addressed to tourism activities will very often affect non-tourists also (Gago et al., 2009).

Consequently it may be more appropriate to simply consider tourism taxation as those indirect taxes, fees and charges affecting primarily tourism-related activities. Indirect tax receipts generated by tourism expenditure are either derived from *general* taxes, including import duties, sales taxes, or value added tax (VAT); or *specific* taxes on what are considered to be primarily tourism-related activities, such as hotel and restaurant taxes, airport taxes, visa fees, and arrival and departure taxes (Box 3.3).

Box 3.3. **Indirect taxation of tourism activities – General versus specific taxes**

General indirect taxes – Value added tax (VAT) is now the centrepiece of general indirect taxation in more than 130 countries. VAT is levied on transactions; however, as it is credited against tax due on traders' sales, it is eventually a tax on final consumption. Though VAT usually has a common rate (%) for most of goods and services, it is theoretically feasible and usual in practice, to implement different rates in some sectors (e.g. tourism-related goods and services). For example, in many EU countries, VAT rates applied to hotels can be between 40%-50% lower than general rate of VAT.

Raising general indirect tax rates, such as VAT, has the important advantage of minimising administrative and compliance costs, compared to the implementation of new specific tourist taxes. On the other hand, the usefulness of VAT as a scheme to tax tourism is reduced when the level of government that raises it differs from the territory in which tourism problems and concerns arise. If a central tax, VAT will not be an accurate instrument (since its effects will overflow the tourist regions and probably have negative effects in the economy as a whole), although this could be solved if VAT regulation allowed for regional differentiation.

Specific taxation – The most common example of specific indirect tourism taxation around the world is the hotel room tax. Usually designed as a charge on stays at hotel establishments, it can be an *ad valorem* tax (with the rate as a percentage of prices) or an *ad quantum* amount (unit tax) per night. These receipts are sometimes earmarked to fund destination marketing campaigns, or projects aimed at improving the quality of tourist activities or preserving the environment.

Source: Durbarry and Sinclair, 2001.

A long-standing principle in public finance holds that public expenditure should be targeted where it provides most benefit, while taxes should be targeted where they cause least harm; the way money is raised should not determine how it is spent. In practice, this is true for the bulk of outlays and receipts in OECD countries. However, on occasion, specific taxes may be collected for a defined purpose, while the resulting revenues are not quarantined only for that purpose.

The same case is true for tourism, where some or all of the revenue raised from tourism-related taxes may be used to provide the infrastructure and other facilities to support the industry; and from a non-renewable resource perspective, to protect the natural environment upon which tourism largely depends (e.g. Iceland's Accommodation Tax – the proceeds from which fund the Tourist Site Protection Fund and the development of tourism infrastructure in National Parks). In such instances, the taxes are considered to be at least partially *dedicated* or *hypothecated*.

Inventory of tourism-related taxes, fees and charges

For the purpose of this inventory, the focus is on those indirect taxes, fees and charges administered at the national level and affecting primarily tourism-related activities under the six broad categories: i) arrival and departure; ii) air travel; iii) hotel and accommodation; iv) reduced rates of consumption tax; v) environment; and vi) incentives.

Arrival and departure

The category of *arrival and departure* includes those taxes, fees and charges levied typically on individuals, but also on occasion operators and/or crew, upon entering or departing a country by any means of transport. By definition visas are a major example, as they permit the holder to enter, leave or stay for a specific period of time in a given country. The requirement, and associated fee, for a visa may vary according to a range of factors, including the length of stay, purpose of visit, country of origin and reciprocal visa policy. Other examples include passenger movement charges, transit, and departure or boarding charges. Such levies are often used to cover the administrative costs associated with customs, immigration, processing of passengers, and the issuing of short-term visas; but also more recently, to support marketing and promotion activities.

In response to the country survey, 20 of the 30 responding countries identified one or more relevant *arrival and departure* levies at the national level. Several were described as being "long-standing" or introduced in the "1980s" and "1990s"; however, many have been introduced since 2000. The majority were in the form of *visa* fees, with only five countries identifying what could be considered levies on *departure* or *transit* (Australia, Chile, Egypt, New Zealand, and Portugal). Outlined below are details of the specific tourism-related taxes, fees and charges by country.

For twelve of the responding countries (Austria, the Czech Republic, Estonia, France, Hungary, the Netherlands, Poland, Portugal, the Slovak Republic, Spain, Sweden and Switzerland), the primary or sole levy in this category are the fees associated with the administration of Schengen *short-stay visas* (Box 3.4). There are currently 26 Schengen area member states, up from seven in 1995, when the Schengen area came into effect (see Box 2.3 for more information on the Schengen area). Other OECD member countries within the Schengen area are Belgium, Denmark, Finland, Germany, Greece, Iceland, Italy, Luxembourg, Norway, and Slovenia.

Box 3.4. **European common visa policy for short-stays**

The EU has set up a common visa policy for short-stays, i.e. stays up to three months, which is applied through the delivery of so-called "Schengen visas". Citizens from some non-EU countries are required to hold a visa when travelling to the Schengen area. The EU has a common list of countries whose citizens must have a visa when crossing the external borders and a list of countries whose citizens are exempt from that requirement. These lists are set out in Regulation No. 539/2001 and its successive amendments. Generally, a short-stay visa issued by one of the Schengen States entitles its holder to travel throughout the 26 Schengen States for up to three months within a six-month period. Visas for visits exceeding that period remain subject to national procedures.

The current fee for a Schengen *short-stay visa* for tourists entering the Schengen area for up to three months within a period of six months is EUR 60 (rising from EUR 35 in 2007), and EUR 35 for children between the ages of 6 and 12. The fees to be levied in connection with an application for a visa correspond to the administrative costs incurred, with the amount charged revised on a regular basis.

For the nine non-EU countries with visa facilitation agreements with the EU (Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, Georgia, Montenegro, the Russian Federation, Serbia, Moldova and Ukraine), a fee of EUR 35 for single and multiple-entry visas is also payable.

Source: European Commission (2013a).

As outlined in Box 3.4 Schengen area long-stay visas are issued in accordance with member states' national legislation. For example, in the Czech Republic the fees for *long-stay visas* and combined *short- and long-stay visas* are CZK 2 500 and CZK 2 800 respectively.

In **Australia**, a *Passenger Movement Charge* (PMC) on departing persons (aged 12 years and over), was introduced in 1978 as a Departure Tax, which was renamed the Passenger Movement Charge in 1995. The PMC was originally a measure to recoup the cost of customs, immigration and quarantine processing of passengers, and the issuing of short-term visas. The PMC is not hypothecated to particular spending. However, in 2012, the Australian government announced that AUD 48.5 million of the revenue raised from the charge would be allocated to the Asia Marketing Fund, with a further AUD 48.5 million of the revenue raised allocated to the Tourism Industry Regional Development Fund to help improve the quality of Australia's tourism products and services. The current rate is AUD 55 having risen from AUD 47 on 1 July 2012 and AUD 38 on 1 July 2008. In response to concerns that recent increases may have undermined the competitiveness of the Australian tourism sector, the government announced on 11 October 2013, that the PMC will be frozen for the full term of the current Parliament.

The *Electronic Travel Authority (ETA) (Subclass 601)* and the *Visitor (Subclass 600)* Tourist Stream (categorised as Tourist 676 prior to 23 March 2013) provide authorisation to eligible visitors to travel to and enter Australia for tourism purposes. The current fee for the ETA is AUD 20 for Internet applications lodged via the official ETA website (from citizens of eligible countries). There is no government charge for ETA applications lodged via airlines or travel agents, although they may charge their own fees for arranging an ETA. For those not eligible for the ETA, the current fee for the Visitor Tourist Stream visa is AUD 115 if

lodged outside of Australia (rising from AUD 100 in 2009) and AUD 290 if lodged within the country (rising from AUD 240 in 2009).

The *Working Holiday (Subclass 417)* visa is a reciprocal programme with the purpose of fostering closer ties and cultural exchange between Australia and partner countries (currently 19 countries), with particular emphasis on young adults. It was introduced in 1975 and the current fee is AUD 365, up from AUD 195 in 2009. Similarly, the *Work and Holiday (Subclass 462)* visa is a reciprocal work and holiday programme with agreements in place with ten partner countries. Introduced in 2005, the work and holiday visa's current fee is AUD 365, up from AUD 195 in 2009.

Australian visa application charges are subject to periodic review and are generally indexed annually on 1 July to account for inflation.

Boarding taxes in **Chile** cover any passenger with the exception of: children under 2 years, transit passengers, diplomats from foreign countries accredited in Chile, delegates attending international meetings, and flight crew. Introduced in 2005, the current charge for the boarding tax is USD 30 (up from USD 26 in 2008), with revenue raised used to maintain airport facilities.

Introduced in 2005, a *tourism visa* is required by any foreign person traveling to Chile on a short-term basis for recreational, sports, health, education, business, family, religious or similar purposes. The rates for tourism visas vary by country, with exemptions for nationals from countries with which Chile has a visa-free regime in place.

Also introduced in 2005, a *reciprocity fee* currently applies to visitors to Chile from Albania, Australia, Canada, the United States and Mexico, with rates varying in accordance with those charged in these countries.

In **Croatia**, a *short-term tourist visa* is imposed in respect of the arrival of foreign citizens from designated countries. The visa fee was introduced in April 2013 with a rate of EUR 35 (EUR 69 for urgent applications), with the revenue raised used to help cover administrative costs. In line with Croatia's accession to the European Union on 1 July 2013, Croatia's visa system has been fully harmonised with that of the EU as of 1 April 2013.

A *visa fee* is payable by each tourist arriving in **Egypt** at entry ports. The current fees begin at USD 15 and vary by country depending on associated administrative costs. The fee will increase to a minimum of USD 25 on 1 November 2013.

Similarly, a *departure charge* is also payable by tourists when leaving Egypt. The current charge is USD 20 up from USD 15 on 1 May 2013 except for Sharm El Sheikh and Hurghada, where this will come into effect on 1 November 2013.

In **Israel**, a *tourist visa* fee was introduced in 2005 to cover the cost of processing visa requests. The fee is charged per person on tourists from countries not part of Israel's Visa Waiver Agreements. The current fee is NIS 90, with no change in the level of the fee over the past five years.

An immigration permit (*non-immigrant tax*) was introduced in **Mexico** in 1999 for those persons entering the country for tourist purposes. Currently set at MXN 295 (up from MXN 237 in 1999), the fee applies to all foreign visitors to Mexico, except those entering by land for stays of less than 7 days. Revenue from the fee is used to foster tourism in Mexico, with 80% (up from 50% in 2002 and 70% in 2006) directed to the Mexico Tourism Board, which is responsible for both the domestic and international promotion of tourism (Box 3.5).

Box 3.5. **Revenue from non-immigrant tax for tourism promotion in Mexico**

On 31st December 1998, Mexican Congress approved the Non-Immigrant Tax (DNI), a flat rate of MXN 237 (approximately USD 20), which should be directed to the monitoring and supervision of immigration-related activities.

At the same time, tourism institutions in Mexico were facing budgetary limitations affecting tourism promotion. This situation exposed the need to find alternative ways to plan and finance promotion in order to attract international tourists. Consequently, Mexico's government developed a new strategy to finance and design promotion.

In May of 1999, Mexico's government created the Mexico Tourism Board (CPTM), as a State-Owned Enterprise, an organisation entrusted to co-ordinate, design and develop the national and international strategies for tourism promotion, working closely with local governments and the private sector. The Mexican government decided to support the board with revenue from the DNI. As of 2001, DNI's participation in the total budget was MXN 33 million, approximately 5.7% of the Board's total budget.

During the following years, a series of reforms to the Federal Duties Law, where the DNI is recognised, acknowledged the importance for promoting tourism for Mexico's government. Since 2002, a higher percentage of total DNI revenue was directed to the Board, 50% for migration issues and 50% for the Tourism Board. In 2007 it was established that only 20% of the total revenues would be directed to immigration activities, with the remaining 80% being be directed to tourism. 10% is allocated by law to the National Fund for Tourism Development, intended for research and infrastructure projects that improve destinations. By the end of 2011, DNI's participation in the total budget was almost MXN 1 649.5 million, approximately 60.7% of the total budget. In just one decade, the budget directed to promote country branding and strengthen Mexico's image around the world increased by nearly 5 000% from 2001 to 2011.

In addition, *ordinary visas* on foreign passports require the payment of a fee for consular services. This fee applies to all foreigners visiting Mexico, with certain exemptions in place according to agreements of the Ministry of Foreign Affairs (*Secretaría de Relaciones Exteriores*), in order to boost tourism and trade, and cultural exchanges. Introduced in 2005, the current fee is MXN 535 per person (50% reduction if the services are rendered in Mexico).

Visitors to **New Zealand** must pay a *visitor visa* fee, although agreements are in place with 60 countries to waive the requirement for a short-stay visa. Current rates are NZD 130 for applications from Australia and Pacific Islands, and NZD 165 for applications from within NZ and overseas. In addition, *transit visas* are required for those stopping in New Zealand for under 24 hours en-route to another destination, with the current fee set at NZD 140 (in addition to the 60 countries with visa waiver agreements, citizens from a further 22 countries are exempt from this fee). In both cases the fees are designed to cover the administrative costs of providing visas and border security.

Visitors from China who are traveling as part of a tour group to New Zealand are required to pay for a *China Group Visitor Visa*. Current rates are NZD 50 per person for visitors travelling as part of the Approved Destination Status (ADS) scheme, and NZD 80 per person for those on tours not run as part of the ADS. These fees are also intended to cover the administrative costs of providing visas and border security, which is lower due to the group nature of the tours that are run.

In addition to fees associated with the Schengen short-stay visa, other fees were introduced in **Portugal** in 2005 covering the entry of foreign nationals including short-stay visas granted at frontier checkpoints – for exceptional motives or unpredicted reasons (EUR 85), and fees for the provision of border controls on ships (EUR 320) and at airports (EUR 213), payable by operators. A series of *port taxes* were also introduced in 2005, including charges for passenger embarking/disembarking (fee EUR 3 per passenger), vessels departing from docks (EUR 80 per vessel), and for crew to come ashore (EUR 1). The fees for which have not changed over the past five years.

In **South Africa**, *visitor visas* are required for citizens of other countries who wish to visit on a temporary basis for tourism or business purposes for a period of 90 days or less. Introduced in 2002, the visa administration fee is currently set at R 425 (average), with no change over the past 5 years.

Air travel

In many countries, the introduction of levies on entry or departure specifically linked with air travel is a relatively recent phenomenon, largely reflecting the increasing affordability and growth in international air-travel over the past 20 years, but particularly since the turn of the century. This growth has in turn led to increased costs to provide the necessary infrastructure, security and passenger services, and a growing concern for the implications of this growth on the environment. In response, countries have introduced a variety of taxes, fees and charges to contribute towards the rising cost of service delivery, and in some cases in an attempt to encourage more environmentally friendly behaviour.

Of those countries responding to the current survey, 16 identified one or more levies focussing specifically on *air travel* at the national level. The great majority could be described as being in the form of a variety of *airport charges* (including aircraft landing and waiting fees, aircraft parking charges, and terminal charges), which are applicable at most international airports, with fees often used to cover airport costs and often varying between airports within the same country. Other major sub-categories include taxes, fees and charges relating to *security* and *airport departures* (e.g. air transport levy, air ticket tax, and air passenger duty), and details of these are outlined below.

An *Air Transport Levy* was introduced in **Austria** in 2011 on each passenger departing from Austrian airports, unless an exemption from liability applies. The stated goal of the levy is to stimulate environmentally friendly behaviour by increasing the price of tickets. Based on a band structure, the current rates for short- (EUR 7), medium- (EUR 15), and long-haul flights (EUR 35) came into effect in January 2013. Rates for short- and medium-haul flights were revised downwards from their introductory levels of EUR 8, EUR 20, while the long haul rate of EUR 35 remains unchanged. The levy will be reviewed in September 2014.

In **Croatia**, a *departure fee* is paid by both domestic and international passengers departing from airports (with the exception of transit passengers, passengers with ID 00 and ID 90 service tickets, and children under 2 years). Introduced in 2010, the rates remain EUR 1.37 for international departures and EUR 0.68 for domestic departures and transfers. Revenue contributes to financing the Croatian Civil Aviation Agency.

There are two major forms of *air levies* in the **Czech Republic**, both of which are payable only by passengers departing or transiting at Prague airport. A *departure tax* is currently set at CZK 565, rising from CZK 525 over the past five years, while a *transit tax* is currently set at CZK 205, up from CZK 190 over the same period.

An *airport passenger charge* to cover airport costs is payable by every departing passenger on an international flight from **Estonia**, excluding transit passengers. Designed to cover airport costs, the current rate is EUR 7.03, down from EUR 7.93 in 2009 and EUR 9.91 in 2008.

In **France**, the *Civil Aviation Tax* (TAC) is payable by any public air transport embarking on passenger, freight and/or mail from the French territory. The TAC came into effect in 2006, and the current rates are: i) EUR 4.31 per enplaned passenger within France, or to another member state of the European Community (or to another State party to the Agreement on the European Economic Area, or the Swiss Confederation), up from EUR 3.92 in 2008; and ii) EUR 7.75 per enplaned passenger to other destinations, up from EUR 7.04 in 2008.

In addition, the *solidarity tax on aircraft tickets* is payable on the number of enplaned passenger from France (mainland and overseas), except those in transit. Introduced in 2006, the current rates are: i) EUR 1 for passengers travelling within metropolitan France, to the French Overseas Departments and Territories (DOM/TOM), or to another member state of the European Community (or to another State party to the Agreement on the European Economic Area, or the Swiss Confederation); and ii) EUR 4 when passengers are going to other States. There have been no increases in rates for the solidarity tax in the last 5 years.

The **German** *Air Ticket Tax* was introduced in 2011 with the objective of promoting more ecologically friendly behaviour by increasing the price of tickets. Based on a band structure, the taxes are levied on bookings for passengers departing from German airports (Box 3.6).

Box 3.6. **German Air Ticket Tax**

The amount of *Air Ticket Tax* paid is determined by the distance from the departing airport in Germany airport to the final destination airport and fall into three bands. Exemptions are in place for passengers under two years of age; flights conducted exclusively for sovereign, military or medical purposes; island residents flying to and from domestic islands that cannot be reached by land; and crew members.

The current rates for the three bands (introduced on 1 January 2012) are:

i) For flights to a destination within the EU, EFTA-member states or states within a similar distance, a tax of EUR 7.50 per passenger is payable;

ii) For distances of up to 6 000 km the amount increases to EUR 23.43 per passenger; and

iii) For distances beyond this, the tax payable is EUR 42.18 per passenger.

For flights involving a transfer or short stopover, the tax is only chargeable on the initial leg. If the journey is broken up by a longer stopover (of 12 or 24 hours) in Germany, however, the tax becomes payable again. Prior to 2012 the rates for each band were EUR 8, EUR 25, and EUR 45 respectively.

In **Greece**, a *passenger tax* (Airport Development and Modernisation Charge – ADMC) was introduced in 2001 on passengers (over the age of five) departing from Greek airports, with transit, and transfer passengers exempted. All revenue collected via the ADMC is used to finance the operating and investment costs of the country's airports, including equipment, maintenance, improvement and expansion. Current rates for the passenger tax are EUR 22 for passengers to non-EU destinations and EUR 12 for passengers travelling to EU, EEA countries (Norway, Iceland, Liechtenstein) and Switzerland.

An *air travel tax* was introduced in 2009 on each passenger leaving **Ireland** by air. Initially, two rate bands were introduced depending on destination distance from Dublin airport: EUR 2 per passenger for destinations within 300 km of Dublin Airport and EUR 10 per passenger for all other destinations. From March 2011 a standard rate of EUR 3 per passenger was introduced and in October 2013 it was announced that this amount would be reduced to zero from April 2014.

The reduction of the air travel tax to zero is part of a process designed to generate new airline routes into Ireland. At the time of the announcement, the government stated that it would monitor the reaction of airlines to the change and that the tax could be re-imposed if it did not have the intended effect. The initial response from airlines was very positive, with a number of new air routes serving Irish airports confirmed for 2014.

Israel introduced an *air transport charge* and *air passenger duty* in 1948, which is levied on each passenger entering and leaving the country by air. Established as a dedicated cost recovery mechanism for security and passenger processing at international airports, the current rate is USD 13 per passenger, with no increase in the past five years.

All passengers travelling on flights from **New Zealand** airports pay a *Civil Aviation Safeties Levy*, which provides funding for the Civil Aviation Authority's safety oversight programme, which in turn ensures the safety of planes flying within the country. Introduced in 2002, the current rate is a NZD 1.50 flat fee, up from NZD 1.00 in 2012.

The *International and Domestic Passenger Security Charges* were introduced in 1998 and are levied on a per-departing passenger basis on international and domestic flights from New Zealand airports with airlines generally passing on the charge to passengers in the ticket price (Box 3.7).

Box 3.7. **New Zealand's Passenger Security Charges**

New Zealand's international and domestic passenger security charges provide funding for the Aviation Security Service (Avsec), the government organisation responsible for maintaining the security of the aviation sector. Avsec currently operates at six security-designated airports in New Zealand: Auckland, Rotorua, Wellington, Christchurch, Dunedin and Queenstown. Its aviation security activities consist of five principal programmes:

1. Screening passengers and their carry-on baggage.
2. Screening checked baggage.
3. Airport access controls.
4. Screening of airport workers.
5. Managing the Airport Identity Card system for restricted areas.

The *International Passenger Security Charge* is currently set at NZD 11.98 (including GST), up from NZD 10.22 in June 2011 and NZD 8.00 in June 2013. The *Domestic Passenger Security Charge* is currently set at NZD 4.60 per passenger, up from NZD 2.80 in 2002 and NZD 3.70 in June 2013.

Exemptions from the passenger security charge include children under 2 years of age; crew members; passengers travelling on an aircraft used for the purposes of the New Zealand Defence Force; any passenger travelling on an aircraft being used specifically for military, diplomatic, or ceremonial purposes of any government; and transit passengers not leaving the transit/arrival/departure areas of the airport.

Introduced in 2008, a *Passenger Service Charge* is levied on each departing passenger from **Portugal** and billed directly to operators, according to their destination. The current rates vary for:

- Flights to destinations inside the Schengen area (EUR 7.45 from Lisbon; EUR 7.43 from Porto; EUR 7.25 from Faro and Beja; and EUR 5.95 from the Azores).
- Intra EU flights outside the Schengen area (EUR 9.50 from Lisbon; EUR 9.45 from Porto; EUR 9.19 from Faro and Beja; and EUR 9.47 from Azores).
- Other international flights (EUR 12.66 from Lisbon; EUR 12.62 from Porto; EUR 12.32 from Faro and Beja; and EUR 12.64 from Azores).

Portugal also introduced a *security charge* in 2008, for services rendered to air transport passengers and is intended to contribute to the costs of staff and equipment necessary to maintain the security of the aviation sector. The current rates per passenger are: i) EUR 2.39 for flights inside the Schengen; ii) EUR 4.06 for intra EU flights outside the Schengen area; and iii) EUR 7.07 for other international flights.

In the **Slovak Republic**, *passenger service charges* are payable by an operator for each departing passenger on scheduled and non-scheduled air transport. For international traffic, the current charge (without VAT) is EUR 16.26, while for domestic traffic the charge (without VAT) is EUR 6.30 at Bratislava/M.R. Štefánik aerodrome, and EUR 10.45 at Košice aerodrome. For passengers transferring within the Slovak Republic, the charge is 50% of that for departing passengers.

The *air passenger departure tax* is a passenger service charge in **South Africa** levied on the owner, operator or agent of an aircraft to help fund aeronautical operations and passenger services to facilitate departure. It is charged on each passenger leaving the country by air, with the charge varying according to the flight category (Regional or International). Introduced in 2000, the current rate is R 100 per person, for regional flights and R 190 per person for international flights.

A *passenger service charge* is levied on each passenger to recover both operational and capital expenditure costs related to various airport services and facilities provided to passengers at airports in South Africa. The current charge is R 120 for domestic flights, R 249 for regional flights, and R 328 for international flights.

An *aircraft passenger safety charge* was introduced in 2012 and is recovered directly from each passenger departing from a South African airport. Revenue from the charge is used to assist the South African Civil Aviation Authority to comply with its statutory mandate, including safety and security oversight on various entities and certificate/licence holders for the benefit of travellers. The current charge is R 116 (excluding VAT) for international passengers, R 42 for domestic passengers, and R 242 per person for SACU-member countries.

An *aviation co-ordination services* charge was introduced in South Africa in 2012 to contribute to the leasing and management of security equipment and services that ensures proper control and correspondence between the passenger boarding a plane, the ticket holder and checked-in baggage. The current charge is R 21 per passenger.

In addition to the various air travel taxes outlined above, the **United Kingdom** (UK) introduced an *Air Passenger Duty* (APD) in 1994 as a per passenger charge on air travel from UK airports. The APD was introduced with the purpose of raising revenue from the aviation industry but with the anticipation that there would be environmental benefits through its effect on air traffic volumes. Its initial rate was GBP 5 for UK/EU flights and GBP 10

elsewhere. In 2009 the APD moved from a flat rate to a band structure (Band A, 0-2 000 miles; Band B, 2 001-4 000 miles; Bands B and C, 4 001-6 000 miles; and Band D, more than 6 000 miles), with the appropriate APD band determined by the distance between London and the capital city of the destination country/territory (House of Commons, 2012). As of 1 April 2013, the standard rates for the APD are GBP 26 for Band A, GBP 134 for Band B, GBP 166 for Band C, and GBP 188 for Band D. A reduced rate, equivalent to 50% of the relevant standard rate, is payable by those travelling in economy class.

Hotel and accommodation

This section deals with those levies specific to hotels and other accommodation facilities, such as room or bed night taxes and occupancy taxes, but does not include VAT relating to hotel stays, which is dealt with under the following section on *reduced rates of consumption tax* for tourism-related activities.

Country responses indicate that the overwhelming majority are administered at the sub-national and primarily the municipal level and may be seasonal in nature; while only five countries (Chile, the Czech Republic, Egypt, Ireland and Spain) identified examples at the national level. Many fall into the sub-categories of *bed night* or *accommodation taxes*, *occupancy taxes*, or *tourist taxes*, either paid by the tourist per night spent in a hotel or accommodation facility, or based on accommodation capacity and usually paid by the owner. In many cases, the proceeds of the various hotel and accommodation related levies are utilised for tourism marketing, promotion and development at the local level.

In 1974, **Chile** introduced the *extension of the charge of VAT* covering any payments made in foreign currency by foreign tourists in hotels, as a result of services rendered. Revenue from the charge, currently set at 19%, is utilised for export promotion. In 2011, the definition of a "hotel enterprise" was extended to include any kind of lodging.

In the **Czech Republic**, a *bed night tax* covering each person staying at spa or recreational accommodation facility is in place to support the development of tourism and to provide funding for towns to help cover the expenses associated with increased visitation. The current rate for the bed night tax is set at CZK 15 per person per day. Similarly, the revenue from an *accommodation capacity tax* on each utilised bed in a spa or recreational accommodation facility is used for the same purposes. The current rate of the accommodation capacity tax is set at CZK 6 per bed per day.

A 12% *services charge* is payable on purchases in hotels and restaurants in **Egypt**, while in **Spain**, the *hotels and other facilities rendering hosting services tax* is managed jointly by State and Local entities. Introduced in 1991, the rate varies depending on the category of establishment providing the service, with exemptions for natural persons and taxpayers whose net turnover is less than EUR 1 million.

In **Ireland**, *registration fees* for hotels, guest houses, holiday cottages and apartments, hostels, youth hostels, caravan and camping parks were introduced in 1939 to support the maintenance of standards. The inspection process also contributes to consumer assurance and fair competition between operators. Fees are variable according to the type of accommodation with initial registration fees ranging from EUR 146.65 (plus EUR 2.10 per pitch) for caravan and camping parks, up to EUR 453.93 (plus up to EUR 17.40 per room) for hotels.

Similarly, a *manpower and training contribution* has been in place since at least 2003, for hotels and guesthouses to contribute to the cost of training for the industry. It is also variable depending on the number of rooms per establishment and ranges from EUR 3.81 per room for guest houses, to EUR 145.13 for small hotels (10-19 rooms), and up to maximum of EUR 1 371.32 for hotels with 150 or more rooms.

Reduced rates of consumption tax

Value added taxes (VAT) and *goods and services taxes* (GST) remain the principal form of taxing consumption in 33 of the 34 OECD member countries and account for two thirds of consumption tax revenues, with the remaining third made up of specific consumption taxes such as excise duties.

As part of the survey on tourism taxation, countries were asked to identify whether reduced rates for primarily tourism-related activities (hotels, restaurants, transport, admission to attractions, etc.) had been introduced when a general tax on consumption was in place.

The results from the survey, supplemented by additional OECD and EU sources, are outlined in Table 3.1. In total, information on tourism-related reduced rates of consumption tax (focussing on the most common forms – hotels and restaurants), is provided for 39 OECD and partner countries with an existing broad-based consumption tax in place. Figures for both 2009 and 2013 are provided for comparative purposes.

In 2013, a total of 6 countries (out of 39) had a standard consumption tax rate of 10% or less, with a further 9 countries with rates from 11% to 19%, and 24 countries with a rate of 20% or higher. The standard rate ranged from 5% in Canada and Japan, to 27% in Hungary. The average standard rate was 19% – up slightly from 18% in 2009. Between 2009 and 2013, 21 countries increased their standard rates of consumption tax, and while reduced rates appear to have followed this general trend, this was not always the case.

When considering rates of consumption tax from a tourism perspective, 26 countries have reduced rates in place for hotels and other forms of accommodation ("hotels"). Reduced rates range from 0% in Israel (as opposed to a standard rate [SR] of 18%) and Mexico (SR 16%), to 18% in Hungary (SR 27%). In total, 22 countries have reduced rates of 10% or less on hotels, while the average rate is 9%. Nine countries increased already reduced rates between 2009 and 2013, while two (Greece and Ireland) took measures to lower rates, and three introduced reduced rates on hotels (Croatia, Germany, and Hungary).

Of the 26 countries with reduced rates for hotels, 16 also have reduced rates for restaurants, food, catering, etc. ("restaurants") – only those countries with a VAT, indicated that reduced rates were in place for tourism-related activities. Rates range from 3% in Luxembourg (as opposed to a standard rate [SR] of 15% and a reduced rate for hotels [HR] of 3%) to 15% in Norway (SR 25% and HR 8%). In total, eleven countries have reduced rates for restaurants of 10% or less, while the average rate is also 10%. Six countries raised or removed the reduced rate for restaurants between 2009 and 2013 (France, Greece, Poland, Portugal, Slovenia, and Spain), while five countries lowered or introduced a reduced rate for restaurants during the same period (Croatia, Finland, Ireland, Norway, and Sweden). In addition, four countries (Estonia, Italy, the Netherlands, and Romania) increased the standard rate of VAT without increasing existing reduced rates for tourism-related activities, therefore, providing an effective rate decrease for hotels and restaurants.

Table 3.1. **Consumption taxes and reduced rates for hotels and restaurants at the national level, 2009-13**

Percentage

	2009 (as of 1 January)			2013 (as of 1 January)		
	Standard rate	Reduced rate for tourism-related activities		Standard rate	Reduced rate for tourism-related activities	
		Hotels	Restaurants		Hotels	Restaurants
Australia[1]	10	..	..	10	..	..
Austria	20	10	10	20	10	10
Belgium	21	6	12	21	6	12
Canada	5	..	..	5	..	..
Chile	19	..	..	19	..	..
Croatia	22	..	..	25	10	10
Czech Republic	19	9	..	21	15	..
Denmark	25	..	..	25	..	..
Egypt[2]	10	..	..	10	..	..
Estonia	18	9	..	20	9	..
Finland	22	8	..	24	10	14
France	19.6	5.5	5.5	19.6	7	7
Germany	19	..	..	19	7	..
Greece	19	9	9	23	6.5	13[3]
Hungary	20	..	..	27	18	..
Iceland	25.5	7	7	25.5	7	7
Ireland	21.5	13.5	13.5	23	9	9
Israel	15.5	0	..	18	0	..
Italy	20	10	10	21	10	10
Japan[4]	5	..	..	5	..	..
Korea	10	..	..	10	..	..
Latvia	21	10	..	21	12	..
Lithuania	19	..	..	21	..	..
Luxembourg	15	3	3	15	3	3
Mexico	15	0	..	16	0	..
Netherlands	19	6	6	21	6	6
New Zealand[1]	12.5	..	..	15	..	..
Norway	25	8	..	25	8	15
Poland	22	7	7	23	8	8
Portugal	20	5	12	23	6	..
Romania	19	9	..	24	9	..
Slovak Republic	19	..	..	20	..	..
Slovenia	20	8.5	8.5	22	9.5	9.5
South Africa	14	..	..	14	..	..
Spain	16	7	7	21	10	10
Sweden	25	12	..	25	12	12
Switzerland	7.6	3.6	..	8	3.8	..
Turkey	18	..	..	18	..	..
United Kingdom	15	..	..	20	..	..

1. Goods and services tax.
2. Sales tax.
3. Pilot reduced rate for restaurants from 1/8/13 to 31/12/13.
4. Japanese Consumption Tax Sources.

Source: Adapted from country survey responses, OECD (2012) and European Commission (2013b).

StatLink http://dx.doi.org/10.1787/888932985732

While not addressed specifically in country responses to the survey, it is likely that the predominance of reduced rates for accommodation over those for restaurants and catering is at least partly a result of the European Union's framework on VAT.

In the European Union, all member countries share a common framework on VAT. States are required to set a standard rate of between 15% and 25%, with reduced rates of between 5% and 15% permitted (at most two), in a limited number of specified activities. States may continue to charge any lower rates, including zero rates that were in place on 1 January 1991, though they cannot introduce any new rate under 5%.The VAT Directive 2006/112/EC of 28 November 2006 provides (in Articles 93 to 130 and Annex III) a legal framework for the application of VAT rates in member states. Member states have made and continue to make wide use of the possibilities offered within this framework; as a result, the situation is in practice disparate and complex. The basic rules are simple:

- Supplies of goods and services subject to VAT are normally subject to a standard rate of at least 15%.
- Member states may apply one or two reduced rates of not less than 5% to goods and services enumerated in a restricted list.

Since the harmonisation of European VAT in 1991, the EU has allowed a reduced rate for paid accommodation – hotels. However, the optional use of reduced rates for certain labour-intensive local services, including restaurants and catering services only came into effect in 2009 (Directive 2009/47/EC), following a determination of there being no risk of unfair competition between service providers in different member states. Prior to this it would have been necessary for member countries to introduce the rate prior to harmonisation in 1991, or at a date prior to new member accession to the EU. This relatively recent development may help to explain why reduced rates for restaurant and catering are not more widespread in the EU.

In outlining the rationale for implementing a reduced rate of consumption tax for specific tourism-related activities, many countries highlighted a primary aim of supporting overall development, job creation and growth in the tourism industry (e.g. Austria, France, Germany, Iceland, Ireland, Latvia, Portugal, and Sweden). However, in general there was no clear indication that, once introduced, countries continue to undertake systematic monitoring or evaluation to determine if the objectives of the reduced rate, or any subsequent increase/decrease, were met. Examples of such evaluations do exist, however, including a preliminary analysis of the impact on consumer prices, demand and hours worked resulting from a reduction in VAT on restaurants and catering in Sweden, in January 2012, indicates lowered prices by 4%, increased demand by 3% and a 4% increase in hours worked. While an evaluation undertaken by Fáilte Ireland in 2013, on the impacts of a reduced rate of VAT on Irish Tourism, highlighted some of the difficulties associated with determining direct impacts of specific taxes (Box 3.8).

In addition to reduced rates of VAT on hotels and restaurants, several countries indicated that the same reduced rates were also applicable for other selected tourism-related activities. The two primary sub-categories were passenger transport services (Austria, the Czech Republic, France, Greece and Poland), and entry to theatres, museums and other designated forms of attractions (Austria, the Czech Republic, France, and Greece). In the case of Greece, the reduced rate for admission to attractions was 13% apart from: i) theatrical performances where the rate is 6.5%; and ii) museums, monuments and archaeological sites, which are exempt from VAT.

Box 3.8. **The impacts of a reduced rate of VAT on Irish Tourism**

As part of a suite of measures to support tourism in the Government's Jobs Initiative, a new, temporarily reduced rate of VAT (from 13.5% to 9%) was introduced for tourism related goods and services. The Minister for Finance introduced the VAT rate reduction in July 2011 in order to boost tourism and stimulate employment in the sector.

In 2013 an analysis of the impacts of the reduced rate was undertaken. The evaluation acknowledged that establishing a direct causal link between the VAT reduction and the wider measures of tourism numbers and employment is extremely challenging, with a wide variety of factors influencing tourists, and accommodation and hospitality providers; all of which can impact both positively and negatively on the overall performance of the sector (e.g. the economic circumstances in the tourists' country of origin, exchange rate movements or competitor destination activity in the marketplace).

An *indicative assessment* of impacts (due to the data challenges around aligning various data sets, data lags and the limited time since the cut came into effect) indicated that the reduced VAT rate appears to have met its original aims of driving employment and stimulating activity in the sector, at a lower cost than originally estimated. Specific positive developments included:

- Evidence of price pass through of the rate reduction to consumers across nearly every category.
- Increased employment across the categories of approximately 10 000.
- Renewed growth in overseas tourism numbers and earnings.
- Increased activity levels across the industry – analysis of the VAT receipts show an increase of 16% in the first 12 months post VAT rate reduction compared to the 12 months prior to its introduction.
- Improved perception of *value-for-money* across all visitors.

Source: Fáilte Ireland.

Environment

Evidence suggests that in many OECD member countries environmental, green or eco-taxes are being used in a variety of sectors and providing significant incentives for innovation, as firms and consumers seek new, cleaner solutions in response to the price put on pollution. These incentives can also make it commercially attractive to invest in R&D activities to develop technologies and, perhaps more importantly for tourism, consumer products that are more environmentally friendly.

More specifically, taxation and subsidy policies in relation to tourism can be used to encourage green investment in destinations and infrastructure. Subsidies can be given on purchase of equipment or technology that reduces waste, encourages energy and water efficiency, or the conservation of biodiversity (payments for environmental services), and the strengthening of linkages with local businesses and community organisations (UNEP and UNWTO, 2011).

In the current survey, countries were asked to identify any *environmental* taxes, fees and charges specifically targeting tourism-related activities. Most of the levies identified by countries were introduced since 2000 and are related to specific protected or

environmentally sensitive areas. The purpose of the levies ranged from funding environmental protection and infrastructure development to better managing the impacts of tourists, and ensuring commercial activities are consistent with existing management plans.

In **Australia**, the *Great Barrier Reef Marine Park Environmental Management Charge* (EMC) was introduced in 1993. For most tourism operations, visitors to the Great Barrier Reef Marine Park (Marine Park) are liable to pay the charge to the tour operator, who then remits the charge to Great Barrier Reef Marine Park Authority (GBRMPA). Other operations in the Marine Park such as those involving the hire of equipment, installation and operation of tourist facilities, underwater observatories, sewage outfalls and vending operations must pay fixed quarterly charges to GBRMPA. All EMC payments are applied directly to the management of the Marine Park including through education, research, compliance patrols, site planning, public moorings, reef protection markers, information signs, and maps. At the same time, visitation information provided when EMC is submitted greatly assists in developing management arrangements for sustainable use of the Marine Park. Charges vary according to the type of tourism activity, however, the current *Standard Tourism Programme Charge* ranges from AUD 1.75 per visitor (part day) to AUD 3.50 per visitor (full day).

Most commercial activities operating within the Marine Park, including tourism operations, non-tourist charter operations, and facilities, require a *Great Barrier Reef Marine Park Permit* issued by GBRMPA. The permit system assists the GBRMPA to reduce impacts on high use and/or sensitive areas, separate potentially conflicting activities, encourage responsible behaviour in all Marine Park users, collect data for planning of Marine Parks and monitor activities which may become damaging to the Marine Park. The permit process offers benefits to accredited tourism operators, such as longer permit terms, resulting in improved quality of visitor experience. Permit application assessment charges vary according to the activity and/or the number of passengers involved in the activity.

The vast majority of parks and reserves across Australia are run by State and Territory governments. However, within the six national parks managed at the Australian government level, *National Park visitor entry fees* and *National Park tour operator licences and permits* are used to:

- Fund maintenance and improvement of park facilities, infrastructure and assets in order to protect the natural and cultural values of the park.
- Ensure that commercial activities are consistent with the relevant park management plans, and encourage higher operating standards through opportunities for appropriately accredited operators.

Entry fees vary from site to site depending on factors such as visitation levels and the duration of the visitor entry pass. Fees for licences and permits vary depending on activity, duration of permit and number of trips per year.

In 2011 *visit tickets* were introduced at a range of major tourist sites in **Egypt**: i) El Hitan Valley in El Rayan Valley; ii) Saint Catherine protected area; and iii) Ras Mohamed and Tiran islands in South Sinai, and Camel's Valley in Red Sea Governorate. The revenue from ticket purchases contributes to the environmental protection fund at the Ministry of Environmental affairs. Ticket prices vary depending on the particular site and range from EGP 5 for Egyptian visitors to EGP 80 for foreign tourists.

In addition, a range of *eco-tourism charges* are in place at 12 sites within four "protected area zones" across Egypt (Central, South Sinai, Western, and Red Sea). The first charge was introduced at Ras Mohamed in 1993, with another nine introduced since 2005. The purpose of the charges is to increase revenue from environmental tourism in Egypt, in order to increase national income and foreign currency earnings. Charges vary from site to site and for Egyptian and foreign visitors.

In **France**, a *tax on aircraft noise* was introduced in 2003, payable by those public or private entities operating airports where the annual number aircraft movements (of aircraft over 20 tonnes at take-off) exceeded 20 000 in any one of the five preceding years. The proceeds of the tax are allocated to those airports where it is levied for each take-off movement in order to finance aid for affected residents and work to reduce noise levels. The list of airports affected and the rate of tax is defined by law and there are currently four rate bands, ranging from EUR 0.50 to EUR 3 at Strasbourg airport, up to between EUR 30 and EUR 68 at Paris-Orly and Toulouse-Blagnac.

Introduced in 1995, the *maritime passenger boarding tax to protected natural areas* is a tax payable by shipping companies transporting paying passengers to protected areas in France and French overseas territories. The tax is based on the number of passengers embarking to a protected site. In 2013 the rate is 7% of the ticket price pre-tax with a legally defined upper limit of EUR 1.60 (up from EUR 1.52 in 2011), and is added to the price paid by passengers. When passengers are shipped to several protected areas in the same day, the rate of tax is reduced to half of that paid for the first journey.

In **Iceland** dedicated *accommodation tax* was introduced in 2011 with the aim of supporting tourism development at the local level via the *Tourist Site Protection Fund* (Box 3.9). The current rate is IKR 100 per room, tent, etc. per night.

Box 3.9. **Iceland's Tourist Site Protection Fund**

The Tourist Site Protection Fund was established in 2011 (Act No. 75/2011) to promote the development, maintenance and protection of nature-based tourist attractions under public ownership or supervision. Capital from the Fund is used to ensure tourist safety, protect Icelandic nature, and is intended to increase the number of sites visited by tourists in order to reduce the pressure on frequently visited tourist destinations.

The Tourist Site Protection Fund is financed by an Accommodation tax (Act No. 87/2011) and additional secured government funding of ISK 1 500 million over 3 years to 2015. Prior to 2011 the Icelandic Tourist Board offered support (up to ISK 50 million annually) for the same purpose.

The Tourist Site Protection Fund board is made up of four representatives appointed by the Minister of Industry. Two are appointed upon nomination by the Icelandic Travel Industry Association, one upon nomination by the Association of Local Authorities in Iceland, and one without nomination who acts as chairperson. The Fund is managed by the Icelandic Tourist Board. Currently 40% of available funds are allocated to the Environment Agency for developments in National Parks and other protected areas.

The Fund board makes proposals to the minister regarding fund allocations, taking into consideration the views of environmental authorities and other stakeholders concerning the relative merits for proposed developments.

In **Mexico**, *entrance fees for water activities in natural protected areas* were introduced in 2000, with *entrance fees for land activities in natural protected areas* introduced in 2002. The intended purpose of both taxes is to generate resources for the implementation of environmental programmes, with all revenue dedicated to the National Commission of Protected Areas (*Comisión Nacional de las Areas Protegidas*). Current rates are MXN 53.97 per entry in low density natural protected areas and MXN 26.99 for entry to all other natural protected areas. An annual fee of MXN 280.64 provides unlimited entries to both categories of natural protected areas.

Entrance fees to centres for the protection and conservation of turtles were introduced in Mexico in 2003, with revenue dedicated to the further development of centres for the protection of turtles. Current rates are MXN 26.99 per person, per day or MXN 280.64 per person, per year. For all three environmental taxes in Mexico, children under the age of six, and persons with a disability are exempt, while rates are reviewed periodically to reflect inflation and economic growth.

The **New Zealand** *Emissions Trading Scheme* (ETS) is designed as a market based approach to meet New Zealand's international obligations to reduce CO_2 emissions and contribute to reversing the effects of climate change. Introduced on 1 July 2010, the ETS affects electricity and fuel suppliers, with the primary impact to the tourism industry being through price increases passed on by suppliers. When introduced the NZ ETS was the first major carbon emissions trading scheme to affect airlines, however, the scheme applies only to domestic air travel and jet fuel used on international flights is exempted.

Aviation activities were incorporated in the **EU** *Emission Trading Scheme* (ETS) in 2012; with some estimates that it may cost the sector up to GBP 2.8 billion a year, as airlines pay for the greenhouse gases they emit via a system of carbon permits. Once airlines exceed a national ceiling for emissions, they are required to buy carbon credits (OECD and UNEP, 2011).

Initially the ETS was to apply to all airlines flying into and out of the EU, including non-European carriers; however, in November 2012 the EU took the decision to suspend the implementation of the international aspects of its ETS by deferring the obligation to surrender emissions allowances from air traffic to and from the EU by one year. The current suspension is intended to provide an opportunity for an international solution to the regulation on emissions from aviation to be sought (European Commission, 2012).

First introduced in 2004, **Portugal's** *tax for energy efficiency certification and air quality for Tourism Enterprises* covers any construction, remodelling, leasing and renting of tourism establishments. It is a certification system that aims to provide information about the thermal quality of buildings in order to ensure energy efficiency and good air quality. In force for over ten years, the current rate is EUR 307.50 for each certification.

The *Environmental Impact Certificate* tax was initially introduced in Portugal in 2000 with the purpose of promoting sustainable development, by taking a balanced approach to the management of natural resources in order to maintain environmental quality. The tax covers: i) hotel establishments with over 200 beds; and ii) tourist apartments, villages and other establishments (resorts) of over 55 hectares, or over 50 inhabitants per hectare. Applicable rates are: i) EUR 1 500 for investments up to EUR 3 million; and ii) 0.05% of invested value with an upper limit of EUR 100 000, for investments up to EUR 100 million.

Incentives

A tax incentive for investment can be defined as any tax law and/or regulation that targets tax relief (i.e. a lower tax burden) to a certain subset of activities. Incentives act as a mechanism to subsidise primarily "additional" investment that would not occur in the absence of tax relief. Examples of fiscal incentives include, tax holidays, reduced corporate income tax (CIT) rates, investment tax credits, location based incentives, deduction for qualifying expenses, exemptions from indirect taxes and special economic zones. In responding to the survey on tourism taxation, approximately a third of countries (10) identified current *tax incentives* seeking not only to promote increased/additional investment in tourism enterprises (e.g. hotels), but also increased investment/spending by those undertaking tourism-related activities (e.g. VAT/GST refund schemes).

In **Australia**, a *concessional tax treatment for hotels* has been in place for nearly 30 years (1984) to encourage greater investment in the hotel sector. Under the initiative, investors in hotels and short-term accommodation developments receive higher concessional depreciation rates compared to investors in most other new buildings for other purposes. Hotels can write-off 4% of the value of their construction expenditure per year over 25 years (see Box 3.10 for an example of its application).

Box 3.10. **Concessional tax treatment for hotels in Australia**

The Australian taxation system allows taxpayers that own income producing capital works (buildings and structures) to claim a deduction for construction expenditure, generally based on when the building was constructed and the way in which the building is used. The rate of deduction is 2.5% per year over 40 years for income-producing buildings and buildings used to conduct research and development.

Concessional treatment for the construction of hotel and short-term accommodation developments was extended in the Income Tax Assessment Amendment Act (No. 4) 1984 in an attempt to encourage greater investment in the tourism sector. The amendment, which took effect from 21 August 1984, increased the authorised fixed annual deductions to 4% per year over 25 years.

A practical example of how the concessional tax treatment for hotel and short-term accommodation developments applies is shown below in the case of the AUD 100 million that has been committed to build a four star Paradise Hotel at Sydney International Airport.

Capital investment of AUD 100 million in the Paradise Hotel versus other commercial or retail property developments

Annual deduction	Capital investment	Annual tax deduction	Tax benefit from deduction	Benefit at end of 25 years	Benefit at end of 40 years
4% deduction for Paradise Hotel	AUD 100 million	AUD 4 million	AUD 1.2 million	AUD 30 million	AUD 30 million
2.5% deduction for other commercial or retail premises	AUD 100 million	AUD 2.5 million	AUD 750 000	AUD 18.75 million	AUD 30 million
Benefit for Paradise Hotel investors		**AUD 1.5 million**	**AUD 450 000**	**AUD 11.25 million**	**0**

With the concessional tax treatment, Paradise Hotel investors can write off 4% of the value of their construction expenditure per year over 25 years compared to 2.5% per year over 40 years for most other new buildings.

The *Tourist Refund Scheme* (TRS) enables tourists to claim a GST or wine equalisation tax refund, subject to certain conditions. To be eligible, a tourist must: i) spend AUD 300 or more at a single retailer (GST inclusive) and retain the invoices (prior to May 2013 the AUD 300 minimum purchase had to be in the one transaction); ii) buy the relevant goods no more than 60 days before departure (prior to May 2013 the purchase qualification was 30 days); and iii) wear or carry the goods on board the departing aircraft or ship and present them along with the original tax invoice to a Customs Officer at a TRS facility when leaving Australia.

Since 2005, owners of *holiday homes* in **Denmark** can deduct up to DKK 20 000 when reporting the taxable income from renting out their properties. The deduction aims to increase the incentive to rent out holiday homes to tourists. The maximum deduction increased from DKK 10 000 to DKK 20 000 in 2011. A hotel VAT initiative, designed to increase the competitiveness of Danish hotels, has been in place since 1978, allowing businesses to deduct a percentage of the VAT on stays in hotel accommodation. The allowable deduction of VAT increased from 25% to 50% in 2011, and will increase again to 75% in 2014.

In **France**, *aid for investment in leisure real estate* initiatives have been in place since 1998. Currently aid is in the form of a reduction of income tax for taxpayers domiciled in France who acquire new or near completed accommodation; or accommodation built at least fifteen years ago which has, or will be renovated. The product is taxed under the category of "BIC" (Industrial and Commercial Benefits) when the housing is in a classified tourism residence. The reduction is capped at EUR 300 000 and is combined with other tax cuts to the limit of EUR 10 000 per fiscal year. The owner must agree to rent the accommodation for at least nine years to the operator of the leisure establishment or residence. The current reduction is effective from 1 January 2009 until 31 December 2016. The current rate is 11%, down from 25% when introduced.

A *credit tax for maîtres restaurateurs* was introduced in France in 2006. The tax covers those businesses that are taxed on their actual earnings or exempt by law, when the executive achieved the qualification of *maître restaurateur* (master "chef") between 15 November 2006 and 31 December 2013. The tax credit is equal to 50% of eligible expenses under a *maître restaurateur*.

In **Greece**, the *Investment Incentives Law* provides an investment environment for the set-up of private investments such as hotels and special tourism infrastructure projects. The Investment Law aims to accelerate investment procedures and ensure transparency. It provides an efficient institutional framework for all investors and speeds the approval process for pending, approved investment projects.

Introduced in 2011, the Investment Law provides tax relief in the form of an exemption from payment of income tax on pre-tax profits, which result from the enterprise's activities. The amount of tax relief is calculated as a percentage of the value of the subsidised expenditure of the project or the value of the new machinery and other equipment acquired by leasing, and constitutes an equivalent untaxed reserve. All forms of aid (tax relief, grants and/or leasing subsides), may be granted individually or in combination, up to a maximum rate which may not exceed 50% of the cost of the investment.

The *Széchenyi Recreation Card* is a fringe benefit based initiative introduced in **Hungary** in 2011 to provide additional resources to important social and economic policy objectives and for the tourism and catering industry (Box 3.11). The tax base is 119% of the amount of paid fringe benefit.

Box 3.11. **Széchenyi Recreation Card – A fringe benefits tax incentive in Hungary**

In Hungary, fringe benefits have long been an integral part of the employer's compensation system. Through the tax system the State encourages employers to give non-wage benefits, as they can be provided to employees under more favourable tax conditions than salaries. The legal basis of the fringe benefit system is the Law on Personal Income Tax, which defines the items of benefit, the basic conditions of their use, and the associated tax rules. A net wage of 100 forints costs now 196 forints to the employers, while a net fringe benefit of 100 forints costs only 135.7 forints to them. It also follows that the state gives up significant tax revenue due to the lower common charge of fringe benefits. From the State's perspective, however, there remains a benefit to maintaining the system, as it can provide additional resources for important social and economic policy objectives. Examples include food vouchers, benefits which can be spent on health services, retirement saving contributions, commuting assistance and benefits for *holiday activities* and *recreation*. The provision of fringe benefits is not mandatory, but by the consent of the employer.

Since 1997 a holiday voucher system, as part of fringe benefits scheme, has specifically supported tourism. In 2010, the government decided to introduce a more modern, electronic card-based system instead of paper-based vouchers. The name of the new electronic card is the Széchenyi Recreation Card (SzRC). The legislation originally defined the SzRC as an e-card with a maximum budget or value of EUR 1 000 per year, which could be used only for services in conjunction with staying in paid accommodation. However, in 2012 this was amended to enable purchases from three sub-accounts (pockets): i) accommodation services and domestic travel packages; ii) catering services (including both eating in a restaurant and in the workplace); and iii) leisure services (e.g. festivals, concerts/theatre, spas and swimming pools, zoos and amusement parks, fitness season tickets and sports equipment rental).

After the recent changes, the maximum budget for the card has increased to EUR 1 500. The maximum annual amounts that can be transferred to each pocket with a preferential tax treatment are:

- Accommodation – up to EUR 750.
- Catering – up to EUR 500.
- Leisure – up to EUR 250.

Since the launch of the new system more than 22 000 companies have made available this benefit to their employees and more than 886 000 cards have been issued. At the end of October 2013, EUR 430 million had been transferred to SzRCs, of which EUR 340 million has already been spent on domestic services.

Israel has a range of tourism-related incentives in place. Those relating to VAT include a *return of VAT* levied on all purchased goods by tourists (currently at the rate of 18%), to encourage consumption of goods during their stay in Israel. In addition a *tourist group services VAT exemption* for vehicles licensed for tour rental and hired by tourists aims to encourage the tourism industry.

An *exemption from customs' tax on tourist vehicles* was introduced in 1985 as an incentive for tourist guides and companies to work with tourists. To be eligible for the exemption, the vehicle must be purchased by a registered tour guide or company with more than 5 years' experience, out of which the last 3 years were working with tourists, and a minimum of 120 work days a year. The vehicle may be used for the purpose of tour-guiding only.

Introduced in 2011, eligible *hotels are exempt from customs tax on purchased goods from abroad*. To be eligible, hotels must be registered, holding an up-to-date business license, and conform with Ministry of Tourism regulations, including the requirement that at least 10% of its guests are tourists.

In addition, a range of *grants and tax benefits for hotels and tourist attractions* are also available with the aim of increasing the capacity and quality of hotel rooms in Israel. Incentives are limited to the: i) construction/expansion of hotels; ii) restoration/conversion of buildings for hotel use; iii) upgrading of hotels; and iv) construction/expansion and variation of tourist attractions.

In **Poland**, an *income tax exemption for renting guest rooms in rural areas* was introduced in 1995 (Box 3.12). The incentive provides that income from renting guest rooms in rural areas for the purposes of leisure is exempted from income tax – if the number of rooms rented does not exceed five. The regulation is aimed at stimulating the development of agri-tourism within rural areas and to enable farm owners, apart from their primary agricultural activity, to obtain small additional income from board and lodging for persons who spend leisure time on their property.

Box 3.12. **Income tax exemption for renting guest rooms in rural areas in Poland**

On 1 January 1995, the Act of 26 July 1991 on personal income tax, implemented provisions to exempt people from income tax when renting guest rooms to persons for leisure purposes in dwelling houses located in rural areas, in agricultural holdings, and including income from the provision of board to such persons.

This provision indicates that in order to take advantage of the exemption, it is necessary to meet jointly the following conditions:

- The provided services are related to room rental.
- The rental is made by the persons that run the agricultural holding.
- The buildings in which the room are rented have to be located within rural areas in an agricultural holding and they have to be dwelling building.
- A person that rents a room spends leisure time there.
- The number of rooms for rent must not exceed five.

Failure to meet any of the above-mentioned conditions results in the necessity to settle one's income tax according to the commonly prevailing rules. No maximum limits for exemption were specified.

Provided that all above-mentioned conditions met, a person that runs an agricultural holding is not obliged to report to tax offices that they rent rooms and is not obliged to register the income obtained on that account or to submit such information to tax offices.

Touristic utility was introduced in **Portugal** in 1995 with qualification accredited to those tourism enterprises that fulfil a set of requirements for localisation, building, equipment, and services including hotels and other accommodation; restaurants; leisure equipment; and thermal facilities (e.g. thermal spas). The stated purpose of the initiative is to: i) support the tourism sector by qualifying or re-qualifying the offer; ii) contribute to attracting national or foreign tourists; iii) contribute to regional development; iv) promote

Portuguese gastronomy; and v) ensure that tourism establishments are compliant with governmental policy, namely the National Strategic Plan for Tourism (PENT). The incentives for enterprises can take several forms:

1. Exemption of IMT (Municipal Tax on Real Estate Transfer) while purchasing buildings or fractions to use as tourism enterprises (facilities).
2. Reduction on Stamp Duty (minus 20%) in buying buildings or fractions.
3. Exemption on Municipal Tax on Real Property (IMI) for 7 years.
4. Exemption of Taxes due to General Inspection for Cultural Activities.

In **South Africa**, a *VAT refund* scheme has been in place since 1991 to refund to foreign visitors the VAT on purchases over R 250, upon presentation of receipts of purchases at refund offices. The VAT refund scheme provides an effective rate of saving of 14%, which has remained unchanged since 1993. Similarly, a *VAT refund* scheme was introduced in **Mexico** in January 2006 to encourage visitor spending and stimulate the tourism industry. The scheme provides visitors with an effective saving of 16% – a figure which has not changed over the past five years.

References

Durbarry, R. (2008), *Tourism Taxes: Implications for Tourism Demand*, Review of Development Economics, Vol. 12(1).

Durbarry, R. and M.T. Sinclair (2001), *Tourism taxation in the UK*, mimeo.

Gago, A., X. Labandeira, F. Picos and M. Rodriguez (2009), "Specific and general taxation of tourism activities. Evidence from Spain", *Tourism Management*, Vol. 30.

European Commission (2013a), DG Home Affairs website, *http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/borders-and-visas/visa-policy/* (accessed on 31 October 2013)

European Commission (2013b), *VAT Rates Applied in the Member States of the European Union*, European Commission, taxud.c.1(2013)69198-EN.

European Commission (2012), "Stopping the clock of ETS and aviation emissions following last week's International Civil Aviation Organisation (ICAO) Council", *Press Release*, European Commission MEMO/12/854 (12/11/2012).

House of Commons (2012), *Air passenger duty: Introduction*, Standard Note: SN/BT/413, House of Commons Library.

OECD (2012), *Consumption Tax Trends 2012: VAT/GST and Excise Rates, Trends and Administration Issues*, OECD Publishing, Paris, *http://dx.doi.org/10.1787/ctt-2012-en*.

OECD/UNEP (2011), *Climate Change and Tourism Policy in OECD Countries*, OECD Studies on Tourism, OECD Publishing, Paris, *http://dx.doi.org/10.1787/9789264119598-en*.

UNEP and UNWTO (2011), "Tourism – Investing in energy and resource efficiency", *Towards a Green Economy: Pathways to Sustainable Development and Poverty Eradication*, *www.unep.org/greeneconomy*.

UNWTO (1998), *Tourism Taxation: Striking a Fair Deal*, World Tourism Organization, Madrid, Spain.

Country profiles: Tourism trends and policies

PART II

Reader's guide

The statistical data contained in this report has been collected and processed using the OECD Statistical Information System. This system streamlines and strengthens the production, storage and dissemination of statistics. A single, consolidated source of tourism statistics is integrated into the OECD corporate statistics structure and will be easily accessible online as part of the OECD's programme to make data open, accessible and free by mid-2015. A standardised database structure has been used to enhance data comparability and ensure close alignment with the main methodological references and international standards on tourism statistics.

The main methodological references and international standards used for the indicators mentioned in this publication are:

- The *International Recommendations for Tourism Statistics 2008* (IRTS, 2008), drafted by the World Tourism Organization (UNWTO) in close co-operation with the United Nations Statistics Division and other international agencies.
- The revised *Tourism Satellite Account: Recommended Methodological Framework 2008* (TSA-RMF, 2008) drafted by the UNWTO, the OECD and the Statistical Office of the European Communities (Eurostat) in close co-operation with the United Nations Statistics Division and other international agencies.
- The sixth edition of the *Balance of Payments and International Investment Position Manual* prepared by the International Monetary Fund (IMF) in close co-operation with other international agencies.

This guide 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)

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 TSA is a conceptual framework aiming at measuring the weight of tourism from a macroeconomic 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, to establish the direct contribution of tourism to the economy and to 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	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.

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 of tourism industries. This covers tourism industries regardless of whether their output is provided to visitors or not.

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 methodological 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. 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 IMF publication "International Financial Statistics" and refer to "year average national currency per US dollars".

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, 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: Argentina, Bulgaria, Croatia, China, Egypt, the Former Yugoslav Republic of Macedonia, India, Indonesia, Latvia, Lithuania, Malta, Romania, the Russian Federation and South Africa.

Sources of data

Except where otherwise indicated, the data presented in this publication are based on the data submitted by OECD and partner countries to the OECD Secretariat. Other sources include:

- Various OECD databases, with respect to tourism or exchange rates data.
- UNWTO data for world trends and for accommodation capacity and occupancy rates.

Codes used for currencies

ARS	Argentine Peso	ISK	Iceland Krona
AUD	Australian Dollar	JPY	Japanese Yen
BGN	Bulgarian Lev	KRW	Korean Won
CAD	Canadian Dollar	LTL	Lithuanian Litas
CHF	Swiss Franc	LVL	Latvian Lats
CLP	Chilean Peso	MKD	Former Yugoslav Republic of Macedonia Denar
CNY	China Yan Renminbi	MXN	Mexican Peso
CZK	Czech Koruna	NOK	Norwegian Krone
DKK	Danish Krone	NZD	New Zealand Dollar
EGP	Egyptian Pound	PLN	Polish Zloty
EUR	Euro (euro area)	RON	New Romanian Leu
GBP	United Kingdom Pound Sterling	RUB	Russian Ruble
HRK	Croatian Kuna	SEK	Swedish Krona
HUF	Hungarian Forint	TRY	Turkish Lira
IDR	Indonesian Rupiah	USD	United States Dollar
ILS	New Israeli Sheqel	ZAR	South African Rand
INR	Indian Rupee		

Symbols for missing data and abbreviations

These symbols are used in the country tables:

| Break in series
p Provisional data
e Estimated data
.. Data is not available

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

PART II

OECD countries

Australia

Tourism in the economy

In 2012/13 (fiscal year*), tourism generated AUD 38.8 billion in gross value added (GVA), an increase of 3.8% on the previous 12-month period. Direct tourism GDP increased by 3.7% to AUD 42.3 billion, with growth stronger compared with Australian GDP growth of 2.4%. Tourism's share of GDP rose slightly by 0.1 percentage points to 2.8%. The industry directly employed 543 600 people in 2012/13, or some 4.7% of total employment in Australia.

Total tourism consumption was worth AUD 110 billion in 2012/13, with domestic visitor consumption valued at AUD 83 billion, or just over three-quarters of total tourism consumption. Domestic tourism consumption increased by 3.4% in 2012/13 (compared with the previous 12-month period).

In 2012/13, all domestic trips (including day trips) increased by 4% in Australia, with overnight domestic trips up 3% but domestic day trips decreased by 0.6%. Domestic visitor nights rose 3% in 2012/13.

Inbound tourism consumption totalled AUD 27.0 billion in 2012/13, up 5.7% on the previous year (this equated to nearly 9% of national export income). In 2012/13, there were a record 6.3 million international visitor arrivals in Australia, an increase of 4.9% on 2011/12. Growth in arrivals from key international markets was largely positive: New Zealand (no change), China (up 17%), the United Kingdom (up 1.2%), the United States (up 6%), and Japan (down 1.5%).

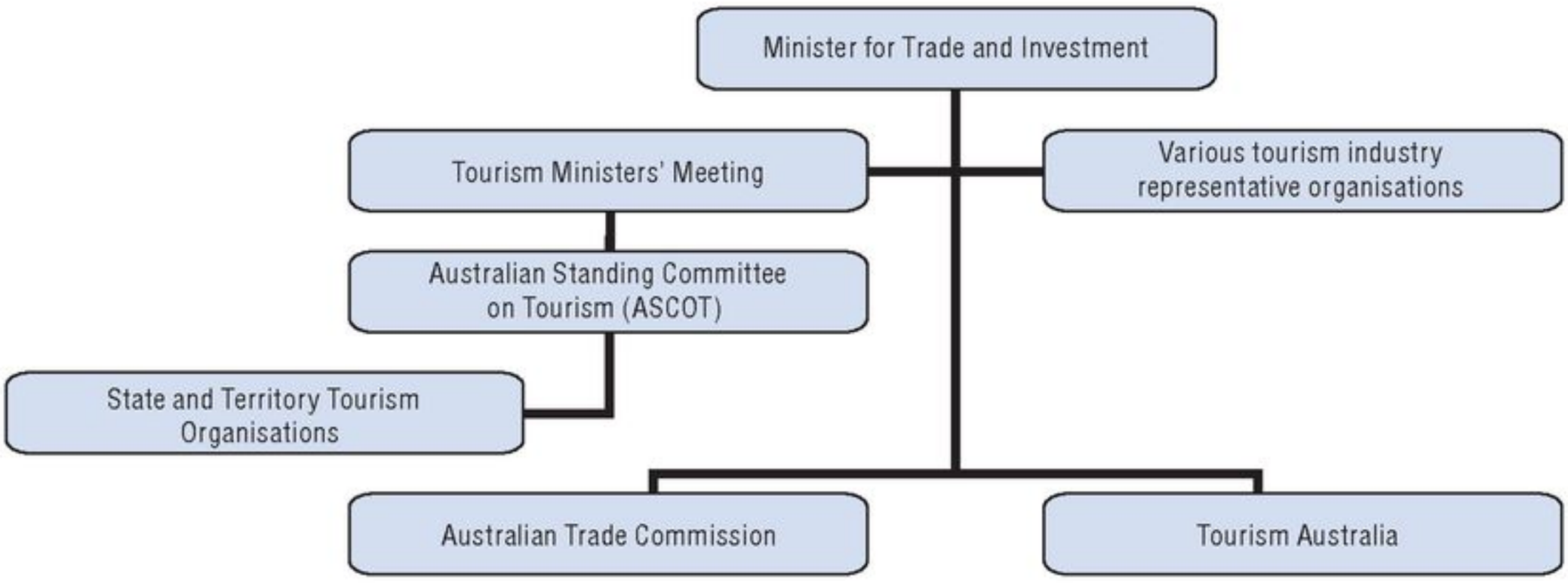
Tourism organisation and governance

Within the Australian government, responsibility for tourism policy, programmes and research rests with the Australian Trade Commission (Austrade). Austrade works on a variety of tourism policies, projects, programmes and research issues to strengthen Australia's tourism industry. Austrade co-ordinates the delivery of "whole of government" tourism objectives by several other Australian government departments and agencies (Figure 1).

The Australian government updated its National Long Term Tourism Strategy in December 2011, through the release of *Tourism 2020*. *Tourism 2020* involves collaboration with all state and territory governments and the tourism industry, and provides the policy framework, which underpins much of the work currently being undertaken by the Australian government. The strategy focuses on critical supply-side reforms, including removing barriers, addressing labour and skills gaps, improving Australia's tourism products and services, improving transport and visitor access, Indigenous and sustainable tourism development and enhancing tourism research.

* Australia's fiscal year starts on 1 July and ends on 30 June.

Figure 1. **Australia: Organisational chart of tourism bodies**



Source: OECD, adapted from the Australian Trade Commission, 2014.

Tourism Australia is the Australian government body responsible for international tourism marketing, and for market, events and business tourism development. All state and territory governments in Australia incorporate tourism into relevant areas of portfolio responsibility to ensure effective international and domestic tourism promotion, and tourism industry development.

Tourism Research Australia (part of Austrade) provides statistics, research and analysis to support industry development, policy development and marketing for the Australian tourism industry. It is professionally independent of the government of the day, which fosters a reputation for analysis based solely on economic and statistical research. Tourism Research Australia manages tourism surveys that cover the inbound, outbound and domestic markets. It also develops forecasts of tourism activity, models for regional expenditure and employment, and undertakes economic modelling using Computable General Equilibrium models.

Austrade works with the Australian Bureau of Statistics to prepare Australia's Tourism Satellite Account. For the 2011/12 account, data from 2006/07 onwards was revised following adjustments to visitor survey and labour force estimates.

Tourism budgets

Total direct funding for tourism in the 2013/14 Australian government budget is AUD 186.9 million, an increase of 5% on the previous fiscal year.

As the Australian government's tourism marketing agency, Tourism Australia represents the largest segment of spending on tourism. It is an independent statutory authority governed by the *Tourism Australia Act 2004* and the *Commonwealth Authorities and Companies Act 1997*. Tourism Australia will receive AUD 130 million over 2013/14 to continue to market Australia as a tourism destination to international audiences. Tourism Australia will also receive AUD 12.5 million from the Australian government's Asia Marketing Fund to boost its ability to attract Asian visitors.

Since 1 July 2012, 20% (or an estimated AUD 97 million over four years) of the increase in the Passenger Movement Charge has been hypothecated to additional tourism funding in the form of the new Asia Marketing Fund and the new Tourism Industry Regional Development Fund. Subsequently, the Australian government has advised that it will refocus grants funds to support demand-driver infrastructure for the tourism industry. This programme will be developed for delivery in July 2014.

Tourism-related policies and programmes

Tourism 2020

Tourism 2020 seeks to strengthen the Australian tourism industry's supply side, aiming to double Australia's overnight visitor expenditure from a base of AUD 70 billion in 2009, to between AUD 115 billion and AUD 140 billion by 2020.

The fourth State of the Industry Report was released in October 2013 and provides a snapshot of how the industry is tracking to meet *Tourism 2020* targets. *State of the Industry 2013* shows that Australia's tourism industry has performed well on most measures of performance. Inbound tourism to Australia continues to grow driven largely by key Asian markets, and China in particular, while the contribution from the domestic market to the overall performance of Australia's tourism industry was highlighted by a 3.3% growth in domestic overnight trips and a 0.9% growth in domestic expenditure to AUD 68 billion.

A *Tourism 2020 Priorities for 2014* update was endorsed by the Tourism Ministers in October 2013. Under *Tourism 2020*, the Australian, state and territory governments are working with industry to focus on six strategic areas, which are:

- Growing demand from Asia.
- Building competitive digital capacity.
- Encouraging investment and implementing a regulatory reform agenda.
- Ensuring the tourism transport environment supports growth.
- Increasing the supply of labour, skills and Indigenous participation.
- Building industry resilience, productivity and quality.

Examples of recent and planned policy and programme initiatives under these headings include:

- Delivery of the Asia Marketing Fund and expansion of online tourist visa application system.
- Delivery of further initiatives of the National Online Strategy for Tourism.
- Launch of the new Tourism Australia China website and translation of the Australian Tourism Data Warehouse database into Mandarin and other Asian languages.
- Promotion and implementation of the Tourism Major Project Facilitation service.
- Passenger facilitation benchmarking.
- Working Holiday Maker visa reforms and delivery of Tourism Employment Plans.

Tourism investment

Tourism is now one of four Australian National Investment Priorities. In April 2012, Tourism Australia and Austrade entered into a five-year partnership to deliver a tourism investment attraction programme. In its first year, this partnership has brought together information on the investment advice and facilitation services offered to global and local investors by the Austrade, Tourism Australia and state and territory agencies, and made this available online at *www.tourisminvestment.com.au*.

In May 2012, the Australian government launched the Tourism Investment Guide and Tourism Investment Monitor to encourage greater international and local investment in Australia's tourism industry and inform potential investors about the size and growth of the tourism investment pipeline. An updated *Tourism Investment Monitor 2013* was released

on 27 May 2013. The 2013 report showed that, despite the competitive investment climate in Australia, there had been strong growth in the tourism investment pipeline over the previous 12 months, signalling an optimistic outlook.

In November 2012, the Australian government launched the *Tourism Major Project Facilitation* service (TMPF) to assist new tourism investment in gaining development approvals. Tourism investment projects often require multiple approvals from different agencies in different jurisdictions because of their multiple-use nature.

Under the TMPF service, significant tourism projects are granted a case manager to assist with approvals, provide support and to help broker solutions to problems. To date, the TMPF service has attracted 24 enquiries from proponents of major tourism projects, four of which have been granted TMPF status and are being facilitated through Australian government approvals. These four projects are worth over AUD 2 billion and will support over 12 000 jobs.

Investment is required to provide the additional infrastructure needed to reach the 2020 Tourism Industry Potential. Key targets for areas in which additional infrastructure investment and/or development is required include growing accommodation supply to between 6 000 and 20 000 rooms, growing international operated aviation capacity by between 40% and 50%, and growing domestic operated aviation capacity by between 23% and 30% on 2009 levels.

Tourism employment plans

The *Australian Tourism Labour Force Report (2011)* provided comprehensive information on the labour and skills pressures facing the tourism and hospitality industry, highlighting the fact that there are recruitment, retention and skills deficiencies. The report established that, by 2015, an additional 56 000 people would be needed to fill vacancies.

In October 2011, Tourism Ministers announced the locations of eight regional hotspots where Tourism Employment Plans (TEPs) would be developed. TEPs are three-year labour and skills plans, which focus on regional workforce planning and development, and assisting tourism employers meet their labour and skills needs. TEPs are geared towards improving education, training and employment outcomes. The Australian government recently released the *Guide to developing TEPs* and the TEP Advisory Service. The guide encourages other regions to consider the development of their own TEPs, takes them through the necessary steps to develop a TEP, and the TEP Advisory Service provides assistance and support through the steps.

"Whole of government" approach

A significant aspect of *Tourism 2020* is its role in driving co-ordination across a number of Australian government departments and agencies. Examples of successes include:

- Increased tourism investment via the inclusion of tourism as one of four National Investment Priorities by Austrade, which now actively markets tourism investment opportunities to global and domestic investors.
- Growth in transport links via increased liberalisation of Australia's air services agreement framework through bilateral negotiations led by Australia's Department of Infrastructure and Regional Development.

- Improvements in travel facilitation through the expansion of the online visa application system, operated by the Australian Department of Immigration and Border Protection, to eventually encompass all Australian visitor visas.
- Improvements in travel facilitation through the expansion of self-processing border entry facilities beyond Australian and New Zealand passport holders to the United States and the United Kingdom e-passport holders, led by the Australian Department of Immigration and Border Protection.

Tourism marketing

Tourism Australia increasingly focuses its global marketing resources on those markets that represent the greatest expenditure growth potential to *Tourism 2020*. Its marketing communications seek to create urgency to visit, increase knowledge and build a strong image of what Australia has to offer potential visitors. In particular, Tourism Australia's global marketing campaign, "There's nothing like Australia", features many unique Australian attractions, including the Bungle Bungles in The Kimberley, Sydney's harbour, Uluru, the Great Barrier Reef's Lizard and Hayman Islands, Freycinet in Tasmania and South Australia's Kangaroo Island.

Tourism Australia actively builds and maintains marketing partnerships with industry and other government bodies, particularly state and territory government tourism organisations. This co-operation has been fundamental to Tourism Australia's growing work in the social media space, as exemplified in the recent "Best Jobs in the World" youth campaign.

Statistical profile

Table 1. **Australia: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips[1]	Thousand	210 754	215 846	225 239	233 127	248 377
Overnight visitors (tourists)[1]	Thousand	72 009	67 670	69 297	71 895	74 472
Same-day visitors (excursionists)[1]	Thousand	138 745	148 176	155 942	161 232	173 905
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation[1]	Thousand	277 865	262 236	265 393	270 573	281 733
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Visitors aged 15 years and over.

Source: Tourism Research Australia, National Visitor Survey, June 2013 Quarterly results.

StatLink http://dx.doi.org/10.1787/888932985751

Table 2. **Australia: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	5 586	5 585	5 885	5 874	6 141
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
New Zealand	Thousand	1 113	1 110	1 162	1 173	1 201
China	Thousand	356	366	454	542	626
United Kingdom	Thousand	672	664	647	608	594
United States	Thousand	454	480	472	456	479
Japan	Thousand	457	355	398	333	354
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts[2]	Million AUD	32 864	34 718	34 440	33 148	32 947
International travel receipts		..	..	..	..	..
International passenger transport receipts		..	..	..	..	..

1. Overseas visitors who intend to stay in Australia for less than 12 months.
2. Includes business travel, education related and other personal travel and passenger transport services.

Source: Australian Bureau of Statistics (ABS) Overseas Arrivals and Departures, ABS Balance of Payments and International Investment Position.

StatLink http://dx.doi.org/10.1787/888932985770

Table 3. **Australia: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures[1]	Thousand	5 808	6 285	7 112	7 795	8 216
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure[2]	Million AUD	28 891	27 514	29 914	32 257	33 452
International travel expenditure		..	..	..	..	..
International passenger transport expenditure		..	..	..	..	..

1. Australian residents who intend to stay abroad for less than 12 months.
2. Includes business travel, education related and other personal travel and passenger transport services.

Source: Australian Bureau of Statistics (ABS) Overseas Arrivals and Departures, ABS Balance of Payments and International Investment Position.

StatLink http://dx.doi.org/10.1787/888932985789

Table 4. **Australia: Enterprises in tourism**

Thousand enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	283.7	283.3	280.1
Tourism industries	..	..	283.7	283.3	280.1
Accommodation services for visitors	..	..	13.7	13.5	13.3
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[1]	..	..	66.3	68.5	69.1
Passenger transport	..	..	26.3	24.7	23.6
Air passenger transport[2]	..	..	5.1	4.8	4.6
Railways passenger transport	..	..	0.1	0.1	0.1
Road passenger transport[3]	..	..	21.1	19.8	18.9
Water passenger transport	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	..	..	..	..	..
Travel agencies and other reservation services industry	..	..	5.3	5.2	5.2
Cultural industry	..	..	15.9	15.5	15.3
Sports and recreation industry[4]	..	..	12.0	12.0	12.1
Retail trade of country-specific tourism characteristic goods[5]	..	..	144.2	143.9	141.5
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Year-ended June.

1. Includes cafés, restaurants, take-away food services, clubs, pubs, taverns and bars.
2. Includes water and other transport i.e. scenic and sightseeing transport, air and space transport, pipeline and other transport.
3. Includes taxi transport; other road transport (includes road freight transport, interurban and rural bus transport, urban bus transport [including tramway]); motor vehicle hiring.
4. Includes recreational, sporting, casinos and other gambling service.
5. Includes automotive fuel retailing and other retail trade.

Source: Tourism Research Australia, Tourism Businesses in Australia.

StatLink http://dx.doi.org/10.1787/888932985808

Table 5. **Australia: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	513	514	519	530	532
Tourism industries	491	491	497	507	508
Accommodation services for visitors	75	70	73	72	69
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[1]	150	159	169	175	174
Passenger transport	58	60	56	57	60
Air passenger transport[2]	36	36	33	35	38
Railways passenger transport	3	4	4	4	3
Road passenger transport[3]	20	21	19	19	19
Water passenger transport	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	..	..	..	..	..
Travel agencies and other reservation services industry	31	28	31	31	32
Cultural industry	11	10	10	10	11
Sports and recreation industry[4]	23	24	23	24	24
Retail trade of country-specific tourism characteristic goods[5]	111	106	99	102	101
Other country-specific tourism industries[6]	32	33	35	36	37
Other industries	22	23	23	23	24
Gender breakdown					
Male (% of total tourism employment)	47	46	46	47	46
Female (% of total tourism employment)	53	54	54	53	54

Note: Year-ended June.

1. Includes cafés, restaurants, take-away food services, clubs, pubs, taverns and bars.
2. Includes water and other transport i.e. scenic and sightseeing transport, air and space transport, pipeline and other transport.
3. Includes taxi transport; other road transport (includes road freight transport, interurban and rural bus transport, urban bus transport [including tramway]); motor vehicle hiring.
4. Includes recreational, sporting, casinos and other gambling service.
5. Includes automotive fuel retailing and other retail trade.
6. Includes education and training.

Source: Australian Bureau of Statistics (ABS), Tourism Satellite Account, Australian National Accounts.

StatLink http://dx.doi.org/10.1787/888932985827

Table 6. **Australia: Internal tourism consumption**

Million AUD, 2012

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	81 005	25 547	106 552
Consumption products	..	..	..
Tourism characteristic products	48 350	14 634	62 985
Accommodation services for visitors[1]	12 104	4 353	16 458
Food and beverage serving services	13 839	2 635	16 474
Passenger transport services[2]	13 382	6 127	19 511
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 185	362	1 548
Travel agencies and other reservation services	3 390	256	3 646
Cultural services	..	..	..
Sports and recreation services[3]	4 450	901	5 351
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	32 653	10 914	43 567
Tourism connected products[4]	30 803	9 839	40 642
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes actual and imputed rent on dwellings.
2. Includes taxi fares, local area and long distance passenger transportation.
3. Includes recreational, cultural, sporting, gambling and betting services.
4. Includes shopping (including gifts and souvenirs), food products, alcoholic beverages and other beverages, motor vehicles, caravans, boats, fuel (petrol, diesel), repair and maintenance of motor vehicles and education services.

Source: Australian Bureau of Statistics (ABS) Tourism Satellite Account, Australian National Accounts.

StatLink http://dx.doi.org/10.1787/888932985846

Table 7. **Australia: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	3.0	2.9	2.9	2.8	2.8
Total tourism employment (direct) as % of total employment	4.8	4.7	4.7	4.7	4.6

Note: Year-ended June.

Source: Australian Bureau of Statistics (ABS) Tourism Satellite Account, Australian National Accounts.

StatLink http://dx.doi.org/10.1787/888932985865

For more information

Australian Trade Commission	*www.austrade.gov.au*
Tourism 2020	*www.tourism2020.gov.au*
Tourism Australia	*www.tourism.australia.com*
Tourism Research Australia	*www.tra.gov.au*
Australian Bureau of Statistics	*www.abs.gov.au*
Australian Tourism Export Council	*www.atec.net.au*
Ecotourism Australia	*www.ecotourism.org.au*
National Tourism Alliance	*www.tourismalliance.org*
Tourism and Transport Forum	*www.ttf.org.au*

Austria

Tourism in the economy

In 2012, the number of international tourist arrivals in hotels and similar establishments in Austria (including commercial holiday dwellings) was 18.9 million (+4.8% over 2011). The fastest-growing source markets, compared with 2011, were the Russian Federation, with some 476 400 arrivals (up 19.0% over the previous year) and 1.8 million overnights (+18.9%); China, with 354 700 arrivals (+36.4%) and 506 600 nights (+37.0%); and Saudi Arabia, with 64 300 arrivals (+67%) and 218 300 nights (+69.2%).

Domestic tourist arrivals in paid accommodation totalled 12.0 million (+3.4%) in 2012, and a record 36.0 million bednights were registered. Record highs with regard to arrivals were also recorded during both the winter months (November 2011 to April 2012) and summer season (May to October 2012) – of 16.4 million (+4.9%) and 19.4 million (+3.6%), respectively.

In 2012, 64 500 accommodation establishments (excluding campsites) and 1.09 million beds (excluding extra beds) were listed in Austria. While this represented a fall in the number of accommodation establishments of 1.1% over 2011's level, the number of beds in four- and five-star category establishments increased by 2.8%.

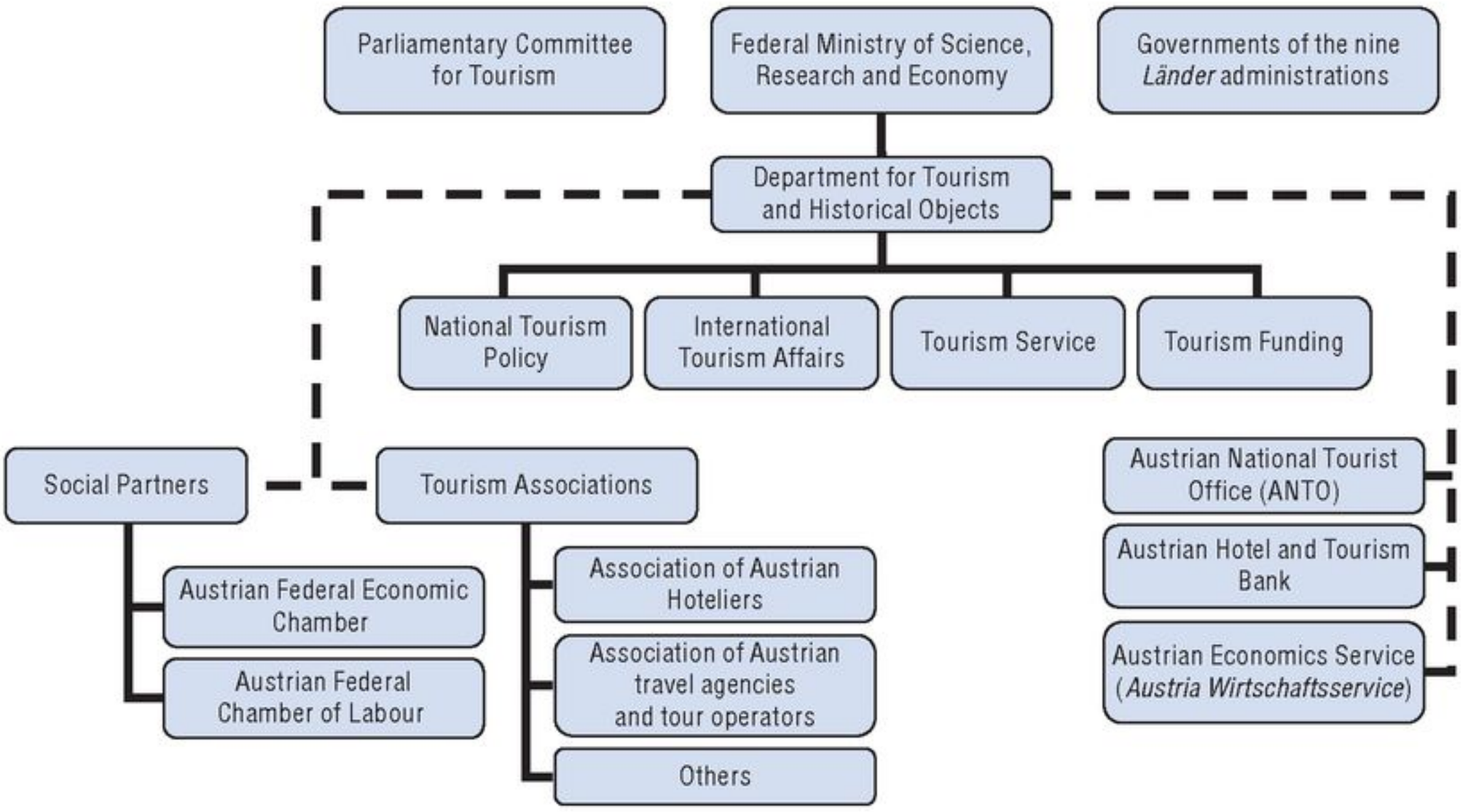
According to the national Tourism Satellite Account (TSA), the direct value-added effects of tourism in 2012 totalled EUR 17.9 billion, or 5.8% of GDP. About 326 300 jobs (262 000 full-time equivalents) could be directly attributed to tourism-characteristic industries in 2012, contributing 7.5% and 7.3%, respectively, to overall employment in Austria.

Tourism organisation and governance

According to the Austrian Federal Constitution, the nine *Länder* have the legislative and executive competencies for tourism affairs. Nevertheless, as tourism is a typical cross-cutting sector, both federal and European laws apply. In 2006, the Austrian Parliament established the Parliamentary Committee for Tourism. At the national level, tourism policy is the responsibility of the Federal Ministry of Science, Research and Economy ("the ministry"). In 2010, the minister launched a tourism strategy with the objective of close and strategic co-ordination in tourism issues. The strategy also strengthens co-ordination between the national and the regional levels, i.e. with and between the *Länder* (Figure 1).

The Austrian National Tourist Office (ANTO, or Österreich Werbung) is the country's national tourism marketing organisation. It is funded by the ministry (75%) and the Austrian Federal Economic Chamber (25%). ANTO also receives funding from the Austrian tourism trade's partnership contributions for marketing services (e.g. tourism boards of the *Länder*, destinations and tourism businesses). Its core competencies are market research, brand management, innovative marketing – both domestic and international – and

Figure 1. **Austria: Organisational chart of tourism bodies**



Source: OECD, adapted from the Austrian Federal Ministry of Science, Research and Economy, 2014.

tourism networking and information brokering (expert knowledge on trends, markets and product development). In its international strategy, it focuses on increasing Austria's market share in the most promising international markets.

Tourism budgets

In 2012, the national tourism administration dispensed a budget of EUR 59.4 million. Of this total, EUR 27.5 million were dedicated to the financial support of small and medium-sized enterprises (SMEs), administered by the Austrian Bank for Tourism Development and subject to regular evaluation based on a range of key indicators. EUR 24.3 million were contributed to the annual budget of ANTO, and EUR 7.6 million were disbursed by the ministry in the form of individual subsidies for co-financing tourism projects. In addition, EUR 50.0 million in the European Recovery Programme (ERP) funds were made available for loans to SMEs in the tourism industry.

Apart from the national budget, all nine *Länder* have their own tourism budgets in order to support their specific tourism development programmes.

Tourism-related policies and programmes

In 2010, the Federal Minister of Economy, Family and Youth launched a tourism strategy in close collaboration with the nine *Länder* and all relevant tourism stakeholders. A key element of the strategy is the focus on Austria's unique selling propositions (USPs): the Alps, the Danube its lakes, cities and culture.

The tourism strategy is reviewed and adapted to international and national developments on an annual basis by a high-level Tourism Conference. This conference is prepared by a steering committee comprising high-ranking representatives from the ministry and the nine *Länder*. In addition, an independent expert advisory group reports to the conference on trends and current challenges, and gives recommendations for future action. The minister and tourism politicians of the *Länder* agree an action plan for the following year.

The National Tourism Strategy identifies five key issues: marketing, innovation (Box 1), subsidies, infrastructure and business environment. Examples of measures in these areas are:

- *Marketing:* Closer co-operation between ANTO, the nine tourism-marketing organisations of the *Länder* and the destinations themselves streamlines activities and enhances efficiency. Marketing measures emphasise Austria's USPs – in 2013, for example, there has been a special focus on culture (architecture and identity) in the worldwide marketing of ANTO; in 2012, there was a focus on water (rivers, lakes) in the domestic market; and an annual ANTO Tourism Day was established and organised back to back with the annual Tourism Conference in 2012 and 2013, bringing together all stakeholders to discuss tourism branding and marketing issues.
- *Subsidies:* The ministry continues its strong public-private partnership with the Austrian Bank for Tourism Development, which handles SME funding programmes. The main objectives of these programmes are to encourage investments, to improve the quality and size of tourism enterprises, to enhance co-operation, to optimise the financial structure of SMEs, and to encourage new business start-ups. Since 2009, there has been a stronger focus on Austria's USPs and on sustainability-related topics, such as bicycle tourism and energy efficiency, as well as on the better use of new information and communication technologies by SMEs and family-friendly enterprises. The newly installed *Förderpyramide* – a co-ordination instrument for funding at national and *Länder* levels – defines competences more effectively, reflects the importance and size of projects, and helps to increase transparency for SMEs.
- *Infrastructure:* The focus is on a number of different areas – the development of infrastructure for summer and year-round tourism; co-operation among regions and municipalities with regard to infrastructure development and financing; the further development of alpine infrastructure (the Austrian government has been supporting the sustainable renovation and modification of alpine huts for many years – also to minimise energy consumption and to contribute to the climate balance); increasing

Box 1. **Austrian initiative supporting innovation in tourism**

Innovation is of great importance for Austrian tourism, and it is also taken into account in the Austrian Tourism Strategy. There has been a strong focus on innovation since 2012. Among the different measures are: a bi-annual award organised in co-operation with the *Länder*, dedicated to innovative best practices, and with financial project support for the winner; product innovation workshops organised by ANTO; and increased subsidies for innovation.

One such subsidy is the *Innovationsmillion*, which supports innovative flagship tourism projects based on stakeholder co-operation at the destination level, and for which the ministry, together with the *Länder*, provide EUR 1 million a year. In 2012, seven such projects were awarded, on topics ranging from product development to distribution and communication.

The guidelines for tourism funding programmes expire at the end of 2013, so a comprehensive evaluation has been carried out during 2013 in order to design new guidelines for the tourism funding programmes at the national level. A special focus will be placed on innovation and young entrepreneurship. The objective is to make them more effective in meeting future needs.

mobility via public transport to, from and within tourism regions; initiatives and projects related to "Tourism for All" (in particular barrier-free tourism, such as special subsidies for consulting, the publication of brochures and organisation of events and awards); and initiatives in the bicycle tourism segment (e.g. signage, development of quality criteria and information).

- *Business environment:* The priority objective is to ensure a competitive business environment by keeping the administrative burden low, especially for SMEs. The ministry attaches great importance to the favourable development of the tourism labour market and to continuously improving the image, the competitiveness and the work-life balance of jobs in tourism (e.g. by supporting information brochures in several languages, image campaigns, events, etc.). In order to inform tourism industry stakeholders and to discuss developments and trends, the ministry supports studies and organises/participates in expert events and roundtables. Recent topics include quality, the implications of climate change and possible adaptation strategies, tourism ethics and corporate social responsibility, cultural routes, travel facilitation, mobility, etc.

Statistics and economic evaluation

Statistics and studies on the economic development of tourism, trends in tourism and specific topics (e.g. in 2012/13 the topics of quality, lake tourism, climate change, mobility, tourism and migration, and the attitude of Austrians towards tourism) are regularly made available to the tourism industry as a basis for strategic decision-making.

The TSA is produced annually since 2001, providing economic analysis of the tourism sector, supplemented by data on the impacts of employment, and including a regional breakdown for three *Länder* (Vienna, Upper Austria and Lower Austria).

Since 2004, T-MONA (Tourism Monitor Austria), a web-based management information system, has been gathering travel behaviour and socio-demographic data, and providing an up-to-date picture of domestic and foreign tourists in Austria at local destination, *Länder* and national levels.

TourMIS (the Tourism Marketing-Information-System), established in 2000, provides information and decision support for the tourism industry and scholars. It contains online tourism survey data, as well as various tools to transform data into valuable management information. TourMIS is open to all authorised tourism organisations, societies, tourism consultants, companies, tourism training centres, pressure groups, etc. in Austria and abroad. TourMIS is financially supported by ANTO, European Cities Marketing (ECM) and the European Travel Commission (ETC).

Statistical profile

Table 1. **Austria: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	10 681	10 961	11 385	11 617	12 013
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	33 879	34 443	35 024	35 297	35 964
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Commercial accommodation.
Source: Statistics Austria.

StatLink http://dx.doi.org/10.1787/888932985884

Table 2. **Austria: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	17 047	16 510	17 177	18 045	18 907
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Germany	Thousand	7 820	7 750	7 887	8 054	8 380
Switzerland and Liechtenstein	Thousand	853	885	941	1 076	1 141
Netherlands	Thousand	1 082	1 072	1 044	1 069	1 124
Italy	Thousand	901	918	930	944	907
United Kingdom	Thousand	726	614	641	619	642
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million EUR	16 513	15 374	15 705	16 187	16 661
International travel receipts	Million EUR	14 677	13 895	14 027	14 267	14 706
International passenger transport receipts	Million EUR	1 836	1 479	1 678	1 920	1 955

1. Hotels and similar establishments, including holiday dwellings.
Source: Statistics Austria.

StatLink http://dx.doi.org/10.1787/888932985903

Table 3. **Austria: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	9 677	10 121	9 882	9 874	10 960
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million EUR	9 457	9 143	9 292	9 232	9 664
International travel expenditure	Million EUR	7 721	7 744	7 718	7 531	7 825
International passenger transport expenditure	Million EUR	1 736	1 399	1 574	1 701	1 839

Source: Statistics Austria.

StatLink http://dx.doi.org/10.1787/888932985922

Table 4. **Austria: Enterprises in tourism**

Thousand enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	75.73	74.43	72.79	73.69	73.20
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	14.49	14.80	14.86	14.93	14.88
Food and beverage serving industry[1]	31.90	30.13	29.23	29.24	29.11
Passenger transport	..	..	..	..	..
Air passenger transport	0.15	0.16	0.16	0.19	0.19
Railways passenger transport	0.03	0.02	0.02	0.02	0.03
Road passenger transport	12.38	12.17	11.81	11.92	12.02
Water passenger transport	0.09	0.07	0.08	0.08	0.08
Passenger transport supporting services	0.46	0.49	0.49	0.49	0.50
Transport equipment rental	..	..	..	..	..
Travel agencies and other reservation services industry[2]	2.38	2.35	2.35	2.39	2.37
Cultural industry[3]	9.35	9.73	9.42	9.90	9.74
Sports and recreation industry	4.50	4.51	4.37	4.53	4.28
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Includes restaurants and similar establishments.
2. Travel agencies.
3. Includes entertainment activities.

Source: Statistics Austria, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932985941

Table 5. **Austria: Employment in tourism**

Number of jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)	299 190	298 470	312 050	314 580	326 300
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	78 800	73 430	74 960	75 660	80 130
Food and beverage serving industry	110 340	104 740	110 710	113 700	123 040
Passenger transport	..	..	..	..	..
Air passenger transport	6 290	6 150	6 130	5 930	5 070
Railways passenger transport	7 450	8 590	8 310	8 130	7 900
Road passenger transport	36 890	44 590	44 830	45 930	46 220
Water passenger transport	40	50	50	50	40
Passenger transport supporting services	1 030	1 350	730	710	810
Transport equipment rental	..	..	..	..	..
Travel agencies and other reservation services industry[1]	34 630	33 930	34 440	35 290	35 850
Cultural industry[2]	15 350	16 560	20 310	18 600	17 330
Sports and recreation industry	8 360	9 090	11 590	10 580	9 910
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	49	50	50	50	50
Female (% of total tourism employment)	51	50	50	50	50

1. Travel agencies.
2. Includes entertainment activities.

Source: Statistics Austria, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932985960

Table 6. **Austria: Internal tourism consumption**

Million EUR, 2012

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	14 984	16 659	31 643
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	2 815	6 777	9 592
Food and beverage serving services	3 882	4 744	8 626
Passenger transport services	2 995	1 953	4 948
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	9	..	9
Cultural services[1]	1 478	1 333	2 811
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products[2]	3 805	1 852	5 657
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.
2. Tourism-connected and non-specific products and services, including distribution margin.

Source: Statistics Austria, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932985979

Table 7. **Austria: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	5.3	5.4	5.5	5.5	5.8
Total tourism employment (direct) as % of total employment	7.1	7.1	7.4	7.3	7.5

Source: Statistics Austria, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932985998

For more information

Federal Ministry of Science, Research and Economy	*www.bmwfw.gv.at*
Austrian National Tourist Office	*www.austria.info*
Statistics Austria	*www.statistik.at*
Austrian Bank for Tourism Development	*www.oeht.at*

Belgium

Tourism in the economy

In Belgium, tourism is an exclusive competency of the three regions: Flanders, Wallonia and Brussels. This section provides a national overview of tourism in the country, as does the statistical annex, followed by presentations of the governance and policy initiatives of the Flanders and Walloon regions.

In 2012, Belgium received a record 6.2 million international visitors in hotels and similar establishments, of whom 48% (3.0 million) visited Flanders, 13% (0.8 million) Wallonia and 39% (2.4 million) the city of Brussels. The number of foreign tourists to Belgium in 2012 increased by 0.2% overall on 2011. The leading foreign markets for Belgium are the Netherlands, France, the United Kingdom and Germany.

Belgium domestic visitors totalled 3.9 million in 2012, of whom 59% visited Flanders, 25% Wallonia and 16% Brussels.

Outbound overnight trips from Belgium fell by 2.7% to 11.2 million in 2012. Of these trips, 55% originated in Flanders, 30% in Wallonia and 15% in Brussels. The decline was confined to Flanders (-8.6%), while trips from Wallonia were up 2.5% and trips from Brussels rose by 11.9%. However, in the longer term, outbound travel from Wallonia has been rising a little more rapidly than that from Flanders and Brussels.

In 2012, 4 493 accommodation establishments were surveyed at the federal level, including 1 719 hotels, 475 campsites, 53 holiday villages, 1 391 "bed and breakfasts" and 855 establishments for group accommodation.

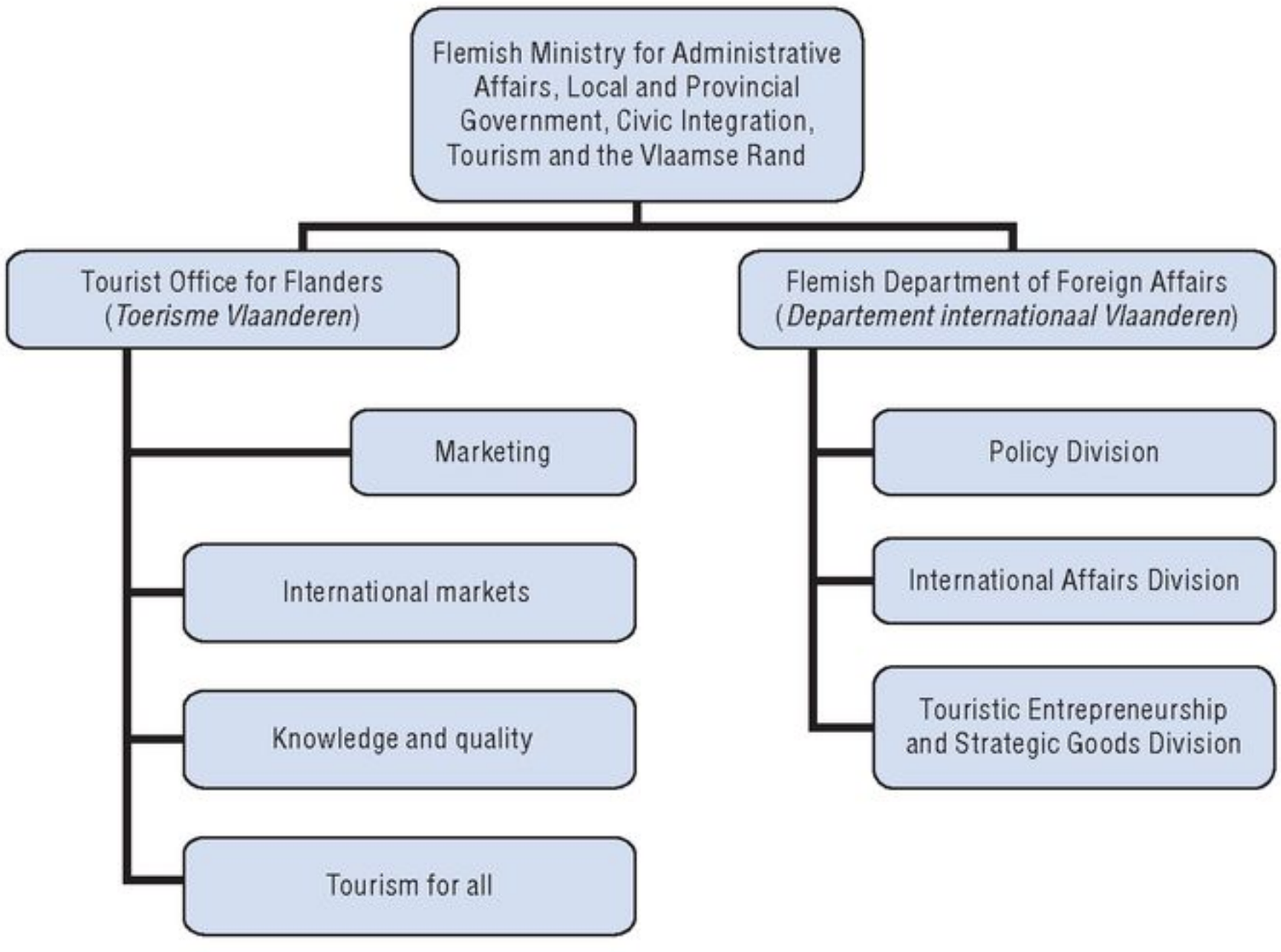
It is estimated that, in Flanders in 2010, 115 000 employees and 29 000 self-employed persons worked in the tourism recreational sector. In Brussels the industry had 38 000 employees and 2 750 independents in 2010. In Wallonia, tourism employs around 60 000 people.

FLANDERS REGION

Tourism organisation and governance

In Flanders, tourism comes under the Flemish Minister for Administrative Affairs, Local and Provincial Government, Civic Integration, Tourism and the Vlaamse Rand. At the administrative level, tourism is part of the portfolio of the Flemish Department of Foreign Affairs. The executive organisation for tourism administration, support and promotion is *Toerisme Vlaanderen* (Figure 1).

Figure 1. **Belgium, Flanders region: Organisational chart of tourism bodies**



Source: OECD, adapted from the Flemish Department of Foreign Affairs, 2014.

In 2010 the Flemish Minister for Tourism approved the restructuring of the tourist office *Toerisme Vlaanderen* – a restructuring which has now been completed. Some of the key changes are:

- *Toerisme Vlaanderen* acts as a centre for knowledge and innovation. It collects relevant knowledge and translates this to the practice of entrepreneurs and governments to stimulate innovation.
- Flanders is promoted on the basis of a strategic vision, taking into account the needs of the sector, the evolution of the markets and the evolution of marketing itself. "Cutting-edge craftsmanship" takes a central position in the branding of Flanders.
- All instruments to support or encourage the tourism industry (including all subsidies and financial support mechanisms) are brought together in the tourism office.
- The issuing of licences for travel agencies and tourist accommodation, and the classification, implementation and enforcement of regulations, have been moved to the Flemish Department of Foreign Affairs.
- *Toerisme Vlaanderen* has integrated its support services (accounting, staff, logistics, information and communications technology) in the management support organisation MOD DAR-iV of the Flemish government.
- The data systems of the Flemish Support Centre for Tourism and Recreation have been transferred to *Toerisme Vlaanderen*.

According to the 2011 federal agreement on the 6th Reform of the State, tourism is a competence of the regions instead of being a competence of the communities. However, the communities have maintained competences in the Brussels capital region in the field of promotion and investments in tourism infrastructure. This agreement requires legislative acts before implementation.

The 2011 Internal Reform of the State defines the new competences of the provinces in the field of tourism. The "White Paper" stipulates that the provinces can develop tourism initiatives except in the following areas: planning, research and data collection; marketing and product lines; and international inbound services and international marketing.

Tourism budgets

The total tourism budget of the Flemish government in 2013 is EUR 61.8 million (policy credits).

Tourism-related policies and programmes

Visit Flanders implements a regional strategy, mainly for the long-haul markets. The prime objective of the regional strategy is market exploration, so as to identify and capitalise on specific opportunities in new markets. The regional strategy offers a very cost-effective model to realise the goals of Flanders.

In the autumn of 2012, the Flemish government approved a new legislative framework for subsidies. The decision of the Flemish government will increase the effectiveness of the subsidies in the tourism sector. All projects will have to show that their activities contribute to the political priorities of the Flemish government and the strategic plan for Flanders-Brussels. For that reason, in addition to a financial justification, also a substantive justification is necessary for the use of the subsidies. This decision will also minimise the red tape and bureaucracy.

On 5 July 2012, the Flemish parliament modified the decree concerning the statute regulating travel agencies. The parliament opted for a phased approach. In a first phase, effective from 14 August 2012, the decree has been modified in a number of respects with immediate effect. These changes aim to increase legal certainty, clarify the exemptions for socio-cultural associations and reduce red tape. During this first phase, the sector can prepare itself for the second phase – the introduction of self-regulation on 1 January 2014, with the abolition of the decree and the regulation statute.

Statistics and performance evaluation

The research centre of the Flemish government has developed a fully-fledged regional Tourism Satellite Account for the reference years 2008 and 2010. The TSA covers internal tourism consumption, domestic supply and internal tourism consumption and now employment. A simulated TSA was also prepared for the Brussels-Capital region. The intention is to prepare a limited annual update of the TSA and a more complete update every three years.

It was found that the gross value added (GVA) of the tourism industries in the Flemish region amounted to EUR 8.9 billion, or 4.8% of the total value added in the Flemish region in 2010. In the Brussels Capital region, the GVA of the tourism industries amounted to EUR 3.3 billion, or 5.6% of the total value added in the region.

For more information

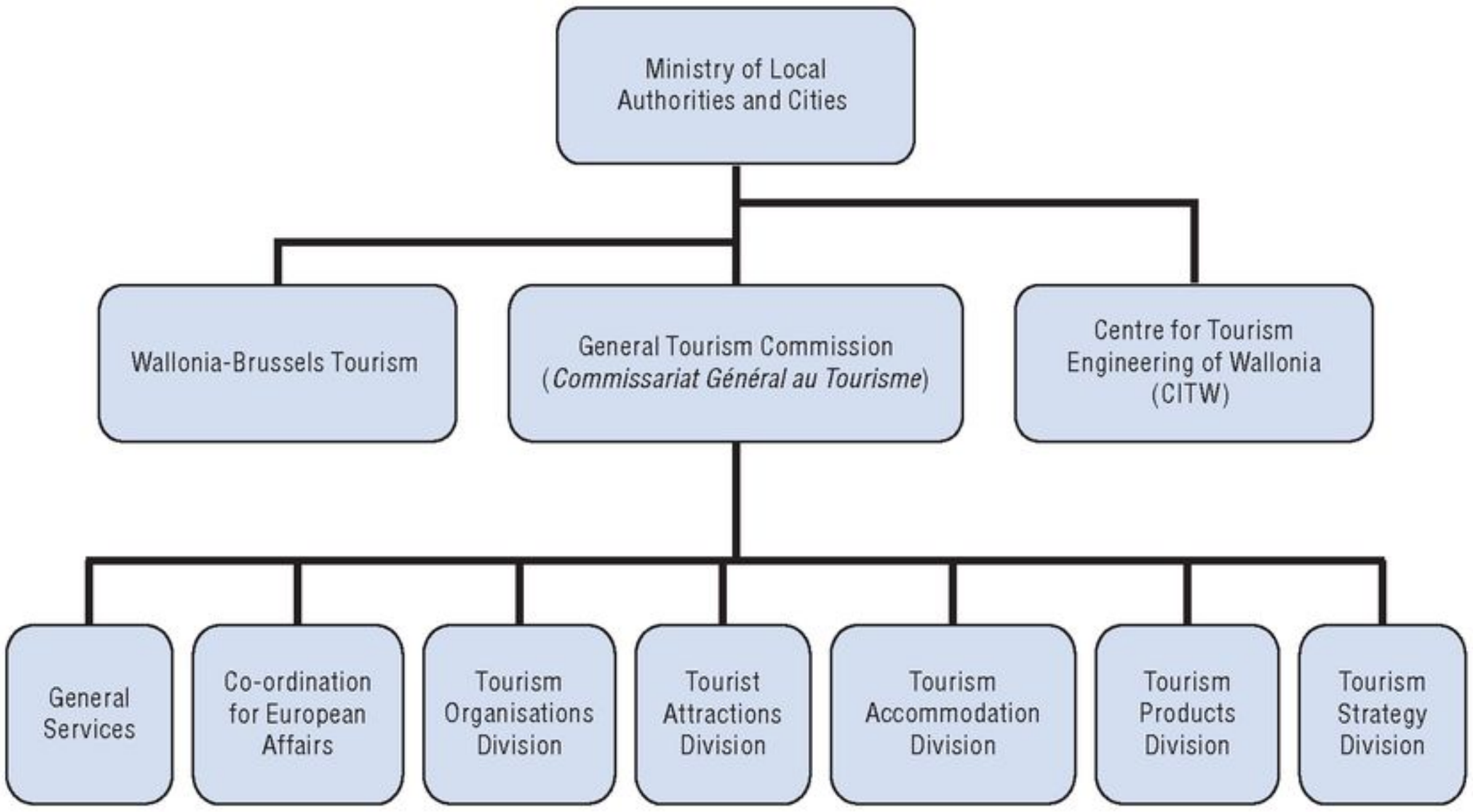
Flemish Department of Foreign Affairs	*www.vlaanderen.be/internationaal*
Toerisme Vlaanderen	*www.toerismevlaanderen.be*
Toerisme Vlaanderen (consumer websites)	*www.visitflanders.be*

WALLOON REGION

Tourism organisation

The General Tourism Commission (CGT) is the agency responsible for implementing the Walloon government's overall tourism policy (Figure 2). The CGT implements the strategy for tourism (Destination 2015) and deals with all tourism-related matters associated with bodies and enterprises in the tourism industry, accommodation, development of products and infrastructure, and the economic observation of tourism in Wallonia.

Figure 2. **Belgium, Walloon Region: Organisational chart of tourism bodies**



Source: OECD, adapted from the Walloon General Tourism Commission, 2014.

The principal area of responsibility of Wallonia-Brussels Tourism (WBT) is to promote Wallonia and Brussels as destinations for tourism from Flanders and abroad. It aims to:

- Focus investment on source markets with high potential.
- Improve the image, reputation and renown of Wallonia as a destination, for example by working with other European destinations to conduct promotional campaigns in more distant markets.
- Develop innovation and improve the balance between supply and demand in the various markets. For example, WBT organises training to enhance market knowledge among providers of tourism services.
- Bring public and private investment together to promote Wallonia and its products as a destination for tourism.

Finally, with support from European funds, the Walloon Tourism Engineering Centre (*Centre d'ingénierie touristique de Wallonie*, CIWT), a joint economic and tourism development undertaking of Walloon municipalities, has been organising and implementing "tourism engineering policies" in Wallonia, pooling responsibilities and co-ordinating actions at the Walloon territorial level, as well as co-ordinating more generally the studies performed by specialist consultants.

A new dynamic has emerged in Wallonia in recent years, based on the principles of good governance. This movement is still young and has far to go, but the principles of good governance are being increasingly applied.

Tourism budget

The 2013 budget of the CGT was EUR 52 million, of which EUR 8.8 million is earmarked for operations. The budget does not include funding for projects co-financed by the European Commission (the overall budgets approved for the programming period 2007-13 amounted to some EUR 97 million).

Tourism-related policies and programmes

In 2012, the CGT and WBT conducted a mid-term review of the implementation of the tourism planning document "Destination 2015" (see *www.printempsdutourisme.be* for further information).

Destination 2015 is a five-year strategic plan covering the main tourism points as set out in the 2009 Regional Policy Declaration. Destination 2015 seeks to implement the following seven objectives, each of which is divided into two or three areas:

- Measuring the importance of the tourism economy.
- Promoting a balanced tourism development.
- Encouraging local tourism.
- Reporting on tourism diversity.
- Consolidating Wallonia's image and reputation for quality in foreign tourism markets.
- Working with tourist operators and expand partnerships.
- Sharing knowledge.

In the light of increased international competition, Wallonia's tourism development officers have set up a simple, flexible tool that involves the tourist industry in a process of improving the service that tourists receive (Box 1).

The movement towards interlinked working across several levels, first established a few years ago, has continued. In Wallonia, a group of representatives of the Office of the Minister for Tourism, the CGT and WBT are working together on projects such as the preparation of the Strategic Plan Destination 2015 and the organisation of the *Année des Saveurs* gastronomy promotion. There are also several public-private partnerships in place conducting scientific monitoring of various projects with the universities; operational studies with the private sector, or for tourism accommodation with potential investors. Inter-authority platforms for "leisure zones", urban development, tourism and culture are also in place.

Box 1. **The action plan "Wallonia – a high-quality destination"**

"Wallonia – a high-quality destination" (*Wallonie, Destination Qualité*) is based on the Swiss Tourism Quality Programme and was developed in co-operation with the latter's founders specifically to address tourism service-providers' needs. The three-level programme is for businesses of any size that are constantly seeking to improve the services they provide and thereby ensure their future success.

Programme Level I focuses on service quality; it seeks to make quality the core of a team's work and to improve internal procedures using simple methods while ironing out weak points. It is the ideal first step to fostering quality in a tourism-related enterprise or body. In 2012 and 2013, Level I was the only level implemented in Wallonia. After being awarded the Level I quality mark, the recipient may move to Level II. Level II deals chiefly with quality in management. Level III is for tourism businesses that have successfully introduced an internationally recognised comprehensive quality management system.

The programme aims to heighten awareness of quality in service among tourism operators, regardless of sector, and to retain and motivate employees, as well as to view situations from the client's perspective and introduce major improvements in the quality of service provision.

"Quality Coaches" have been introduced to support businesses in their action plan to improve quality. After one year in operation:

- 254 people have been trained or coached and are capable of implementing the programme.
- 24 partners have signed up to the action plan.
- 45 local authorities have committed to a local quality plan.
- 3 Walloon teachers have been awarded the quality mark.
- 93 service providers have been awarded the quality mark.

For further information, please consult: *www.walloniedestinationqualite.be*.

For more information

Walloon General Tourism Commission	*http://cgt.tourismewallonie.be/*
Tourism Strategy Directorate	*http://strategies.tourismewallonie.be*
Wallonia-Brussels Tourist Office	*www.opt.be/*
Public Internet portal	*www.tourismewallonie.be*

Statistical profile

Table 1. **Belgium: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips						
Overnight visitors (tourists)[1]	Thousand	3 081	3 217	3 601	3 883	3 916
Brussels	Thousand	416	473	591	666	633
Flanders	Thousand	1 851	1 895	2 086	2 246	2 299
Wallonia	Thousand	815	850	925	971	984
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments[1]	Thousand	5 422	5 604	6 169	6 529	6 575
Brussels	Thousand	726	826	1 014	1 138	1 109
Flanders	Thousand	3 357	3 401	3 673	3 852	3 920
Wallonia	Thousand	1 339	1 377	1 482	1 540	1 547
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Hotels.

Source: Statistics Belgium, Tourism Flanders, Walloon General Tourism Commission.

StatLink http://dx.doi.org/10.1787/888932986017

Table 2. **Belgium: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals						
Overnight visitors (tourists)[1]	Thousand	5 820	5 450	5 772	6 077	6 198
Brussels	Thousand	2 268	2 147	2 238	2 335	2 366
Flanders	Thousand	2 777	2 581	2 765	2 931	3 022
Wallonia	Thousand	775	722	769	811	810
Same-day visitors (excursionists)		..	..	..	..	..
Top markets for Belgium						
Netherlands	Thousand	1 103	1 089	1 154	1 171	1 197
France	Thousand	903	921	964	1 008	989
United Kingdom	Thousand	954	784	796	793	829
Germany	Thousand	622	608	640	665	643
Spain	Thousand	264	259	308	337	316
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments[1]	Thousand	11 120	10 333	10 854	11 436	11 693
Brussels	Thousand	4 281	4 087	4 242	4 499	4 566
Flanders	Thousand	5 433	4 949	5 248	5 522	5 726
Wallonia	Thousand	1 405	1 298	1 364	1 416	1 401
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million EUR	8 010	8 465	9 162	9 421	10 128
International passenger transport receipts		..	..	..	..	..

1. Hotels.

Source: Statistics Belgium, Tourism Flanders, Walloon General Tourism Commission.

StatLink http://dx.doi.org/10.1787/888932986036

Table 3. **Belgium: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures						
Overnight visitors (tourists)	Thousand	10 474	11 123	12 076	11 466	11 158
Brussels	Thousand	1 356	1 446	1 756	1 510	1 690
Flanders	Thousand	6 268	6 908	7 058	6 659	6 088
Wallonia	Thousand	2 850	2 769	3 262	3 296	3 379
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million EUR	13 431	13 122	14 259	14 752	15 713
International passenger transport expenditure		..	..	..	..	..

Source: Statistics Belgium, Tourism Flanders, Walloon General Tourism Commission.

StatLink http://dx.doi.org/10.1787/888932986055

Table 4. **Belgium: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	3 536	3 527	3 546	3 506	4 493
Brussels	180	176	182	196	253
Flanders	2 103	2 136	2 193	2 148	2 714
Wallonia	1 253	1 215	1 171	1 162	1 526
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	..	..	..	..	..

1. Includes hotels, campsites, holiday villages, accommodation for groups and from 2012 bed and breakfasts.

Source: Statistics Belgium, Tourism Flanders, Walloon General Tourism Commission.

StatLink http://dx.doi.org/10.1787/888932986074

Canada

Tourism in the economy

Canada welcomed 25.3 million international travellers in 2012, up 1.0% year on year. Of these, 16.3 million were overnight travellers (tourists), an increase of 2.0% over 2011. Tourism activities generated 609 500 jobs in 2012 (up 1.5% over 2011). Tourism industries accounted for 1.7 million jobs in Canada (about 9% of all jobs). Tourism contributed CAD 32.0 billion to Canada's GDP (a 3.8% increase over 2011), representing approximately 2% of Canada's total GDP.

In 2012, tourism spending increased 4.2% over 2011 to CAD 81.7 billion. Domestic tourism spending, which accounted for 80% of total expenditures, increased 4.5% year on year to CAD 65.8 billion. Spending by non-resident visitors, meanwhile, totalled CAD 17.4 billion, an increase of 4.6%.

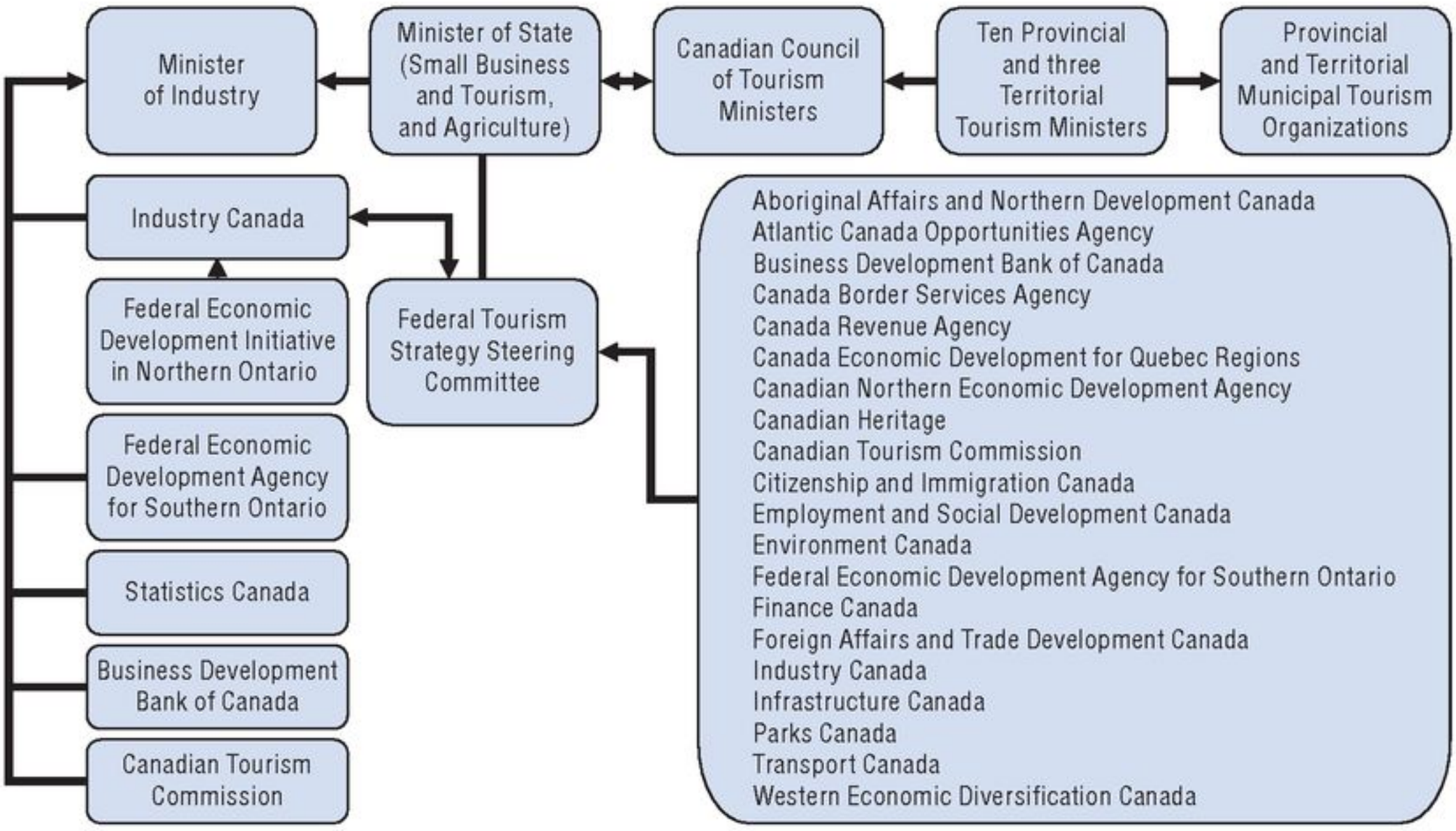
The number of arrivals in 2012 from the United States, Canada's most important international market, totalled 20.7 million (including same-day travellers). Canada's next most important markets were the United Kingdom, France, Germany, China, Australia, Japan, India, South Korea and Mexico. A high proportion of tourists (48%) travelled to Canada for leisure purposes (including outdoor activities and sports), followed by visits to friends and relatives (28%) and business travel (16%).

Tourism organisation and governance

In Canada, the federal government, the ten provincial governments, three territorial governments and many municipalities all play a role in supporting tourism. Federally, the Minister of Industry has the lead responsibility for tourism as part of a broader mandate to foster a fair, efficient and competitive marketplace, an innovative economy, a competitive industry and sustainable communities (Figure 1). However, the Minister of State (Small Business and Tourism, and Agriculture) has the delegated responsibility to promote tourism development. Co-ordination between the federal and provincial/territorial governments is facilitated by the Canadian Council of Tourism Ministers (CCTM), which meets to discuss issues of concern to the Canadian tourism sector and work together to seek solutions.

The Canadian Tourism Commission (CTC) is Canada's national tourism marketing organisation and it operates as a Canadian Crown corporation wholly owned by the government of Canada. The CTC reports to Parliament through the Minister of Industry, who has delegated oversight of the CTC to the Minister of State (Small Business and Tourism, and Agriculture).

Figure 1. **Canada: Organisational chart of tourism bodies**



Source: OECD, adapted from Industry Canada, 2014.

A number of other federal departments and agencies support tourism through various programmes and through direct control and operation of tourism attractions, such as national parks and museums. By way of example, Parks Canada is responsible for national parks and Canadian Heritage operates federally operated museums. The Canada Border Services Agency, Citizenship and Immigration Canada, and Transport Canada are responsible for policy and implementation matters related to border access issues, entry requirements and international air access agreements, respectively. Foreign relations, which fall under the responsibility of the Department of Foreign Affairs and Trade Development Canada, also play essential roles in tourism travel. Canada's provinces and territories also engage in marketing and promotion.

Tourism budgets

In 2009/10,* the federal government contributed over CAD 827 million to various programmes, projects and activities that had a direct impact on tourism. In 2010/11, the total increased to CAD 939 million, including direct support for tourism events and festivals, national parks, cruise infrastructure and marketing, as well as investments in transportation, infrastructure and economic development.

Canada's Economic Action Plan 2013 also included a number of measures impacting tourism, such as:

- A new Building Canada plan to build roads, bridges, subways, commuter rail, and other public infrastructure in co-operation with provinces, territories, and municipalities.
- Investments to support enhanced processing capacity within the Temporary Resident Program.
- With Canada's 150th birthday approaching in 2017, the federal government is taking concrete steps to build a lasting legacy for this important milestone.

* Canada's financial year starts on 1 April and ends on 31 March.

The Canadian Tourism Commission operates on annual appropriations from the government of Canada to fund its operations, and received a core appropriation of CAD 72 million in 2012. In addition, the CTC leverages its parliamentary appropriation through partnerships, which totalled nearly CAD 62 million in 2012 (CAD 9.9 million in "cash" and CAD 51.8 million in "non-cash").

Tourism-related policies and programmes

Federal Tourism Strategy

In October 2011, the government of Canada launched the Federal Tourism Strategy (FTS), which was developed in close consultation with the Canadian tourism industry (Box 1). The FTS seeks to bring greater coherence to the policies and programmes that support tourism, enhance the role of the private sector in tourism development, and facilitate the collaborative efforts of some 20 federal departments and agencies, through a whole-of-government approach focusing on four priorities:

- Increasing awareness of Canada as a premier tourism destination.
- Facilitating ease of access and movement for travellers while ensuring the safety and integrity of Canada's borders.
- Encouraging product development and investments in Canadian tourism assets and products.
- Fostering an adequate supply of skills and labour to enhance visitor experiences through quality service and hospitality.

Box 1. **Canadian Federal Tourism Strategy key achievements**

The FTS enhances the federal government's role as an effective partner with industry and other levels of government in support of an internationally competitive sector.

Recent milestones and commitments under the FTS include a national stakeholder-partner forum on strategic destinations and attractions, a tourism mission to India with key business stakeholders, and the publication of the first annual report.

Through the FTS, the government is positioning Canada's tourism sector to take advantage of international growth opportunities, increase tourism revenues and create jobs in Canada.

The FTS has delivered on a number of commitments including:

- Expanding air transport agreements in key markets such as India and China.
- Increasing the number of Visa Application Centres around the world.
- Highlighting Canada's unique tourism attractions through the Canadian Signature Experiences Collection.
- Investments in events, such as the 1812 commemorations and the 2015 Pan Am and Parapan Games in Toronto that will attract visitors to Canada.
- Upcoming initiatives that will support tourism, including work on the Detroit River International crossing and planning for Canada's 150th anniversary in 2017.

Statistics and economic evaluation

Statistics Canada, Canada's central statistics agency, compiles statistics on a number of tourism industries such as air, boat, rail, bus and taxi transportation; traveller accommodation; food services and drinking establishments; amusement and recreation, and travel arrangement services. Statistics Canada carries out two main travel surveys: the International Travel Survey, which publishes statistics on international travel to and from Canada; and the Travel Survey of Residents of Canada, which publishes statistics on travel of Canadians in Canada.

Statistics Canada also generates two major products for the macroeconomic evaluation of tourism: the national Tourism Satellite Account (TSA) and the National Tourism Indicators (NTI).

Statistics Canada is planning to release an extension of its Human Resource Module of the Tourism Satellite Account in spring 2014 that will report labour market information at the provincial and territorial levels. Statistics Canada is also updating its Provincial-Territorial Tourism Satellite Account.

Statistical profile

Table 1. **Canada: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	87 647	91 386	92 143	105 743 |	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	261 873	265 659	271 869	288 945 |	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Note: Break in series in 2011 due to redesign of Travel Survey.
Source: Statistics Canada, Culture, Tourism and Centre for Education Statistics Division.

StatLink http://dx.doi.org/10.1787/888932986093

Table 2. **Canada: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	27 370	24 696	25 621	25 065	25 318
Overnight visitors (tourists)	Thousand	16 997	15 737	16 219	16 015	16 344
Same-day visitors (excursionists)	Thousand	10 373	8 959	9 402	9 050	8 974
Top markets[1]						
United States	Thousand	12 503	11 667	11 871	11 597	11 887
United Kingdom	Thousand	837	686	661	623	597
France	Thousand	405	389	408	422	423
Germany	Thousand	315	292	316	290	277
Japan	Thousand	259	180	215	186	190
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million CAD	19 236	17 644	19 008	19 746	20 676
International travel receipts	Million CAD	16 544	15 547	16 320	16 624	17 388
International passenger transport receipts	Million CAD	2 692	2 097	2 688	3 122	3 288

1. United Kingdom includes Gibraltar. France includes Andorra and Monaco.
Source: Statistics Canada, Culture, Tourism and Centre for Education Statistics Division.

StatLink http://dx.doi.org/10.1787/888932986112

Table 3. **Canada: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	27 037	26 204	28 895	30 450	32 276
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million CAD	35 971	34 984	38 663	41 512	44 073
International travel expenditure	Million CAD	28 645	27 544	30 638	32 974	35 030
International passenger transport expenditure	Million CAD	7 326	7 440	8 025	8 538	9 043

Source: Statistics Canada, Culture, Tourism and Centre for Education Statistics Division.

StatLink http://dx.doi.org/10.1787/888932986131

Table 4. **Canada: Enterprises in tourism**

Thousand enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	146	148	149	148	151
Tourism industries	..	..	..	..	..
Accommodation services for visitors	16	17	16	16	16
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	69	69	70	69	71
Passenger transport [1]	24	25	27	27	27
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	6	6	6	6	6
Cultural industry	..	..	..	..	..
Sports and recreation industry[2]	30	31	30	30	31
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Estimates are for number of enterprises classified to tourism industries as defined in the TSA, as of December.

1. Includes non-passenger transport activities.
2. Includes culture, recreation and other entertainment services.

Source: Statistics Canada, Business Register Division.

StatLink http://dx.doi.org/10.1787/888932986150

Table 5. **Canada: Employment in tourism**

Thousand jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)	617	600	593	600	610
Tourism industries	497	488	483	489	496
Accommodation services for visitors	158	150	151	153	154
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	153	153	153	154	159
Passenger transport	71	71	70	70	72
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	45	42	39	40	40
Cultural industry	..	..	..	..	..
Sports and recreation industry[1]	70	71	71	70	71
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries[2]	121	112	110	112	114
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Employment is based on an estimate of "jobs" rather than "hours of work", thus someone who works 10 hours a week counts for as much, by this measure, as someone who works 50 hours a week.

1. Includes culture, recreation and other entertainment services.
2. Includes non-tourism industries that benefit from tourism (e.g. retail trade). These industries produce some commodities bought by tourists.

Source: Statistics Canada, National Tourism Indicators.

StatLink http://dx.doi.org/10.1787/888932986169

Table 6. **Canada: Internal tourism consumption**

Million CAD, 2012

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	65 773	15 976	81 749
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	7 880	3 741	11 621
Food and beverage serving services	9 124	2 712	11 836
Passenger transport services	15 880	3 704	19 584
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[1]	4 228	162	4 390
Cultural services[2]	3 587	1 691	5 278
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products[3]	25 074	3 966	29 040
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Consumption corresponds to the commissions of travel agencies and tour operators.
2. Includes recreation and other entertainment services.
3. Includes vehicle rental, convention fees, urban transit and parking, non-tourism industries that produce goods and services bought by tourists including tourism single-purpose consumer durable goods, groceries, alcoholic beverages from stores and motor vehicles.

Source: Statistics Canada, National Tourism Indicators.

StatLink http://dx.doi.org/10.1787/888932986188

Table 7. **Canada: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP[1]	1.9	2.1	2.1	2.1	2.1
Total tourism employment (direct) as % of total employment	3.6	3.5	3.4	3.4	3.4

1. GDP at basic prices.

Source: Statistics Canada, National Tourism Indicators.

StatLink http://dx.doi.org/10.1787/888932986207

For more information

Federal Ministry of Industry	*www.ic.gc.ca*
Industry Canada Tourism Branch	*www.tourism.gc.ca*
Canadian Tourism Commission (corporate website)	*www.canadatourism.com*
Canadian Tourism Commission (public website)	*http://caen-keepexploring.canada.travel/*
Statistics Canada	*www.statcan.gc.ca*

Chile

Tourism in the economy

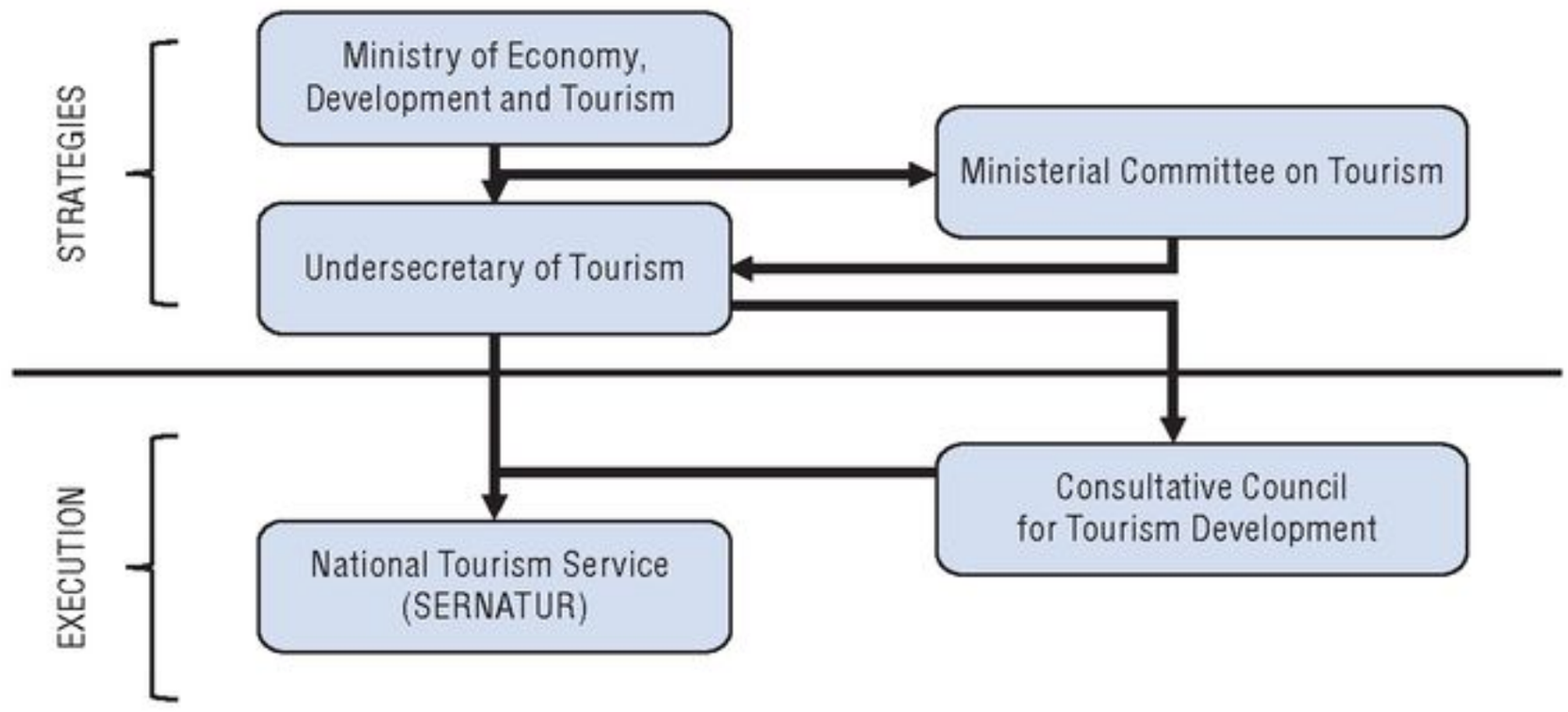
Tourism is Chile's fourth-largest export industry after mining, fruit, and pulp and paper. International tourism receipts reached USD 2.6 billion in 2012, representing 20% of total service exports. They have grown strongly in recent years: by an average of 6.1% a year between 2004 and 2010, by 14% in 2011 and by 17% in 2012.

It is estimated that, in 2010, tourism accounted for 3.5% of GDP – more than industries such as farming, food, and electricity, gas and water. The National Tourism Strategy has set a target of raising tourism's contribution to GDP to 6% by 2020.

Tourism organisation and governance

Tourism comes under the Ministry of Economy, Development and Tourism (Figure 1). In 2010, the post of Undersecretary of Tourism was established to act as the direct link between the minister and the National Tourism Service (SERNATUR). This strengthened the position of tourism within the government and established a clear definition of responsibilities, with the Undersecretary of Tourism in charge of national tourism strategies and policies, and SERNATUR in charge of their implementation. The Undersecretary also has a responsibility for monitoring SERNATUR's performance.

Figure 1. **Chile: Organisational chart of tourism bodies**



Source: OECD, adapted from the National Tourism Service (SERNATUR), 2014.

In addition, a Ministerial Committee was created to ensure good co-ordination and to improve efficiency within government. This committee is composed of representatives from seven ministries: Economy, Development and Tourism; Culture; Infrastructure; Agriculture; National Assets; Housing and Urban Development and Environment.

SERNATUR has a regional office in each of the 15 states of Chile. The Regional Tourism Directors interact with the state governors and local authorities. It should be noted that SERNATUR is a decentralised service. There are also "mirror committees" of the Ministerial Committee in each state.

The Consultative Council for Tourism Development, renewed annually, consists of representatives from seven industry associations and seven government organisations. There are also statutory public advisory councils involving private industry and consumers.

Tourism budgets

The central government budget for tourism is divided into two parts – the first is the budget of the Undersecretary of Tourism, for administrative purposes, and the second is for the operations of SERNATUR.

For 2013, the budget for the Undersecretary of Tourism was USD 500 000, and the budget for SERNATUR is USD 42 million. In addition, the state governments have allocated approximately USD 20 million to tourism.

Tourism-related policies and programmes

The major reform in recent years was the implementation of the new institutional framework defined by the Tourism Law No. 20.423, promulgated in 2010. This law is intended, among other things, to improve the transparency and quality of tourism services for consumers, to establish priority areas for the development of tourism, to establish a model for tourism concessions in national parks, and to establish a model for public-private promotion.

The National Tourism Strategy 2012-20 was launched in 2012. This provides for 46 different lines of action over the eight years in five strategic areas (Box 1).

Box 1. **Chile's National Tourism Strategy 2012-20**

The strategy provides a long term vision and constitutes a roadmap for all public and private stakeholders to meet the challenges linked to tourism development. The Strategy is based upon five pillars: Promotion, Sustainability, Investment and Competitiveness, Quality and Human Capital and Market Intelligence.

The implementation of the Strategy provides great challenges to the country to improve its competitiveness. Nationally, the most important needs are:

- Increasing effectiveness in promotion in order to improve the positioning of Chile both internally and abroad.
- Incorporating sustainable practices in the tourism industry with a focus on protecting the environment and cultural heritage and encouraging community participation, in order to maintain and enhance tourist attractions in a responsible manner.
- Increasing incentives for entrepreneurship to encourage investment in the sector, creating new jobs, developing new products and destinations.
- Ensuring quality training for tourist services focused on human capital and ensuring the existence of the necessary public infrastructure.
- Improving inter-ministerial co-ordination to ensure the harmonious development of tourism throughout the country and promotion of public policies that improve conditions within this area.

The strategy aims to achieve the maximum value that tourism can provide to the country within a framework of sustainable development, and in order to acheive these objectives, the strategy contains 46 points of action.

For more information, *www.sernatur.cl*.

Statistical profile

Table 1. **Chile: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	..	..	..	20 740	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	..	..	..	132 883	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts	Million USD	..	..	..	3 844	..

Source: National Tourism Service.

StatLink http://dx.doi.org/10.1787/888932986226

Table 2. **Chile: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)	Thousand	2 710 |	2 760	2 801	3 137	3 554
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Argentina	Thousand	864 |	997	1 001	1 119	1 378
Brazil	Thousand	253 |	209	229	325	374
Bolivia	Thousand	308 |	309	307	321	356
Peru	Thousand	252 |	270	309	339	338
United States	Thousand	169 |	163	143	152	158
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts[1]	Million USD	2 030 p	1 978 p	2 040 p	2 316 p	2 559 p
International travel receipts[1]	Million USD	1 657 p	1 604 p	1 608 p	1 875 p	2 139 p
International passenger transport receipts	Million USD	374 p	374 p	432 p	441 p	421 p

1. Includes overnight and same-day visitor receipts.

Source: National Tourism Service.

StatLink http://dx.doi.org/10.1787/888932986245

Table 3. **Chile: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	1 900	1 909	2 219 |	2 638	2 837
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure[1]	Million USD	1 347	1 417	1 776	2 133	2 253
International travel expenditure[1]	Million USD	983	1 167	1 301	1 651	1 821
International passenger transport expenditure	Million USD	364	249	474	482	432

1. Includes overnight and same-day visitor expenditure.

Source: National Tourism Service.

StatLink http://dx.doi.org/10.1787/888932986264

Table 4. **Chile: Enterprises in tourism**

Number of enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	37 399	38 866	39 889	41 693	43 149
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	7 684	8 093	8 367	8 866	9 621
Food and beverage serving industry[2]	21 643	22 268	22 755	23 583	23 950
Passenger transport[3]	2 476	2 660	2 823	3 094	3 345
Air passenger transport	182	174	174	188	182
Railways passenger transport	45	48	47	35	28
Road passenger transport	1 968	2 137	2 298	2 577	2 834
Water passenger transport	281	301	304	294	301
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	..	..	..	..	..
Travel agencies and other reservation services industry	1 254	1 291	1 317	1 357	1 394
Cultural industry	66	66	79	79	72
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	4 251	4 466	4 525	4 688	4 745
Other country-specific tourism industries[4]	25	22	23	26	22
Other industries	..	..	..	..	..

1. Includes campsites.
2. Includes restaurants and fast food establishments (bars, pubs, pizza restaurants, ice cream restaurants, etc.).
3. Includes air, ground and sea transport.
4. Includes car rentals, museums, art galeries, casinos and sale of handicraft.

Source: Internal Revenue Service.

StatLink http://dx.doi.org/10.1787/888932986283

Table 5. **Chile: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	260 480	273 474	294 861	314 313	348 314
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	54 566	57 919	57 942	67 811	75 233
Food and beverage serving industry[2]	124 028	123 007	136 400	146 225	153 835
Passenger transport[3]	37 334	35 893	39 440	40 829	50 808
Air passenger transport	13 523	12 449	14 152	16 008	17 070
Railways passenger transport	3 938	3 646	3 542	2 779	2 335
Road passenger transport	14 752	15 364	17 292	17 724	26 743
Water passenger transport	5 121	4 434	4 454	4 318	4 660
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	13 001	17 969	20 023	18 839	22 177
Travel agencies and other reservation services industry	8 548	7 701	7 991	8 293	7 987
Cultural industry	769	880	1 083	1 188	1 052
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	1 959	2 049	2 031	2 269	3 340
Other country-specific tourism industries[4]	20 275	28 056	29 951	28 859	33 882
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	53	..
Female (% of total tourism employment)	..	..	..	47	..

1. Includes campsites.
2. Includes restaurants and fast food establishments (bars, pubs, pizza restaurants, ice cream restaurants, etc.).
3. Includes air, ground and sea transport.
4. Includes car rentals, museums, art galeries, casinos and sale of handicraft.

Source: Internal Revenue Service.

StatLink http://dx.doi.org/10.1787/888932986302

Table 6. **Chile: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	3.3	3.3	3.3	3.4	3.5
Total tourism employment (direct) as % of total employment	3.6	3.8	3.7	3.9	4.2

Source: National Tourism Service.

StatLink http://dx.doi.org/10.1787/888932986321

For more information

Consumer website	*www.chile.travel*
SERNATUR	*www.sernatur.cl*
Subsecretaría de Turismo	*www.subturismo.gob.cl*

Czech Republic

Tourism in the economy

Tourism's share of GDP in the Czech Republic has been declining over the last five years – from 2.9% in 2007 to 2.7 % in 2011 – due to the relatively rapid development of other important sectors of the national economy. The number of people employed in tourism totalled 231 300 in 2011. The sector's share of total employment has remained relatively stable at around 4.5 % over the past five years.

The total number of foreign visitor arrivals was 24.0 million in 2012 (estimated value based on the Tourism Satellite Account), approximately 39% of which were by tourists (overnight visitors) and 61% by same-day visitors (including those in transit). Some 7.2 million non-resident guests stayed in collective tourism accommodation establishments in 2012, up from 6.7 million in 2011 (+6.7%). The average annual growth in guest numbers at collective accommodation establishments was 1.6% over the past five years, despite the impacts of the global economic crisis.

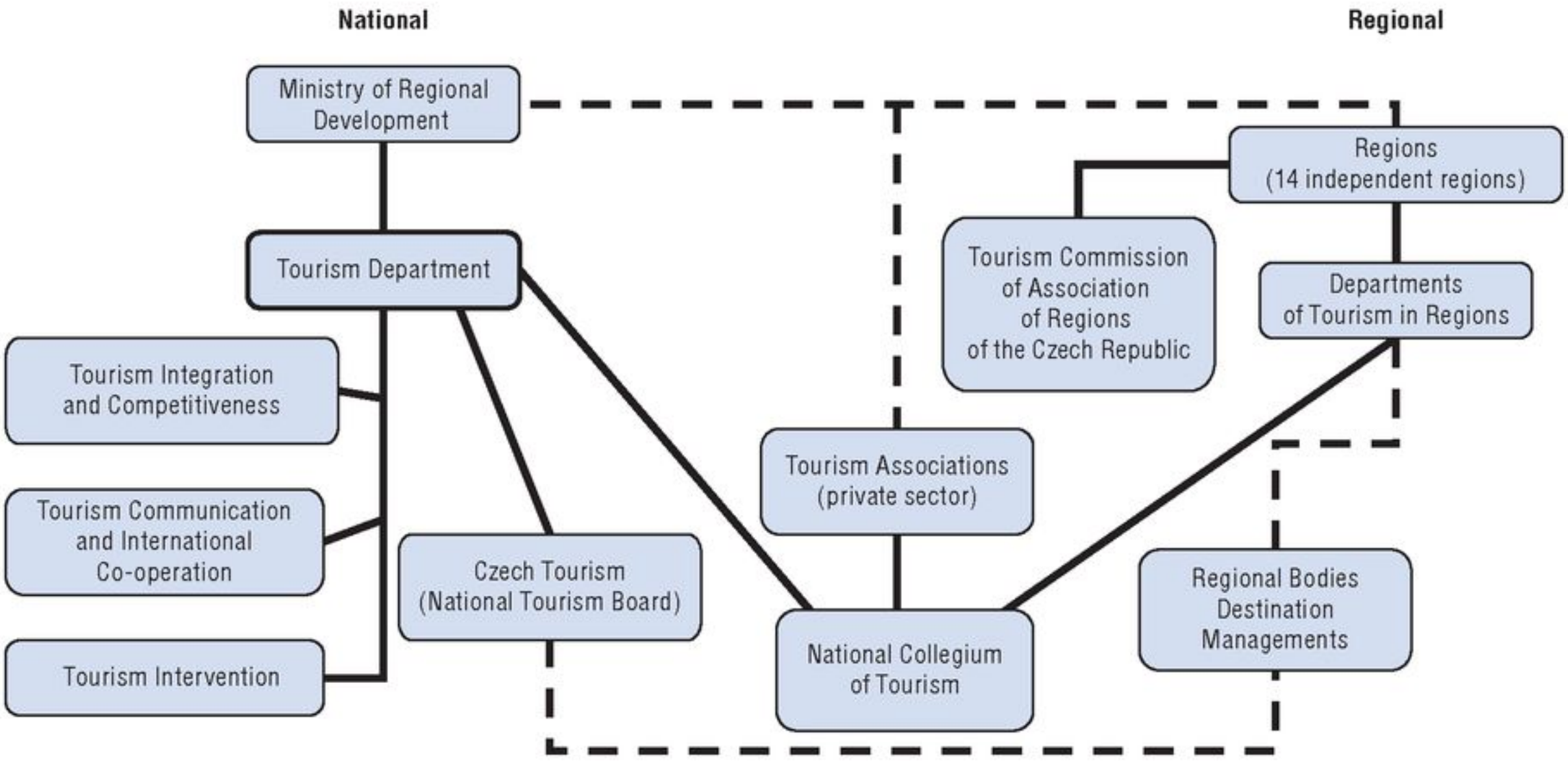
In 2012, international tourism receipts totalled EUR 5 481 million (-0.1%), with travel's share of total export revenues amounting to 5.3%. International travel expenditure was EUR 3 346 million (+2.0%), resulting in a positive balance on the travel and tourism account of EUR 2 135 million (-4.8%) in 2012.

Tourism organisation and governance

The Ministry of Regional Development is responsible for co-ordinating and setting guidelines in the field of tourism (Figure 1). The Tourism Department carries out activities related to the development and implementation of the tourism policy, implements measures arising from tourism-related strategies, and undertakes activities to enhance awareness and recognition of tourism as an important industry of the national economy and to strengthen international co-operation. The ministry is also responsible for preparing relevant legislation, as well as monitoring and collecting statistical information, developing tourism in the regions and supporting the quality and structure of tourism services.

The Czech National Tourism Board, CzechTourism, is a grant-aided organisation supported by the Ministry of Regional Development. Its principal mission is to generate awareness of the Czech Republic as a tourism destination. Its main partners are the regional tourism organisations, municipalities and business enterprises. CzechTourism's objective is to promote tourism in co-operation with the private sector, and to review the medium-term strategy for the marketing of tourism products in the domestic and international markets.

Figure 1. **Czech Republic: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Regional Development, 2014.

The organisation of tourism in the Czech Republic is strongly influenced by the existence and respective administrative systems of the 14 self-governing regions in the country. Regions and individual communities are represented by different public institutions.

Tourism budgets

The Ministry of Regional Development, CzechTourism, and other ministries and institutions responsible for the support of tourism at national level spent some EUR 23 550 million in 2011. In addition to funding at national level, tourism receives funding from a number of different sources, including the regions and municipalities (EUR 34 292 million in 2011). In addition, the Ministry receives special ad hoc funds from the EU Structural Funds programme.

CzechTourism's budget in 2012 was EUR 15.6 million, an increase of 4.3% on the previous year.

The main source of funding over the 2007-13 period has been from the EU Structural Funds:

- The Integrated Operational Programme focused generally on service quality, the improvement of statistical information and national marketing. The total EU tourism allocation is EUR 77.5 million, 15% of which is funded from national sources.
- The Regional Operational Programmes focused on the construction or renovation of basic and ancillary tourism infrastructure, and on tourism marketing at the regional level. The total EU tourism allocation is EUR 981.9 million, 15% of which is funded from national sources.
- The Rural Development Programme promotes activities related particularly to rural tourism and the support of agro-tourism. The total EU tourism allocation is EUR 144.8 million, 15% of which is funded from national sources.

Tourism-related policies and programmes

The Ministry of Regional Development has prepared a new National Tourism Policy 2014-20, which was approved in March 2013 by the government. This medium-term strategy for tourism will be implemented at the beginning of 2014.

Until then, the ongoing strategy is the State Tourism Policy in the Czech Republic 2007-13, which was based on the concept of "Destination Czech Republic – number one in the heart of Europe".

The four priorities have been the:

- Competitiveness of national and regional tourism products.
- Enhancement of the quality of tourism infrastructure and services.
- Tourism marketing and human resources development.
- Creation of an appropriate organisational structure for tourism (Box 1).

Box 1. **Czech Republic's Support of Tourism Development Act**

The objective of the newly prepared Support of Tourism Development Act is to establish an organisational structure in tourism, as well as to increase the efficiency of the system. The structure will be at three different levels: national, regional and local, with each level having clearly defined roles, competences and duties. This will help to strengthen the co-ordination of national and regional tourism policies, improve the implementation of different measures supporting the development of tourism, and enhance the cohesion of associated activities, thereby optimising expenditure.

The act aims to improve the co-operation of all stakeholders and their involvement in the development of the destination, for the creation and marketing of tourism products and for increasing the performance of tourism in the regions. The act builds on other good practices related to the governance structure of destination management companies in Austria, Germany and the Slovak Republic. The ministry expects the new law to come into force in 2015.

Major achievements relate to tourism statistics, service quality, organisational structure and management of tourism destinations.

The Czech Republic is improving visa procedures and processes for legitimate visitors, while maintaining or increasing security. Czech diplomatic missions abroad take advantage of all the different instruments at their disposal to facilitate visa access, especially for the Russian Federation, Ukraine, Balkan countries and Georgia. Applicants can use a simplified system to process their short-term visa applications, e.g. taking advantage of lower fees, the requirement for a minimum number of supporting documents with their applications, and shorter processing times.

Diplomatic missions also co-operate with accredited travel agencies involved in the visa process. Currently, some 12 diplomatic missions co-operate with 396 accredited travel agencies. In countries where the system is applied, up to 80% of the applications are processed via the travel agencies. Diplomatic missions in the Russian Federation also outsource visa processing to external service providers in an effort to accelerate procedures.

The Ministry for Regional Development, in co-operation with different tourism stakeholders, is implementing a project co-financed by the EU Structural funds on service quality, the Czech Service Quality System, which is based on the licence of the "Service Qualität Deutschland". The Czech Service Quality System is an innovative system of certification aimed primarily at small and medium-sized enterprises (SMEs) active in tourism, which will enable SMEs to improve the quality of their services and to gain much-needed expertise.

Statistics and performance evaluation

The Ministry of Regional Development, in co-operation with the Czech Statistical Office, is currently implementing several projects on tourism statistics, aimed at improving and expanding statistical information on tourism. These projects include surveys of inbound tourism (TSA demand-side), collective and private accommodation establishments in tourism, tour operators and travel agencies, meetings, incentives, conferences and exhibition (MICE) sector (TSA supply-side) and, finally, a survey of food and beverage establishments. Projects relating to tourism statistics will provide comprehensive information about main tourism sectors that will, among other things, improve source data for the compilation of the TSA.

Statistical profile

Table 1. **Czech Republic: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips[1]	Thousand	102 880	98 105	93 924	86 236	73 335 e
Overnight visitors (tourists)[1]	Thousand	28 010	27 850	27 614	29 853	26 885 e
Same-day visitors (excursionists)[1]	Thousand	74 870	70 255	66 310	56 383	46 450 e
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation[2]	Thousand	19 296	18 915	18 543	18 810	19 046
Hotels and similar establishments	Thousand	9 686	9 328	9 478	9 853	10 410
Other collective establishments	Thousand	9 610	9 588	9 065	8 957	8 636
Domestic travel receipts[3]	Million CZK	107 825	104 116	100 536	94 002 p	..

1. Based on Tourism Satellite Account.
2. Collective accommodation.
3. Domestic tourism consumption.

Source: Czech Statistical Office, Collective Accommodation Establishments, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986340

Table 2. **Czech Republic: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	26 628	23 285	21 941	22 810	24 041 e
Overnight visitors (tourists)[1]	Thousand	10 119	8 848	8 629	9 019	9 451 e
Same-day visitors (excursionists)[1]	Thousand	16 509	14 437	13 312	13 792	14 590 e
Top markets[2]						
Germany	Thousand	1 476	1 393	1 348	1 387	1 421
Russian Federation	Thousand	418	327	415	559	694
Slovak Republic	Thousand	299	288	307	344	383
Poland	Thousand	377	341	351	371	371
Italy	Thousand	375	357	333	338	353
Nights in all means of accommodation[2]	Thousand	19 987	17 747	18 366	19 425	..
Hotels and similar establishments	Thousand	17 741	16 013	16 881	18 027	18 949
Other collective establishments	Thousand	2 246	1 734	1 485	1 398	1 573
Total international receipts		..	..	..	..	..
International travel receipts[3]	Million CZK	133 118	132 623	135 954	135 740	137 815
International passenger transport receipts		..	..	..	..	..

1. Based on Tourism Satellite Account.
2. Collective accommodation.
3. Balance of Payments by Czech National Bank.

Source: Czech Statistical Office, Collective Accommodation Establishments; Tourism Satellite Account; Czech National Bank, Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932986359

Table 3. **Czech Republic: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures[1]	Thousand	12 713	12 337	11 890	10 893	11 113 e
Overnight visitors (tourists)[1]	Thousand	9 665	8 904	8 673	7 919	8 008 e
Same-day visitors (excursionists)[1]	Thousand	3 048	3 432	3 218	2 974	3 106 e
Total international expenditure		..	..	..	..	..
International travel expenditure[2]	Million CZK	78 632	77 160	77 585	80 569	84 124
International passenger transport expenditure		..	..	..	..	..

1. Based on Tourism Satellite Account.
2. Balance of Payments by Czech National Bank.

Source: Czech Statistical Office; Tourism Satellite Account; Czech National Bank, Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932986378

Table 4. **Czech Republic: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	57 188	63 488	61 063	64 126	67 062
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	..	..	..	..	..

1. Hotels and restaurants.

Source: Czech Statistical Office, Business Register.

StatLink http://dx.doi.org/10.1787/888932986397

Table 5. **Czech Republic: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	241.2	239.5	235.6	231.3 p	..
Tourism industries	237.7	236.1	232.2	228.0 p	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	44.1	42.3	38.3	41.8 p	..
Food and beverage serving industry	66.2	67.8	71.2	69.2 p	..
Passenger transport	..	..	..	..	..
Air passenger transport	6.6	6.5	4.7	3.4 p	..
Railways passenger transport	14.8	14.4	14.1	13.4 p	..
Road passenger transport	13.0	12.7	12.4	11.7 p	..
Water passenger transport	0.1	0.1	0.0	0.1 p	..
Passenger transport supporting services	2.6	2.5	2.6	2.8 p	..
Transport equipment rental	0.1	0.1	0.1	0.1 p	..
Travel agencies and other reservation services industry	14.7	13.8	14.9	11.8 p	..
Cultural industry	12.7	13.1	11.2	10.4 p	..
Sports and recreation industry	2.9	3.0	2.6	2.4 p	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries[1]	60.0	59.8	60.2	60.9 p	..
Other industries	3.5	3.4	3.3	3.3 p	..
Gender breakdown					
Male (% of total tourism employment)	48.0	47.8	47.1	47.1 p	..
Female (% of total tourism employment)	52.0	52.2	52.9	52.9 p	..

Note: Includes self-employed. Annual average number of people employed in main job.

1. Tourism-connected industries.

Source: Czech Statistical Office,Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986416

Table 6. **Czech Republic: Internal tourism consumption**

Million CZK, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	94 002 p	114 683 p	208 685 p
Consumption products	..	..	..
Tourism characteristic products	63 471 p	72 076 p	135 546 p
Accommodation services for visitors	15 802 p	21 464 p	37 266 p
Food and beverage serving services	19 123 p	20 704 p	39 828 p
Passenger transport services	15 042 p	25 773 p	40 816 p
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services[1]	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services[2]	5 134 p	485 p	5 619 p
Cultural services	5 231 p	2 706 p	7 937 p
Sports and recreation services[3]	2 354 p	942 p	3 296 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	785 p	..	785 p
Other consumption products	..	..	..
Tourism connected products	30 532 p	42 607 p	73 139 p
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes maintenance and repair services.
2. Data for internal tourism consumption includes the margins of the travel agencies and tour operators.
3. Includes recreation and other entertainment services.

Source: Czech Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986435

Table 7. **Czech Republic: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	2.8	2.9	2.7	2.7 p	..
Total tourism employment (direct) as % of total employment	..	..	..	..	..

Source: Czech Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986454

For more information

Ministry for Regional Development	*www.mmr.cz*
Czech National Tourism Board	*www.czechtourism.com*
Czech Statistical Office	*www.czso.cz*

Denmark

Tourism in the economy

The contribution of the tourism sector to Denmark's gross value added is given as 2.6% when both direct and indirect effects are taken into account, and 1.5% taking into account the direct effects only. There is a substantial deficit on the tourism account, with payments by Danes travelling abroad exceeding travel receipts from foreign tourists by some DKK 18 billion in 2012.

Tourists from abroad staying in commercial accommodation totalled 3.3 million in 2012. The top five origin markets for Denmark in 2012 were Germany, Sweden, Norway, the Netherlands and the United Kingdom which together accounted for 78% of all arrivals, with Germany by far the leading market, supplying 1.4 million visitors, 41% of the total. Over the last two decades, the inbound tourism decrease can be mainly attributed to weaknesses in the important German and Swedish markets. Domestic tourism has increased in the last 20 years except during the years of financial crises, and nights spent in accommodation reached 22.7 million in 2012.

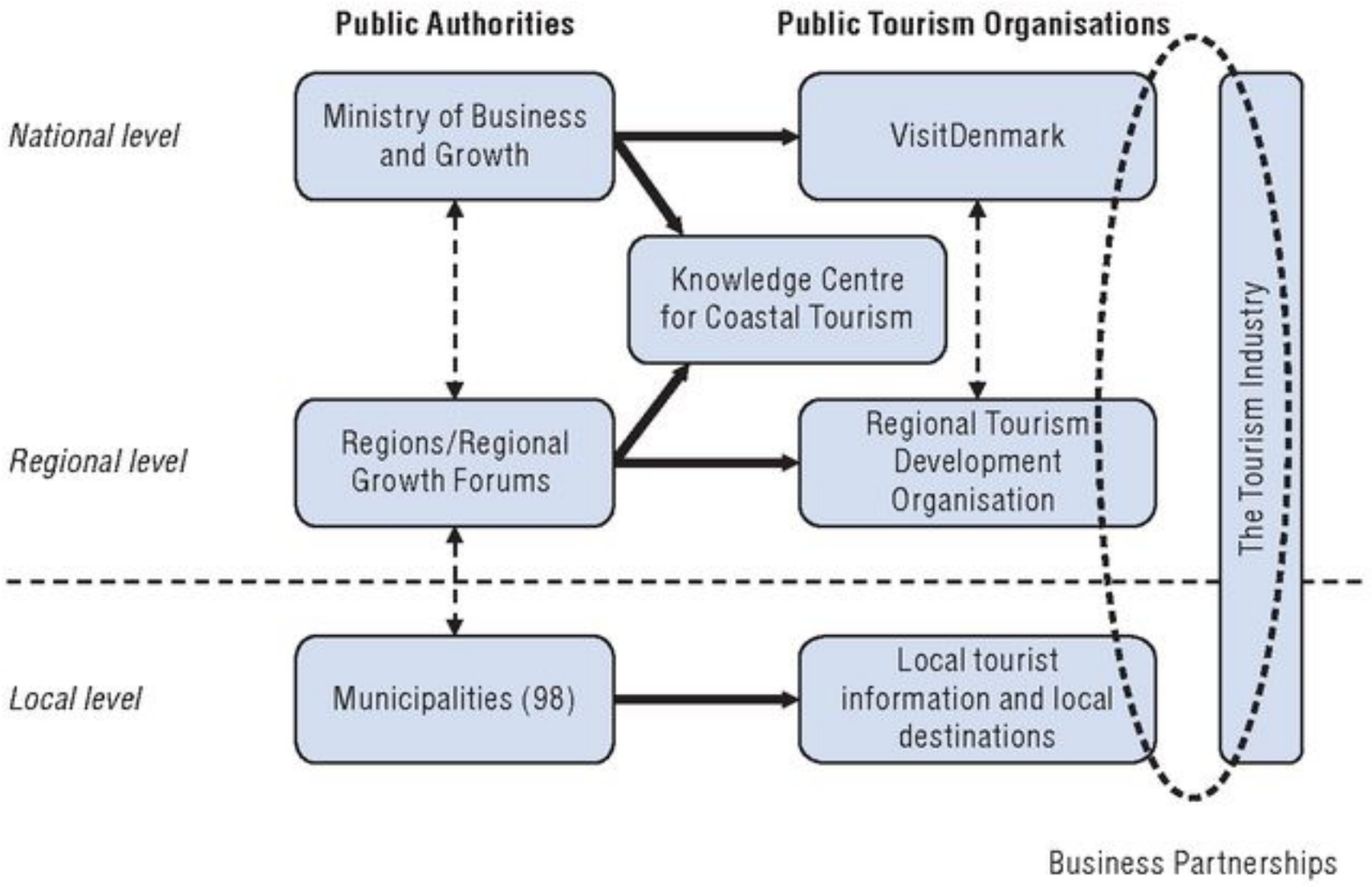
Outbound trips, which have been on a rising trend for some years, totalled 7.8 million in 2012, up 28% since 2006.

Tourism employed 119 400 people in 2011 (Tourism Satellite Account), accounting for 4.3% of total employment. In 2012, Denmark had almost 13 600 tourism enterprises of which 1 524 were hotels and 12 040 restaurants.

Tourism organisation and governance

In 2010, new Danish legislation altered the structure of the public promotion of tourism. Under the new law, all policy and agency-related tourism matters were transferred from VisitDenmark to the Ministry of Business and Growth (Figure 1). The ministry is also responsible for the co-ordination of Danish tourism policy and international policy issues related to the European Union, etc. It co-operates with a number of other Danish authorities, such as the Ministry of the Environment, including the Danish Forest and Nature Agency (Naturstyrelsen). VisitDenmark now only has one main task, which is the international promotion of Denmark as a tourism destination.

Figure 1. **Denmark: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Business and Growth, 2014.

Tourism budgets

In 2012, state funding for VisitDenmark was DKK 128.9 million and its total budget, including private contributions, was approximately DKK 251 million.

Tourism-related policies and programmes

The Danish government has set up a growth team for tourism and the experience economy comprising nine leaders from the Danish tourism industry. The growth team is charged with making recommendations to the government as to how the tourism industry can contribute to creating growth and jobs in Denmark.

The growth team has consulted many organisations and stakeholders and presented eight recommendations to the Minister for Business and Growth on 27 June 2013. The recommendations were as follows. If tourism is to contribute to creating growth and jobs in Denmark, it needs:

- A strong organisation and a coherent national strategy.
- Revitalisation of Danish coastal tourism.
- A common strategy for marketing and branding.
- Strengthened international access.
- More cultural, knowledge and sporting events in Denmark.
- Both service and productivity in Danish tourism must be first rate.
- Digitisation and new marketing communication.
- Framework conditions need to ensure fair competition.

In autumn 2013, the Danish government will draw up a growth plan on the basis of these recommendations. The growth plan will consist of a number of initiatives that will optimise the potential for growth and employment in Denmark with a focus on the transition to a "green economy".

Medium to long-term tourism strategy

On 22 December 2008, the board of directors of VisitDenmark adopted a joint strategy for the development of Danish tourism to 2015. The strategy has been developed on behalf of all stakeholders in Danish tourism, including regional and local authorities and development organisations, private organisations and businesses (more than 600 people have been involved in the process). The key aims of the strategy are to:

- Create increased growth and competitiveness.
- Recapture market shares.
- Generate increased turnover and value creation in the tourism industry.
- Stimulate closer co-operation between tourism actors in relation to product development and marketing, and stimulate a more professional approach to the development of Danish tourism.
- Attract more Danish and foreign investments to the tourism industry, thereby improving the tourism offer.

Statistical profile

Table 1. **Denmark: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	25 427	24 382	24 282	24 937	24 949
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Statistics Denmark, VisitDenmark, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986473

Table 2. **Denmark: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	4 503	4 241	4 382	3 149 |	3 297
Same-day visitors (excursionists)[2]	Thousand	17 340 e	17 340 e	17 340 e	17 340 e	17 340 e
Top markets						
Germany	Thousand	1 825	1 786	1 778	1 373 |	1 367
Sweden	Thousand	801	694	747	504 |	508
Norway	Thousand	658	633	647	418 |	422
United Kingdom	Thousand	214	206	209	132 |	135
Netherlands	Thousand	205	190	192	138 |	126
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts[3]	Million DKK	32 023	30 112	32 078	34 058 |	35 500 p
International passenger transport receipts		..	..	..	..	..

Note: Break in series in 2011 due to new "average length of stays" numbers from a survey conducted at accommodation facilities.

1. Commercial accommodation.
2. Estimates based on border control report.
3. Includes business.

Source: Statistics Denmark, VisitDenmark.

StatLink http://dx.doi.org/10.1787/888932986492

Table 3. **Denmark: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	6 347	7 037	7 726	7 846	7 843
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million DKK	49 443	48 585	50 705	53 716	55 608
International passenger transport expenditure		..	..	..	..	..

Source: Statistics Denmark, VisitDenmark.

StatLink http://dx.doi.org/10.1787/888932986511

Table 4. **Denmark: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	12 895	12 946	13 325	13 564	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	1 572	1 527	1 549	1 524	..
Food and beverage serving industry[2]	11 323	11 419	11 776	12 040	..
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	..	..	..	..	..

1. Hotels.
2. Restaurants.

Source: Statistics Denmark, VisitDenmark.

StatLink http://dx.doi.org/10.1787/888932986530

Table 5. **Denmark: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	49 980	47 304	47 171	49 176	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	14 469	13 234	12 795	12 605	..
Food and beverage serving industry[2]	35 511	34 070	34 376	36 571	..
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	53	53	52	52	..
Female (% of total tourism employment)	47	47	48	48	..

1. Hotels.
2. Restaurants.

Source: Statistics Denmark, VisitDenmark.

StatLink http://dx.doi.org/10.1787/888932986549

Table 6. **Denmark: Internal tourism consumption**

Million DKK, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	48 389	34 058	82 447
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	12 363	2 785	15 148
Food and beverage serving services	4 446	6 089	10 534
Passenger transport services	10 704	2 230	12 934
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	1 435	631	2 066
Cultural services	..	..	..
Sports and recreation services[1]	736	350	1 086
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	18 705	21 974	40 679
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.

Source: Statistics Denmark, VisitDenmark, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986568

Table 7. **Denmark: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	2.2	2.2	2.2	2.3	..

Source: Statistics Denmark, VisitDenmark.

StatLink http://dx.doi.org/10.1787/888932986587

For more information

Ministry of Business and Growth	*www.evm.dk*
Denmark National Tourist Office	*www.visitdenmark.com*
Statistics Denmark	*www.dst.dk*

Estonia

Tourism in the economy

In 2012, 2.7 million foreign tourists stayed overnight in Estonia, an increase of 3.0% compared with 2011. Overnight volume was 3.8 million (2% up on 2011). The number of foreign nights on both holiday trips and business trips increased by 3%, while nights on other trips declined by 6%. In absolute figures, the biggest increase occurred in holiday tourism, which accounts for two thirds of foreign nights.

The figures for 2012 represent a new record for inbound tourism for the third consecutive year. The good results can be attributed to the increase in number of direct flights to Tallinn, the effects of the extensive media coverage of its role as European Capital of Culture, active promotion of Estonia by the public and private sectors, and the continuing growth of European tourism overall.

In 2012, 966 000 domestic tourists stayed overnight in Estonia, an increase of 5% on 2011. The number of nights spent was 1.7 million (4% up on 2011). After a substantial decline in 2009, due to the economic crisis, domestic tourism has gradually recovered over the past three years. In 2012, nights on domestic holiday trips increased by 6%, while nights on business trips rose by 5%.

Estonia's total tourism receipts reached EUR 1.24 billion in 2012, 2.7% more than in the previous year, and a new record. International tourism receipts totalled EUR 954 million (6.3% more than a year ago). International fare receipts amounted to EUR 286 million, 6.6% less than in 2011. In 2012 the sales of accommodation services by all accommodation establishments totalled EUR 171.5 million (11% up on 2011).

Tourism organisation and governance

National tourism policy and development activities are the responsibility of the Estonian Tourist Board, which comes under the Enterprise Estonia Foundation, which in turn reports to the Ministry of Economic Affairs and Communication (Figure 1).

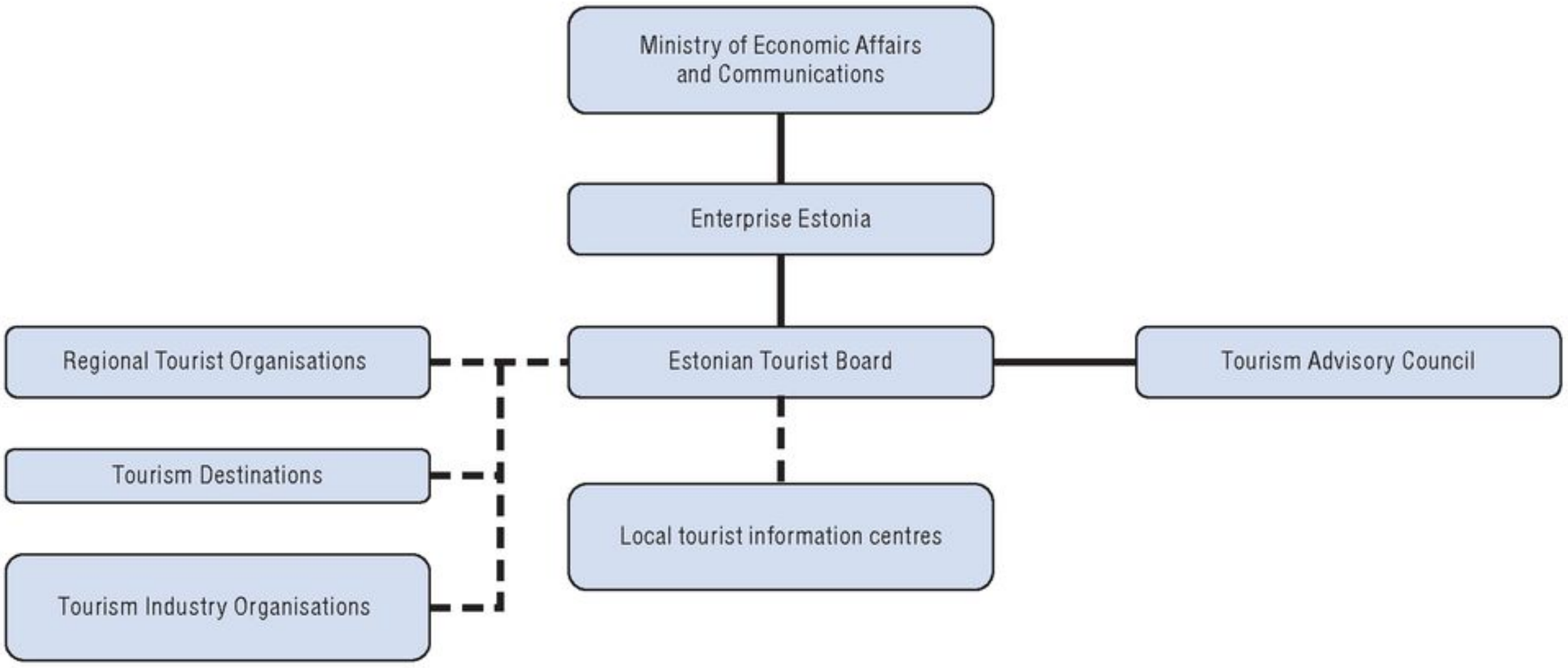
The activities of the ministry in the field of tourism include:

- Setting tourism policies and programmes, and overseeing their implementation.
- Applying funding for tourism development programmes and projects from the state budget and from the EU.
- Drafting tourism-related legislation and regulations.
- Representing Estonia in the activities of international tourism organisations.

The Estonian Tourist Board (ETB):

- Markets Estonia as a tourism destination.
- Undertakes domestic tourism marketing.

Figure 1. **Estonia: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Economic Affairs and Communications, 2014.

- Engages in product development.
- Carries out market research in the main target markets.
- Develops and operates the national tourist information system.
- Participates in the work of international organisations.

The ETB has an advisory council consisting of representatives of the tourism industry – from the Estonian Association of Travel Agents, the Estonian Hotel and Restaurant Association, the Estonian Spa Association, the non-profit organisation Estonian Rural Tourism, the South-Estonian Tourism Foundation, Tallinn City government, and Estonian Air. The ETB co-ordinates the network of regional tourist information centres, which are established in each of the 15 counties of Estonia and in the main border towns (Tallinn, Narva and Valga).

The ETB works with interested entrepreneurs and organisations whose production or services add value to Estonia's image as a travel destination. The ETB participates as a partner in the activities of entrepreneurs and organisations in priority target markets through common image-building activities.

The Estonian Convention Bureau (ECB) is a non-profit organisation established jointly by the public and private sectors. Its members include the cities of Tallinn and Tartu, the national airline Estonian Air, destination marketing companies, conference organisers and hotels. The ECB is co-financed by Enterprise Estonia.

Tourism budgets

The overall budget for tourism development, according to the National Tourism Development Plan for 2014-20, is approximately EUR 116 million, the majority of which is financed through Enterprise Estonia and the Estonian Tourist Board. The main sources of funding for tourism development are EU Structural Funds and the state budget. There are no specific tourism taxes. All the measures and activities of the ETB are evaluated through measurable indicators that are set in the National Tourism Development Plan for 2014-20 and its implementation plan.

Tourism-related policies and programmes

On 21 June 2013, the Estonian government approved a new National Tourism Development Plan for 2014-20. The main goal of this plan is to ensure the competitive and sustainable development of Estonia's tourism sector. Target groups are potential tourists, tourism entrepreneurs and tourism-related stakeholders. The main measurable target is growth in the export of tourism services from EUR 1.2 billion in 2012 to EUR 1.6 billion by 2020.

In the activities aimed at increasing the image of Estonia as a tourism destination, the development plan focuses on the markets believed to have the highest potential returns on marketing investments: Finland, the Russian Federation, Latvia, Sweden, Norway, Germany and the United Kingdom. In long-haul markets, the marketing activities are aimed mostly at China, Japan and the United States of America.

The ETB is managing tourism information to ensure the availability of optimal information throughout the customer journey, using the best combination of electronic and other channels and appropriate customer service at the right time and in the right place for the tourist. Tourism information is collected, organised and distributed in co-operation with local governments and regional tourism organisations.

The ministry and tourist board's purpose in overseeing the development of tourism products is to increase the competitiveness of the tourism sector through differentiation and by developing tourism products and services which meet the visitor's needs. The product development activities are intended to enhance the main thematic areas by developing co-operation networks, improving the quality of tourism products and services, and enhancing corporate and professional competencies. Given the potential resources and target markets of Estonia as a travel destination, it has been decided to focus on the development of the following thematic areas: conference and business tourism, cultural tourism, sports tourism, food tourism, nature and sea tourism, health tourism and family tourism.

The government supports the implementation of innovative business models in the tourism sector and the new principles of service design, in order to ensure higher added value and differentiation.

In order to extend the length of stay of foreign visitors in Estonia and increase the income from tourism, more focus will be placed on increasing off-season demand, above all in the conference and business tourism areas.

To expand family tourism, support will be provided to projects aiming to establish family-oriented attractions that create notable travel motivation and international interest, providing activities for young people of different age groups. To improve access, a network of marinas, corresponding to the expectations and needs of the target group, will be developed.

Major events taking place in Estonia, and attracting the interest of international media, are essential in increasing the reputation of the country and the overnight volume of foreign visitors. Support will be provided to the organisation of cultural and sports events that motivate foreign travel to Estonia and contribute to the achievement of the objectives in the development plan. International conferences and seminars held in Estonia, which contribute to the increase of off-season overnights, will also be supported.

To increase the competitiveness of the different tourism regions of Estonia, and to increase the regional dispersion of tourists, the more important destinations of the four regions of Estonia will be specified. In co-operation with the local representatives of tourism, individual development plans shall be developed for each region. Emphasis will be placed on the quality of the visitor journey including all the contact points of the visitor with service providers, the environment, other visitors and the local population.

Statistical profile

Table 1. **Estonia: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	944	767	838	918	966
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	1 670	1 382	1 497	1 651	1 721
Hotels and similar establishments	Thousand	1 120	944	1 025	1 117	1 150
Other collective establishments[2]	Thousand	550	438	472	534	571
Domestic travel receipts		..	..	..	..	..

1. Collective accommodation.
2. Includes tourist campsites, holiday dwellings and other collective accommodation.

Source: Statistics Estonia.

StatLink http://dx.doi.org/10.1787/888932986606

Table 2. **Estonia: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	4 047	4 089	4 670	5 280	5 306
Overnight visitors (tourists)[1]	Thousand	2 079	2 059	2 372	2 665	2 744
Same-day visitors (excursionists)[1]	Thousand	1 968	2 030	2 298	2 615	2 562
Top markets[2]						
Finland	Thousand	728	751	833	841	829
Russian Federation	Thousand	82	94	142	203	266
Germany	Thousand	92	76	84	104	111
Latvia	Thousand	80	68	73	85	101
Sweden	Thousand	86	77	81	86	78
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million EUR	1 112	1 034	1 073	1 204	1 240
International travel receipts	Million EUR	808	780	809	897	954
International passenger transport receipts	Million EUR	304	254	263	307	286

1. Based on mobile positioning survey.
2. Collective accommodation, including tourist campsites and holiday dwellings.

Source: Statistics Estonia, Bank of Estonia.

StatLink http://dx.doi.org/10.1787/888932986625

Table 3. **Estonia: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures[1]	Thousand	4 193	3 549	3 510	3 806	3 846
Overnight visitors (tourists)[1]	Thousand	2 564	2 473	2 468	2 667	2 672
Same-day visitors (excursionists)[1]	Thousand	1 629	1 076	1 042	1 139	1 174
Total international expenditure	Million EUR	638	498	546	675	746
International travel expenditure	Million EUR	550	433	478	579	619
International passenger transport expenditure	Million EUR	88	65	68	96	127

1. Based on mobile positioning survey.

Source: Statistics Estonia, Bank of Estonia.

StatLink http://dx.doi.org/10.1787/888932986644

Table 4. **Estonia: Enterprises in tourism**

Number of enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	498	572	615	601	636
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[2]	1 087	1 346	1 503	1 576	1 671
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	345	334	356	357	369
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Includes hotels, campsites and other provision of short stay accommodation.
2. Includes restaurants, bars, canteens and catering.

Source: Statistics Estonia.

StatLink http://dx.doi.org/10.1787/888932986663

Table 5. **Estonia: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	7	6	5	6	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[2]	14	12	13	13	..
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	2	2	2	2	..
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

1. Includes hotels, campsites and other provision of short stay accommodation.
2. Includes restaurants, bars, canteens and catering.

Source: Statistics Estonia.

StatLink http://dx.doi.org/10.1787/888932986682

Table 6. **Estonia: Internal tourism consumption**

Million EUR, 2009

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total[1]	136	996	1 359
Consumption products	131	887	1 245
Tourism characteristic products	109	602	906
Accommodation services for visitors	18	152	256
Food and beverage serving services	23	191	214
Passenger transport services	36	196	304
Air passenger transport services	22	45	85
Railways passenger transport services	2	1	7
Road passenger transport services	5	15	31
Water passenger transport services	8	134	181
Passenger transport supporting services[2]	..	6	6
Transport equipment rental services	0	2	27
Travel agencies and other reservation services	27	20	54
Cultural services	2	25	27
Sports and recreation services	1	4	5
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	2	5	13
Other consumption products	22	285	339
Tourism connected products	10	28	52
Non-tourism related consumption products	12	257	287
Non-consumption products	..	..	..

Note: Internal tourism consumption includes other components of tourism consumption, i.e. business tourism expenses, inputed rentals for second homes and final consumption in kind.

1. Includes imported products.
2. Includes maintenance and repair of motor vehicles.

Source: Statistics Estonia.

StatLink http://dx.doi.org/10.1787/888932986701

Table 7. **Estonia: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	4.3	4.7	..	..	..
Total tourism employment (direct) as % of total employment[1]	3.6	3.4	3.4	3.1	3.1

1. Based on Labour Force Survey, includes employment in accommodation and food service activities.

Source: Statistics Estonia.

StatLink http://dx.doi.org/10.1787/888932986720

For more information

Ministry of Economic Affairs and Communications	*www.mkm.ee*
Estonian Tourist Board	*www.visitestonia.com*
Statistics Estonia	*www.stat.ee*

Finland

Tourism in the economy

Finnish tourism had an excellent year in 2012. A record 20.3 million nights were achieved, of which 14.5 million from domestic tourists. As in the previous year, the engine behind the growth was increased foreign demand, especially from the Russian Federation. Nights spent by foreign tourists increased by 5.4%, while the number of nights spent by domestic tourists increased only slightly, by 0.2%. Finland received 7.6 million foreign visitors in 2012 – an increase of 5% on 2011. The largest markets for overnights were the neighbouring countries of the Russian Federation and Sweden, followed by Germany and the United Kingdom.

According to estimates by the Finnish Tourist Board, EUR 13.3 billion were spent on tourism in 2012. This included the consumption expenditure of both Finnish and foreign tourists. Foreign travellers accounted for 31% (EUR 4.4 billion).

In 2012, the value added generated by tourism was estimated at EUR 4.4 billion – 2.7% of GDP. The total number of jobs supported by the tourism sector was calculated at 110 153 people (2012).

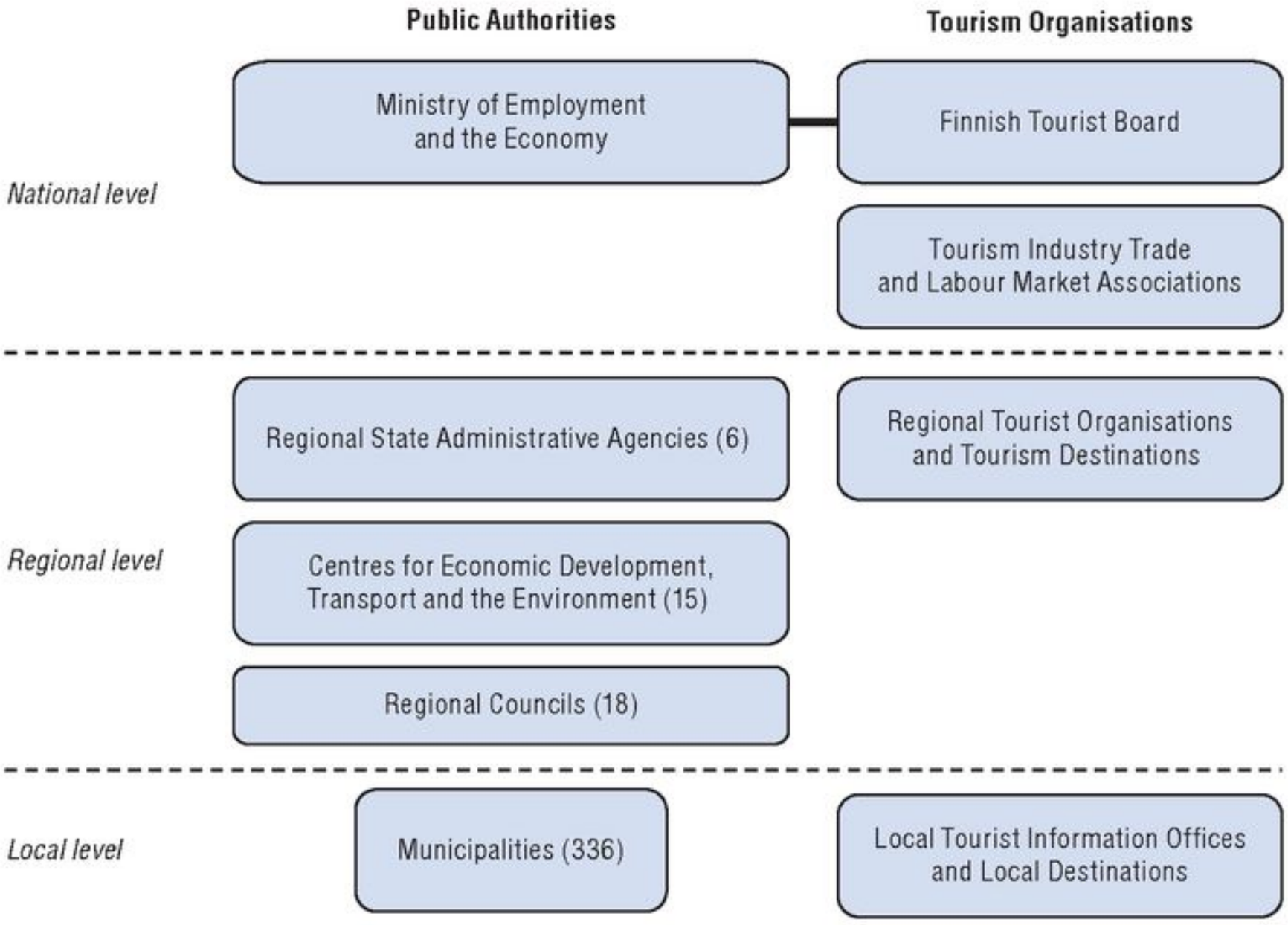
Tourism organisation and governance

The Ministry of Employment and the Economy is responsible for defining the priorities of tourism policy, for the general development of tourism, and for the co-ordination of support measures for tourism (Figure 1). It also prepares legislation on tourism and maintains international relations. The Ministry of Employment and the Economy also chairs the inter-ministerial working group, which is an unofficial entity providing exchange of information at ministry level. Convening several times a year, the group is one of the entities implementing tourism strategy.

At the national level, the ministry co-ordinates a special regional development programme, the Centre of Expertise Program, which operates as a cluster-based network with the objective of increasing regional specialisation and strengthening co-operation between centres of expertise. The programme involves 13 national Clusters of Expertise and 21 regional Centres of Expertise. Within this system, the Tourism and Experience Management Cluster Program, operated by five Centres of Expertise, supports the renewal of the tourism industry nationally by intensifying the transfer of knowledge between companies, regions and research centres in Finland. The programme runs until 2013.

The Finnish Tourist Board is a national agency under the Ministry of Employment and the Economy responsible for actively promoting Finnish tourism. It works closely with ministries, travel businesses, transport companies and the Finnish regions. This co-operation involves research, product development and, above all, the marketing of

Figure 1. **Finland: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Employment and the Economy, 2014.

leisure tourism to Finland from abroad. Under the Finland Convention Bureau it promotes Finland as an international meetings destination. Outside Finland, the Finnish Tourist Board promotes Finnish tourism under the name VisitFinland.

In addition, other organisations supporting the tourism industry in Finland include the Finnish Safety and Chemicals Agency (Tukes), which supervises and promotes consumer safety; Metsähallitus, which manages nature conservation and hiking areas; and Finpro, which is a national trade, internationalisation and investment development organisation.

At the territorial level, there are various public authorities handling local tourism affairs, together with other tasks. The Regional State Administrative Agencies foster regional parity by executing all legislative implementation, steering and supervisory functions in the regions. The Centres for Economic Development, Transport and the Environment (ELY) manage the regional implementation and development tasks of the state administration, offering financing, advisory, consulting and training services for tourism companies' business development. There is a sector manager for tourism who acts as a national expert on tourism for all ELY Centres. In addition, each ELY Centre has a named contact person for tourism affairs. The Regional Councils, as joint municipal authorities, are in charge of regional planning and they supervise the regional interests, including the development of the tourism sector.

There are also about 30 regional tourism organisations in Finland that have varied objectives, tasks and ownership structures. Locally, tourism issues are handled by municipalities and local tourist information offices.

Tourism budgets

There is no separate budget for tourism development in the Ministry of Employment and the Economy. One person in the Enterprise and Innovation Department is in charge of tourism affairs. In 2012 the state budget for the Finnish Tourist Board was EUR 10.3 million.

Centres for Economic Development, Transport and the Environment grant support to enterprises. Regional Councils grant support for tourism development projects, general marketing, advisory services, training, and research purposes. Most of the EU co-funding is also allocated through them. Some ministries (Employment and the Economy, Education and Culture, Agriculture and Forestry, Environment) offer help for tourism projects, for example for their internationalisation efforts.

There are various other organisations granting public financing, including Finnvera, whose financing services include loans, guarantees and export credit guarantees, and the Finnish Funding Agency for Technology and Innovation, acting as the main public funding organisation for research, development and innovation. The amount of funding provided by public sources varies from year to year. According to the main sources (involving EU rural and structural programmes and national/regional funds), tourism-related projects were provided with funding worth about EUR 22 million in 2012. Grants for SME investment and development purposes totalled about EUR 20 million.

Tourism-related policies and programmes

Finland's Tourism Strategy to 2020 – four good reasons to develop the tourism industry in Finland, a strategy document updated in 2010, concentrates on actions which can be implemented by the public sector. Its main objectives are to strengthen the strong points of Finland and to develop tourism destinations and enterprises operating in the networks. The strategic measures are divided into three mutually complementary areas concerning: 1) the development of the tourism sector; 2) enhancing Finland's image as a tourism destination; and 3) the general industrial policy base underlying industry development. According to the first review of the years 2010-12, the programme has progressed very well. The latest "Government Resolution on Finnish Tourism Policy" was adopted in spring 2011.

A new Consumer Safety Act came into force on 1 January 2012. Its objective is to ensure the safety of consumer goods and services; to prevent risks to health and property involved in consumer goods and services; to ensure that when risks occur, they can be abolished in an efficient manner; to secure high-quality consumer safety control; and to improve operators' working conditions. Some service providers, such as adventure, experience and nature services, are obliged to make a notification to the supervisory authorities. They also have to draw up a safety document containing a plan for identifying and controlling risks and for providing notification of these risks to parties participating in the provision of the service. A wide range of information, training materials and training sessions has been provided to the entrepreneurs to help them fulfil the requirements of the new Act.

The Team Finland network, an umbrella network launched in 2012, brings existing publicly funded activities together in promoting Finland and its interests abroad: Finland's external economic relations, the internationalisation of Finnish enterprises, investments in Finland and the country brand. The Team Finland operating model brings together key actors in these fields both in Finland and abroad. The actors are guided by shared goals approved annually by the government. The aim of co-operation is to create a clear, flexible and customer-oriented operating model whereby projects falling under the scope of Team Finland's activities are carried out in co-operation between state and private actors. At the heart of the Team Finland network are three ministries – the Ministry of Employment and the Economy, the Ministry for Foreign Affairs and the Ministry of Education and Culture – together with publicly funded bodies such as the Finnish Tourist Board and Finnish offices abroad, all operating under the ministries' guidance.

There are three national theme-based tourism development programmes under way: Village Tourism, Culture Finland and Outdoors Finland. They are co-coordinating the development work in their specific fields, conducting research projects, developing tools for product development and for supporting new business opportunities, and organising sales and networking events. The programmes' achievements include better co-operation between those involved, increased use of research information, and the introduction of new products for consumers.

Experiencing the food of the country or region has become a vital component of the tourism experience. Therefore, in Finland, a national food and tourism project was launched in 2012 to make food a strong, tempting and experiential theme of tourism. To help actors in both the food and tourism industries, the project gathered and created best practices, co-operation models and tools for the development of food tourism. The tools are related to networking and distribution channels, product development, product criteria and preferences and profitability calculations. In addition, solutions for the most challenging development areas were sought.

As part of the national Culture Chain project, a culture-based quality development programme for travel destinations and regions, Culture DQN®, was created. It will boost quality and cultural know-how as part of the competitive advantage of tourism destinations. The target groups of the programme are tourism destinations and regions that are willing to create a common direction for development, as well as efficient tools for the development of quality and operation.

As part of the project managed by the Tourism and Experience Management Cluster Programme, Finland's first carbon footprint calculation model and Internet-based calculator for the use of a tourism resort was created. Through the system, in which 25 companies from the Himos tourism resort in Central Finland are involved, customers receive information about the environment and sustainability. The customers are able to calculate their own carbon footprints while holidaymaking in Himos, giving them the information necessary to make responsible travel decisions.

Statistics and performance evaluation

A survey on the efficiency of tourism marketing efforts carried out by the Finnish Tourist Board was undertaken in 2012. The aim was to create indicators for a more reliable examination of the efficiency of the Finnish Tourist Board's activities and to analyse the development of Finland's competitiveness in tourism, the resources of the Finnish Tourist Board in comparison to reference countries (Sweden, Austria and Ireland) and the profitability and effectiveness of the Finnish Tourist Board's marketing measures. The results indicate that the reform of the Finnish Tourist Board in 2009 was successful and the tourism industry overall is quite satisfied with the organisation's performance.

A robust evaluation of efficiency of the Finnish Tourist Board's activities requires information on the entire value chain, including information on the marketing measures carried out, the achieved outputs, and the results and impacts. These new indicators are used in the performance agreement for 2013 between the Ministry of Employment and the Economy and the Finnish Tourist Board.

Matkailu.org, a Finnish web-based research-service launched in 2012, is supporting Finnish researchers, developers and entrepreneurs in the field of tourism and leisure.

Statistical profile

Table 1. **Finland: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	31 091	31 015	34 531 |	35 561	30 142 |
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional	Thousand	3 953	3 492	3 837 |	4 362	4 133 |
Holiday, leisure and recreation	Thousand	27 138	27 523	30 694 |	31 199	26 009 |
Nights in all means of accommodation[1]	Thousand	77 674	80 557	88 289 |	89 167	81 742 |
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts	..	..	..	..	..	..

1. Includes non-registered and non-rented accommodation.

Source: Statistics Finland.

StatLink http://dx.doi.org/10.1787/888932986739

Table 2. **Finland: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	6 072	5 695	6 182	7 260	7 636
Overnight visitors (tourists)[1]	Thousand	3 583	3 423	3 670	4 192	4 226
Same-day visitors (excursionists)[1]	Thousand	2 489	2 272	2 512	3 068	3 410
Top markets						
Russian Federation	Thousand	2 331	2 192	2 561	3 261	3 578
Estonia	Thousand	522	583	561	708	758
Sweden	Thousand	765	753	712	681	702
Germany	Thousand	376	332	363	399	342
United Kingdom	Thousand	316	267	263	278	273
Nights in all means of accommodation[2]	Thousand	5 503	4 890	5 005	5 507	5 803
Hotels and similar establishments[2]	Thousand	4 679	4 107	4 202	4 630	4 878
Other collective establishments[2]	Thousand	823	783	803	878	925
Total international receipts	Million EUR	3 308	2 945	3 414	4 013	4 412
International travel receipts	Million EUR	2 194	1 994	2 301	2 745	3 222
International passenger transport receipts	Million EUR	1 114	951	1 113	1 268	1 190

1. Based on border survey.
2. Based on accommodation survey.

Source: Statistics Finland.

StatLink http://dx.doi.org/10.1787/888932986758

Table 3. **Finland: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	6 566	6 693	7 485	8 238	9 978 |
Overnight visitors (tourists)	Thousand	4 475	4 473	5 080	5 537	7 520 |
Same-day visitors (excursionists)[1]	Thousand	2 091	2 220	2 405	2 701	2 307 |
Total international expenditure	Million EUR	3 788	3 747	3 978	4 314	4 469 |
International travel expenditure	Million EUR	3 087	3 149	3 251	3 502	3 738 |
International passenger transport expenditure	Million EUR	701	598	727	812	731 |

1. Includes cruises with overnight on board only, with or without a visit ashore in the destination country.

Source: Statistics Finland.

StatLink http://dx.doi.org/10.1787/888932986777

Table 4. **Finland: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	30 552 |	30 861	30 670	30 735	30 754
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	1 950 |	1 940	1 895	1 894	1 881
Food and beverage serving industry[1]	12 425 |	12 615	12 573	12 557	12 589
Passenger transport	..	..	..	..	..
Air passenger transport	102 |	79	80	85	89
Railways passenger transport	68 |	56	62	62	62
Road passenger transport	9 234 |	9 331	9 223	9 090	8 975
Water passenger transport	207 |	200	189	196	202
Passenger transport supporting services	227 |	220	225	231	238
Transport equipment rental	482 |	497	476	459	456
Travel agencies and other reservation services industry	1 557 |	1 566	1 534	1 549	1 556
Cultural industry	1 367 |	1 338	1 405	1 523	1 615
Sports and recreation industry	2 933 |	3 019	3 008	3 089	3 091
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Break in series. Since 2008, NACE Rev. 2 classification.

1. Includes restaurants and similar establishments.

Source: Statistics Finland.

StatLink http://dx.doi.org/10.1787/888932986796

Table 5. **Finland: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	108 817 |	108 197	107 647	111 238	110 153
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	11 858 |	11 357	11 124	11 468	11 335
Food and beverage serving industry	47 253 |	48 233	48 856	50 971	51 037
Passenger transport	..	..	..	..	..
Air passenger transport	4 774 |	4 406	4 181	4 211	4 187
Railways passenger transport	3 295 |	3 069	2 947	3 011	3 265
Road passenger transport	18 447 |	19 094	18 854	19 104	18 558
Water passenger transport	4 948 |	4 416	4 336	4 389	4 376
Passenger transport supporting services	5 072 |	5 073	4 561	4 866	4 835
Transport equipment rental	941 |	917	908	973	966
Travel agencies and other reservation services industry	4 984 |	4 600	4 265	4 153	3 909
Cultural industry	2 213 |	1 912	2 238	2 505	2 440
Sports and recreation industry	5 032 |	5 120	5 377	5 587	5 245
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Break in series. Since 2008, NACE Rev. 2 classification.

Source: Statistics Finland.

StatLink http://dx.doi.org/10.1787/888932986815

Table 6. **Finland: Internal tourism consumption**

Million EUR, 2007

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total[1]	7 832	3 126	10 958
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	1 103	441	1 544
Food and beverage serving services	1 103	600	1 703
Passenger transport services	2 283	1 064	3 347
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	381	2	383
Cultural services	122	62	184
Sports and recreation services	174	130	304
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	2 666	827	3 493
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Domestic tourism consumption includes employer's expenses on accommodation and transportation, and own free-time residences.

Source: Statistics Finland, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986834

For more information

Ministry of Employment and the Economy	*www.tem.fi/en/enterprises/tourism*
Finnish Tourism Board (VisitFinland)	*www.visitfinland.com/*

France

Tourism in the economy

Tourism plays a major role in the national economy. In 2011, the accommodation and cateringsector produced an output of EUR 88.5 billion (2.4% of total output) and an added value of EUR 44.1 billion (2.5% of GDP). Internal tourism consumption accounts for more than 7% of GDP (Tourism Satellite Account). Tourism accounts for one of the biggest balance of payments surpluses. The surplus for 2012 was EUR 11.3 billion.

The number of inbound foreign tourists rose by 1.8% between 2011 and 2012 and reached 83 million in 2012, with an average stay of seven nights. Europe represents more than 83% of total inbound arrivals. In 2012, the number of overnights increased by 2.4%, reaching 577.7 million, and Europe's share was 77.4%.

Tourism organisation and governance

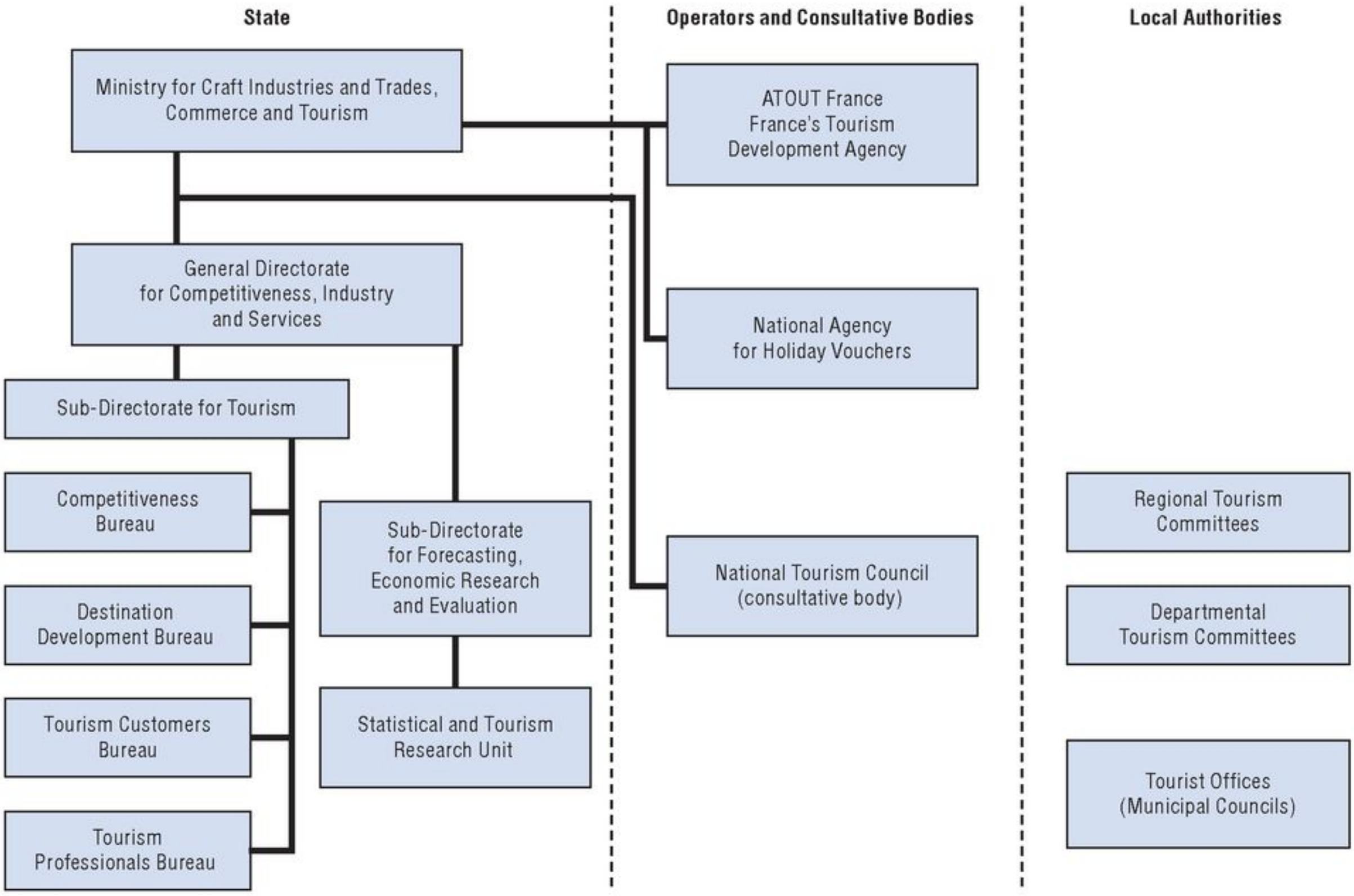
The Directorate General for Competitiveness, Industry and Services (DGCIS) was established in 2009 (Figure 1). Tourism now comes under the ministries responsible for economic and financial matters, a sign that it is now recognised as being a major economic sector. In 2009, the law on the development and modernisation of tourism services established *Atout France* as the National Tourism Organisation responsible for development of tourism in France. The agency helps to implement public policies relating to tourism and promotes tourism in France.

Several public bodies share the responsibility for developing tourism. The state defines national tourism policy and establishes the legislative and regulatory framework. It sets international co-operation policy guidelines and implements them within the relevant international organisations. Finally, it promotes the co-ordination of public and private initiatives in the field of tourism and provides assistance for tourism development measures by local and regional authorities.

The *Région* (Regional Council) draws up medium-term objectives for regional tourism development as part of a "regional tourism and recreational development scheme", and each region sets up a Regional Tourism Committee (RTC) responsible for promoting tourism. The general rules on the composition of the RTCs and their main duties regarding promotion are laid down by law. Law No. 2002-276 of 27 February 2002 on local democracy states that the Regional Council is responsible for collecting, processing and disseminating data on tourism in the region and for co-ordinating, within the region, public and private initiatives in the field of tourism development, promotion and information.

The *Département* (General Council) may set up a Departmental Tourism Committee (DTC). The departmental assembly freely chooses the legal system applicable to the committee. The rules on its composition and duties are determined by law so that it can

Figure 1. **France: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry for Craft Industries and Trades, Commerce and Tourism, 2014.

act in harmony with the regional authorities and other bodies involved in tourism development in the *département*. Finally, the General Council can draw up a development plan that takes into account the guidelines set by the regional plan.

The *Commune* (Municipal Council) may set up a tourist office responsible for welcoming tourists, providing information and promoting local tourism. In line with these objectives, the Commune freely chooses the tourist office's legal system. Finally, the law allows for the creation of inter-communal tourist offices by public inter-communal co-operation institutions. A new law, currently at the drafting stage, may alter the legal framework for promotional activities by municipal councils. At their request, communes may be classified as a "tourist community" (*commune touristique*) or "certified resort" (*station classée*) following a decision by the state.

In France, tourism operators are structured by industry branch, but there is no confederation regulating the structure of the whole tourism industry. The public authorities strive to promote dialogue either in the context of informal discussions or talks (*Rencontres Nationales du Tourisme*, or national tourism meetings) or within official consultation bodies (such as the Higher Council on Ground Facilities and Air Navigation, CSINA, or the National Tourism Council, CNT).

Tourism budget

The state budget specifically devoted to tourism was for many years housed under a specific programme. The planned expenditure for 2013 is EUR 42.4 million in commitment authorisations and EUR 36.9 in payment appropriations. That budget includes the grant paid to *Atout France* in respect of its promotional activities and classification of the tourism offer (EUR 30.4 million), and the contribution of the state to tourism development activities ("Val de Loire", "France by bike"), to the Tourism Quality Plan and various measures to make holidays more accessible to all.

The budget of *Atout France* includes not only the general grant from the state but also the subscriptions of members and the funding which derives from partnerships entered into with the whole range of industry stakeholders. At the end of 2012, the approved budget was EUR 73.9 million. The economic model adopted by *Atout France*, which brings together public and private financing, is a novel one. In order to have the necessary flexibility for its activities, *Atout France* has Economic Interest Grouping (EIG) status. It is a successful example of a public-private partnership (PPP).

Tourism also benefits indirectly from state spending on other policies such as the culture and heritage policy (museums, renovation of historic monuments, etc.), the infrastructure and transport policy and the policy to conserve and enhance the environment. This overall budget input is estimated in an overview document, *Cross-cutting policy document (DPT) on tourism*. The total appropriations committed under these policies which are closely or loosely connected with tourism are estimated to be around EUR 1.9 billion.

It is also necessary to take account of expenditure incurred by local and regional authorities. The combined budget of the 22 RTCs would be between EUR 120 and 140 million, depending on the year. That of the departmental tourism committees would amount around EUR 190 million. The tourist offices may have a budget of about EUR 520 million of which EUR 290 million would come from public financing.

Tourism-related policies and programmes

In her communication to the Council of Ministers of 11 July 2012, the Minister for Tourism presented the main guidelines of tourism policy, including the creation of a genuine tourism industry sector, capable of bringing all operators together in partnership and improving the quality of the tourism offer and moving it upmarket, whether in terms of accommodation or training. Recently, policy has focused principally on the following themes.

Strengthening the promotion of France abroad

The promotion abroad of France as a destination is one of the tasks assigned to *Atout France*. Promotion aimed at customers in emerging countries has been stepped up. One indication of that effort is that 9% of the promotional expenditure of French tourist offices abroad is aimed at customers from BRIC countries, and the latter account for around 5% of all foreign tourist arrivals. Furthermore, promotional activities have been diversified. Measures aimed at the general public have been stepped up, notably through online and social network initiatives, by targeting as a priority families, young people and seniors on established European and longer-haul markets and the emerging middle classes in BRIC markets. *Atout France* has harmonised its publications aimed at the general public, bringing them together under the umbrella title of *Rendez-vous en France*.

Modernisation and adaptation of supply

The 2009 law on the development and modernisation of tourism services updated the classification of tourist accommodation, which was then entrusted entirely to *Atout France*. The purpose of that reform was to encourage an upgrading of all types of tourism offer. An initial review of that reform indicates that it is playing a vital role in consolidating the quality of that offer (Box 1). Other measures are being implemented, including measures to enhance the image of the tourism industries and to address the problem of low year-round occupancy in leisure accommodation in certain ski and seaside resorts.

Box 1. **Review of the reform of classification of accommodation in France**

An initial review indicates that classification is being adopted by an increasing number of tourism professionals. By the end of 2012, 68% of hotels and 77% of total bed capacity were classified. In terms of camping sites, the shares were 65% of establishments and 77% of bed capacity, respectively. Accommodation establishments which opted to go for quality and to adjust to the new classification standards are experiencing higher occupancy rates than others. Between 2011 and 2012, hotel occupancy in terms of overnight stays increased by 1.1% in cases where the new classification had been adopted and fell by 2.9% where it had not. For camping sites, 2012 was characterised by a rather gloomy summer, but the drop in the occupancy rate was only -0.6% compared to 2011 in the case of establishments which had adopted the classification and -2.8% where they had not. In terms of both growth and its effects on quality, the reform of the classification of accommodation can be hailed as a success.

Diversification of the French tourism offer includes supporting the emergence of new types of tourism – e.g. memorial tourism, industrial tourism (Box 2), cycling tourism – with high added value or the structuring of new tourist destinations under "destination contracts", by establishing synergies between public and private operators in the tourism field. These destination contracts look set to become the preferred means of co-ordinating operators and resources in the field of tourism. In 2013, three destination contracts were signed.

The Tourism Quality Plan is another tool for improving the quality of the tourism offer in France. It involves recognition of the "quality initiatives" implemented by professionals in the various tourism sectors and is associated with the award of a national Tourism Quality mark. The Quality Plan also helps to structure the territorial tourism offer by bringing together the various local tourism operators and focusing on the emergence and implementation of quality sectoral initiatives.

Holiday entitlement

In addition to action by the National Holiday Voucher Agency (ANCV), the "access-to-holidays" policy encourages – in accordance with the law of 11 February 2005 on equal opportunity and the participation and citizenship of disabled persons – the creation of special amenities within tourism structures. The state helps to fund the action programmes of tourism institutions working in the field of social tourism. Entering into local contracts, particularly in connection with 2007-13 projects under the "Tourism and Handicap" label, also helps to improve the accessibility of tourist facilities as a driver for integrating handicapped persons into the world of tourism, leisure and culture. Regarding

Box 2. **Development of niche tourism offers in France**

Company visits – industrial tourism

Industrial tourism has become a genuine tourism sector, both in terms of leisure tourism (flagship sites, sometimes in areas far from the traditional tourism destinations, are now open to the public in the energy, foodstuffs, cosmetics and craft sectors), and business tourism. Around 5 000 establishments are open to the public and receive around 10 million visitors. In order to structure the offer and make it more accessible to visitors, the Association for Company Visits has opened a website *www.entrepriseetdecouverte.fr* as part of a public-private partnership project, which lists, for the first time, all companies in France which are open to the public.

Memorial tourism

With over 6 million visitors in 2010, sites which levy a charge generated a total direct turnover in France of EUR 40 million and 1 050 full-time equivalent jobs, not including the indirect expenditure generated by customers with high spending power, with nearly half of all visitors coming from abroad (United Kingdom, Germany, Belgium, the Netherlands and the United States). In 2012, the 16 most-visited memorial sites in France received 4.25 million visitors, in other words 750 000 more than in 2010. From 2014, France will be the focus of numerous major international commemorative occasions associated with the centenary of the First World War and with the 70th anniversary of the landings, the Resistance and the liberation of France during the Second World War. In order to increase the attractiveness of memorial sites and, as part of a partnership effort, to improve the accessibility of sites and the quality of welcome, the State is undertaking various initiatives, among which thetourism quality initiative specific to memorial sites and the"Great War", and initiative jointly with the regions and other interested stakeholders.

the effectiveness of the right to holidays for all, the mission announced by the Minister for Tourism on 11 July 2012 in her communication on tourism to the Council of Ministers, and launched officially in November 2012, aims to identify sectors of the public that have difficulty in taking a holiday (particularly young people aged 18-25 and single-parent families) and to draw up a list of aid schemes for people and schemes to support recreational facilities in order to bring together more effectively the beneficiaries of this aid, operators in the sector and managers of tourist amenities.

Statistical profile

Table 1. **France: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	278 950	278 274	268 040	276 752	269 784
Overnight visitors (tourists)	Thousand	200 675	202 063	194 125	198 784	199 577
Same-day visitors (excursionists)	Thousand	78 275	76 211	73 915	77 968	70 207
Trips by main purpose of visit						
Business and professional	Thousand	181 351	181 002	175 929	180 481	180 772
Holiday, leisure and recreation	Thousand	19 324	21 061	18 196	18 303	18 805
Nights in all means of accommodation	Thousand	1 056 877	1 034 334	1 001 768	1 032 061	1 015 958
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Note: Covers metropolitan France. Visitors aged 15 years and over.
Source: General Directorate for Competitiveness, Industry and Services (DGCIS), Survey SDT.

StatLink http://dx.doi.org/10.1787/888932986853

Table 2. **France: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	193 571	192 369	190 491	197 301	198 370 p
Overnight visitors (tourists)	Thousand	79 218	76 764	77 648	81 550	83 013 p
Same-day visitors (excursionists)	Thousand	114 353	115 605	112 843	115 751	115 357 p
Top markets						
Germany	Thousand	11 645	10 692	11 410	11 622	12 226 p
United Kingdom	Thousand	13 560	12 195	12 246	12 388	12 205 p
Belgium	Thousand	8 636	10 165	10 013	10 150	10 436 p
Italy	Thousand	8 233	7 248	7 178	8 068	8 025 p
Netherlands	Thousand	6 244	7 224	7 002	6 493	6 355 p
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million EUR	45 640	42 163	42 834	47 098	49 714 p
International travel receipts	Million EUR	38 465	35 505	35 464	39 333	41 680 p
International passenger transport receipts	Million EUR	7 175	6 658	7 370	7 765	8 034 p

Source: General Directorate for Competitiveness, Industry and Services (DGCIS), Central Bank, Survey EVE.

StatLink http://dx.doi.org/10.1787/888932986872

Table 3. **France: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures[1]	Thousand	30 960	30 646	29 973	31 153	29 775 p
Overnight visitors (tourists)[1]	Thousand	25 506	25 140	25 041	26 155	25 450 p
Same-day visitors (excursionists)[1]	Thousand	5 454	5 506	4 932	4 998	4 325
Total international expenditure	Million EUR	33 872	32 813	34 928	38 664	36 716 p
International travel expenditure	Million EUR	27 926	27 509	29 251	32 259	30 405 p
International passenger transport expenditure	Million EUR	5 946	5 304	5 677	6 405	6 311 p

1. Residents aged 15 years and over.

Source: General Directorate for Competitiveness, Industry and Services (DGCIS), Central Bank, Survey SDT.

StatLink http://dx.doi.org/10.1787/888932986891

Table 4. **France: Enterprises in tourism**

Number of enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries[1]	..	242 830	265 441	273 494 p	..
Accommodation services for visitors[2]	35 414	32 415	36 293	41 295	..
Hotels and similar establishments	20 535	17 765	18 867	18 060	..
Food and beverage serving industry[3]	187 303	182 466	193 123	195 016	..
Passenger transport	..	3 308	3 710	3 578	..
Air passenger transport	410	395	362	471	..
Railways passenger transport	8	8	8	15	..
Road passenger transport[4]	..	2 372	2 563	2 300	..
Water passenger transport[5]	616	533	777	792	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	..	1 882	1 959	3 152	..
Travel agencies and other reservation services industry	5 324	4 886	5 967	6 396	..
Cultural industry[6]	..	699	556	558	..
Sports and recreation industry[7]	..	17 174	23 773	22 410	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Covers metropolitan and overseas France.

1. Tourism characteristic industries. Includes confidential data on cafeterias, other self-service restaurants and museums in 2010 and 2011.
2. Includes hotels and similar accommodation, touristic and other short-term accommodation, campsites and recreational vehicle parks and caravan parks.
3. Includes traditional restaurants, cafeterias and other self-service and fast food restaurants.
4. Coaches.
5. Includes coastal and river transport.
6. Includes museums, historical monuments, botanical and zoological gardens.
7. Includes amusement and thematic parks and other recreative activities, aerial tramways and lifts, rental sport and leisure goods, gambling.

Source: National Institute for Statistics and Economic Studies (INSEE), ESANE.

StatLink http://dx.doi.org/10.1787/888932986910

Table 5. **France: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	..	..	..	..
Tourism industries[1]	1 209 014	1 215 894	1 244 192	1 257 987	1 266 250
Accommodation services for visitors[2]	222 440	218 212	222 050	223 810	221 976
Hotels and similar establishments	180 570	176 929	181 021	183 022	180 691
Food and beverage serving industry[3]	544 151	557 354	579 700	599 057	606 922
Passenger transport	284 382	285 983	285 665	279 918	281 007
Air passenger transport	73 349	71 836	70 565	69 115	68 291
Railways passenger transport	174 961	176 018	174 546	168 943	168 773
Road passenger transport[4]	25 964	27 954	30 640	32 328	34 070
Water passenger transport[5]	10 108	10 175	9 914	9 532	9 873
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	14 226	13 302	13 002	13 670	13 470
Travel agencies and other reservation services industry	51 270	49 365	48 934	48 933	47 729
Cultural industry[6]	21 449	21 707	22 081	22 224	22 863
Sports and recreation industry[7]	71 096	69 971	72 760	70 375	72 283
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Number of employees as of 31 December. Excludes self-employed. Covers metropolitan and overseas France.

1. Tourism characteristic industries.
2. Includes hotels and similar accommodation, touristic and other short-term accommodation, campsites and recreational vehicle parks and caravan parks.
3. Includes traditional restaurants, cafeterias and other self-service and fast food restaurants.
4. Coaches.
5. Includes coastal and river transport.
6. Includes museums, historical monuments, botanical and zoological gardens.
7. Includes amusement and thematic parks and other recreative activities, aerial tramways and lifts, rental sport and leisure goods, gambling.

Source: Central Agency of Social Security Bodies (ACOSS).

StatLink http://dx.doi.org/10.1787/888932986929

Table 6. **France: Internal tourism consumption**

Million EUR, 2012

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	98 766 p	50 280 p	149 046 p
Consumption products	94 435 p	49 135 p	143 570 p
Tourism characteristic products	70 283 p	34 446 p	104 730 p
Accommodation services for visitors[1]	28 991 p	10 212 p	39 203 p
Food and beverage serving services[2]	11 691 p	6 261 p	17 952 p
Passenger transport services[3]	15 810 p	11 569 p	27 379 p
Air passenger transport services	8 127 p	8 705 p	16 832 p
Railways passenger transport services	6 008 p	1 277 p	7 285 p
Road passenger transport services	1 217 p	1 265 p	2 482 p
Water passenger transport services	458 p	322 p	780 p
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 404 p	738 p	2 142 p
Travel agencies and other reservation services	6 259 p	1 630 p	7 889 p
Cultural services	1 136 p	1 191 p	2 327 p
Sports and recreation services[4]	4 992 p	2 846 p	7 838 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products[5]	24 151 p	14 689 p	38 840 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products[6]	4 331 p	1 145 p	5 476 p

Note: Visitor consumption of individual consumer goods and services purchased from national suppliers.

1. Includes non-commercial accommodation.
2. Meals in restaurants and cafés exclusively. Purchased food products and beverages are counted separately.
3. Excludes taxi services and urban collective transports (bus, underground, RER, etc.).
4. Includes amusement and thematic parks and other recreative activities, aerial tramways and lifts, rental sport and leisure goods, gambling.
5. Includes toll motorways, taxi services and urban collective transport (bus, underground, RER, etc.), vehicle fuel and food products and beverages bought outside restaurants.
6. Includes motor caravans, pleasure boats, luggage.

Source: General Directorate for Competitiveness, Industry and Services (DGCIS), Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932986948

Table 7. **France: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment[1]	6.7	6.9	7.0	7.1	7.1

1. Tourism characteristic industries.

Source: General Directorate for Competitiveness, Industry and Services (DGCIS), Tourism Satellite Account, National Institute for Statistics and Economic Studies (INSEE), Central Agency of Social Security Bodies (ACOSS).

StatLink http://dx.doi.org/10.1787/888932986967

For more information

Ministry of Craft Industries and Trades, Commerce and Tourism	*www.artisanat-commerce-tourisme.gouv.fr*
Tourism knowledge portal	*www.veilleinfotourisme.fr*
Direction générale de la compétitivité, de l'industrie et des services	*www.dgcis.gouv.fr*
Atout France, tourism development agency	*www.atout-france.fr*
Rendez-vous en France, official portal for tourism in France	*www.rendezvousfrance.com*
National Institute for Statistics and Economic Studies	*www.insee.fr*

Germany

Tourism in the economy

Tourism is one of Germany's most prosperous and lucrative economic sectors, generating close to EUR 100 billion in gross value added (4.4% of GDP). Visitor spending in Germany amounts to roughly EUR 280 billion. Some 2.9 million workers are directly employed in the industry.

2012 was a particularly successful year for the tourism industry. For the third consecutive year Germany reported record numbers of overnights of 407.3 million. International visitors showed particularly strong growth, rising 8.1% to 68.8 million. The largest numbers of foreign tourists (roughly 16% of all non-resident overnight) come from the Netherlands. Hamburg and Berlin were able to benefit most from this positive development, reporting the biggest increase in Germany in terms of overnight in 2012. This clearly underlines the positive trend in city-based tourism.

Germany is also enjoying unprecedented popularity as a destination for business travellers. In 2012, the number of European business trips to Germany rose by 12.3% to roughly 13 million. Germany is the world's top destination for international trade shows and boasts three of the five largest exhibition centres in the world.

Tourism organisation and governance

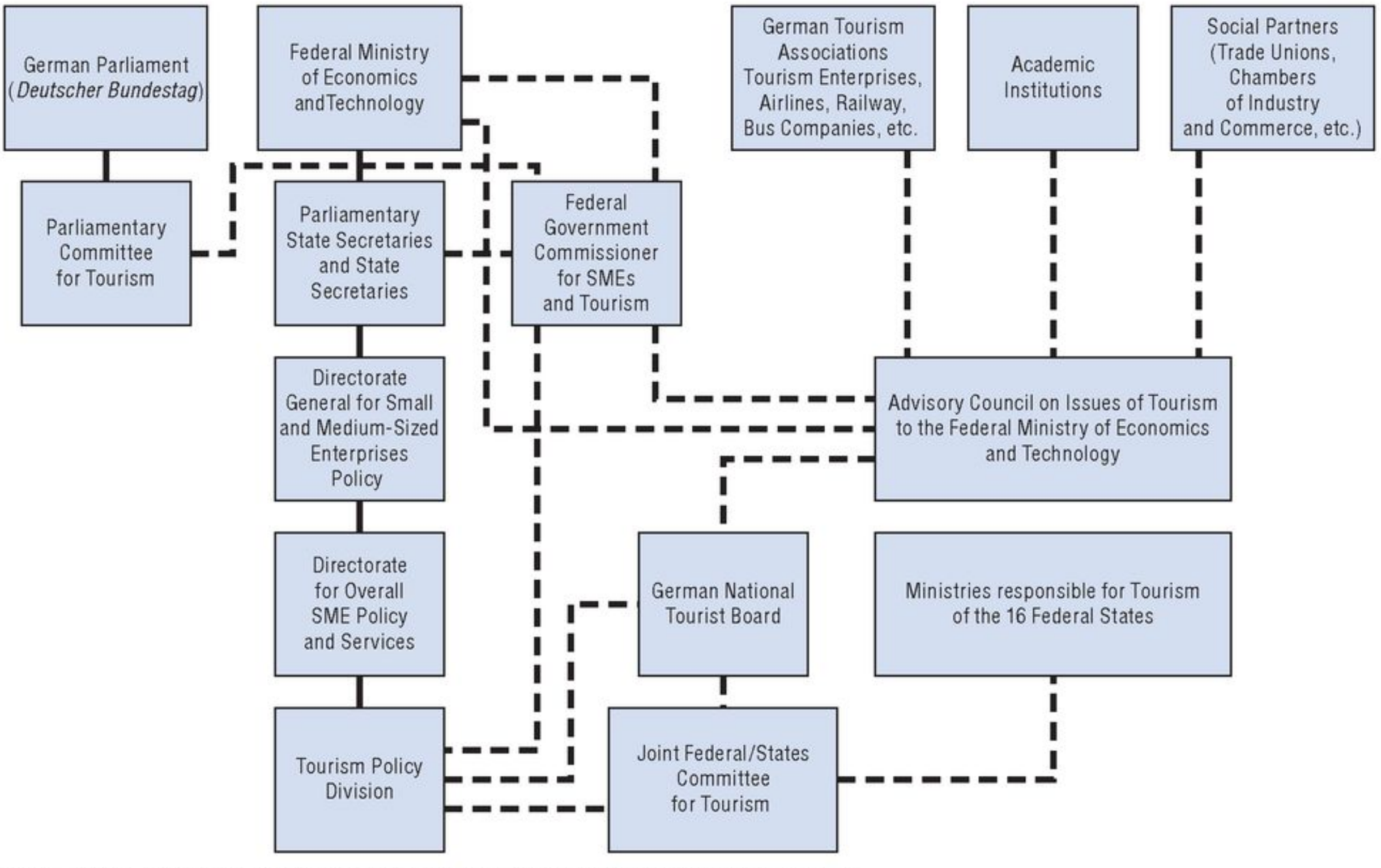
Germany's federal structure means that the federal government is primarily responsible for establishing an appropriate policy environment for tourism. The 16 *Länder* (states) are responsible for the development, shaping and promotion of tourism. The Federal *Länder* Committee on Tourism meets twice a year, fostering the exchange of information and the co-ordination of measures involving more than one Land.

Within the German government, the Federal Minister of Economics and Technology has the leading responsibility for tourism policy (Figure 1). The federal government's Commissioner for SMEs and Tourism is responsible for co-ordinating tourism policy within the federal government and with the German Parliament (Bundestag) and its Tourism Committee.

The Federal Minister of Economics and Technology is supported by the Advisory Council on Issues of Tourism, which brings together the interests of government, commerce, academia, local authorities and business associations.

The German National Tourist Board (GNTB) is responsible for marketing tourism abroad. It represents Germany throughout the world as a destination for holidays, business travel and visits to friends and family. The GNTB, with over 30 offices worldwide, works closely with the tourism marketing organisations of the 16 *Länder* and co-operates

Figure 1. **Germany: Organisational chart of tourism bodies**



Source: OECD, adapted from the Federal Ministry of Economics and Technology, 2014.

throughout the world with the German Chambers of Commerce Abroad, the Overseas Trade Exhibition Division of the Federal Ministry of Economics and Technology and AUMA, the Association of the German Trade Fair Industry.

Tourism budget

The budgetary funds available to the Federal Ministry of Economics and Technology for tourism are concentrated on two main areas:

- Institutional support for the German National Tourist Board. In 2013, federal funding for the GNTB was increased by EUR 0.5 million to EUR 28.3 million. The additional funds will be used for marketing in Southeast Europe, an important emerging market for inbound tourism to Germany. Furthermore, on account of the flooding in summer 2013, which restricted travel to the affected areas, the Federal Ministry of Economics and Technology provided the GNTB with one-time special funding of EUR 250 000 for an advertising campaign abroad.
- Promotion of projects to enhance the performance of small and medium-sized enterprises in the tourism sector. In 2013 the budget for this was EUR 1.6 million, the same as in 2011 and 2012.

In addition, other federal ministries fund measures and projects in their respective policy fields and from their own budgets which are deemed to benefit tourism. Furthermore, enterprises in the tourism sector have access to funding from the federal government to support investment.

Tourism-related policies and programmes

The central goal of the federal government's tourism policy is to boost the performance and competitiveness of the German tourism industry. The focus is on supporting small and medium-sized enterprises (SMEs) in the tourism industry so that they can develop their competitive positions and fully unlock their potential for growth and employment, as well as strengthen their sustainability and social responsibility. The German Bundestag has asked the federal government to report on the development of the tourism industry in Germany at regular intervals. The federal government delivers on this by generating reports on tourism policy.

Completed at the start of 2013, "Tourism prospects in rural areas" is one of the most important tourism policy projects launched by the federal government. Tourism is especially important for jobs and income in rural areas, which are often structurally weak. With a practical guide and ten complementary, detailed sub-reports, the project makes an important contribution to making rural areas more appealing for tourists. A nationwide road show will present the results of the projects at ten local events. In this connection, workshop sessions will be held with key players in the tourism industry, as well as public tourism professionals and representatives from the political and administrative arenas, to discuss and improve upon the project results.

The Federal Ministry of Economics and Technology supports the "Tourism for children and adolescents" project. The project's goals include more intensive international marketing of services and facilities for tourism for children and young people (particularly by the GNTB), enhanced networking and collaboration among providers of youth tourism services, and the development of a professional marketing system. To this end, six nationwide conferences will be held to share best practices and develop recommendations for action.

Demographic change is also altering the labour markets in the tourism industry. Against the backdrop of an impending shortage of skilled labour, the Federal Ministry of Economics and Technology is supporting a project to examine the specific need for skilled labour in the tourism industry. The aim is to identify the exact profile of requirements for workers and businesses alike, so that businesses can safeguard their competitive positions by recruiting suitable staff. To increase the appeal of the tourism industry as a place to work and in which to promote continuing education, a new occupation requiring formal training – "Tourism and travel management (agent for private and business travel)" – was introduced in 2011, and the continuing professional development programme to become a "certified senior tourism clerk" was modernised.

In connection with a project to develop and market accessible services, which has been sponsored by the Federal Ministry of Economics and Technology since 2011, a nationwide labelling system for accessible services has been developed for the first time. The system was presented at the "Tourism for All – Accessibility as a Sign of Quality" symposium in Berlin in 2013.

The nationwide competition for Sustainable Tourism Regions was held in 2012/13. Organised by the Federal Ministry for the Environment in tandem with the German Tourism Association, this competition received entries from 34 regions in 12 *Länder*, which were rated on 50 criteria (economy, ecology and social compatibility). This nationwide competition seeks to strengthen sustainable tourism in Germany and increase its visibility.

With a trilateral campaign launched in co-operation with Switzerland and Austria, the federal government is taking action against the sexual exploitation of children and adolescents in the tourism industry. Above all, the campaign seeks to inform tourists and raise their awareness of the issue, and promote responsible action on the part of workers in the travel sector.

Statistical profile

Table 1. **Germany: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	108 061	108 608	113 116	118 710	122 328
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	313 005	313 870	319 970	329 498	338 432
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932986986

Table 2. **Germany: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)	Thousand	24 886	24 223	26 875	28 351	30 410
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Netherlands	Thousand	3 600	3 700	3 900	4 000	4 200
Switzerland	Thousand	1 800	1 900	2 000	2 300	2 500
United States	Thousand	2 000	1 900	2 200	2 200	2 300
United Kingdom	Thousand	2 000	1 900	2 000	2 100	2 200
Italy	Thousand	1 400	1 400	1 500	1 500	1 600
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Billion EUR	36	34	37	38	40
International travel receipts	Billion EUR	27	25	26	28	30
International passenger transport receipts	Billion EUR	9	9	11	10	11

Source: Federal Statistical Office, Central Bank.

StatLink http://dx.doi.org/10.1787/888932987005

Table 3. **Germany: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Million	86	86	86	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Billion EUR	62	58	60	62	65
International passenger transport expenditure	Billion EUR	10	8	10	10	10

Source: Federal Statistical Office, Survey on Travel Behaviour of German Travellers 2010, Central Bank.

StatLink http://dx.doi.org/10.1787/888932987024

Table 4. **Germany: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	35 891	35 871	35 943	35 647	34 578 |
Food and beverage serving industry[2]	91 468	124 230 |	119 726	125 362	..
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[3]	11 046	10 717	10 370	10 200	10 000
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Break in series. Until 2011, hotels and similar establishments with 9 or more bed places. Since 2012, hotels and similar establishments with 10 or more bed places.
2. Restaurants, cafes, ice cream parlours, snack bars.
3. Travel agencies.

Source: Federal Statistical Office, Annual Survey in the Hospitality Sector, German Travel Association, 2010.

StatLink http://dx.doi.org/10.1787/888932987043

Table 5. **Germany: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)[1]	1 039	1 454 |	1 413	1 457	1 452
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	41	42 |	43	43	..
Female (% of total tourism employment)	59	58 |	57	57	..

1. Hotels and restaurants.

Source: Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932987062

Table 6. **Germany: Internal tourism consumption**

Million EUR, 2010

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	221 236	36 627	257 863
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	17 135	9 519	26 654
Food and beverage serving services	44 047	5 629	49 676
Passenger transport services	29 327	11 475	40 802
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	8 200	..	8 200
Cultural services	13 718	2 068	15 786
Sports and recreation services[1]	7 885	986	8 871
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	100 924	6 950	107 874
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.

Source: Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932987081

For more information

Federal Ministry of Economics and Technology	*www.bmwi.de*
Germany National Tourist Board	*www.germany.travel*
German Travel Association	*www.drv.de*
Federal Statistical Office	*www.destatis.de*
2013 Report on Tourism Policy	*www.bmwi.de/EN/Topics/tourism.html*

Greece

Tourism in the economy

The tourism industry is one of the most important sectors in the Greek economy. The total contribution of travel and tourism to GDP, including its wider economic impact as defined in the Tourism Satellite Accounts, represented 15.8% of GDP in 2011. The total contribution of the tourism sector to employment, including jobs indirectly supported by the industry, was 18.4% of total employment, and investment in the sector was estimated at 14.3% of total investment.

In 2012, Greece received 15.5 million international tourist arrivals, with leading markets being Germany, the United Kingdom and France. International tourism receipts amounted to EUR 10.4 billion.

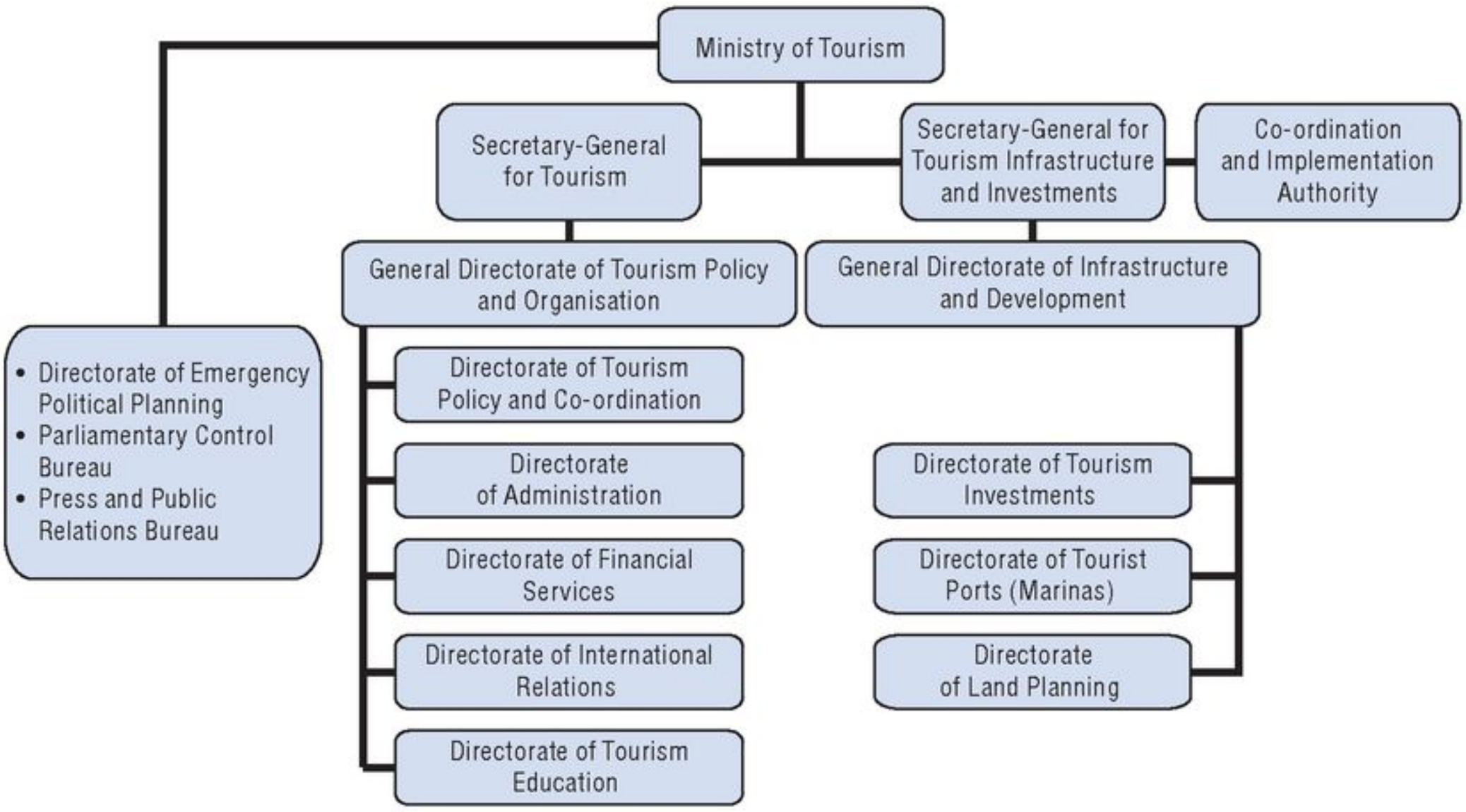
Tourism organisation and governance

Acknowledging the importance of tourism as a crucial factor in the Greek economy, in June 2012, Greece decided to create a Ministry of Tourism with extended responsibilities. The Ministry of Tourism is the competent authority responsible for tourism planning and policymaking. In broad terms, the ministry is responsible for overall Greek tourism policy as well as for the regulation, planning and programming of the tourism development (Figure 1). It is now alsoresponsible for providing education and training in the field of tourism. In addition, there has been a structural change concerning the promotion and co-ordination of tourism investments: the Coordination and Implementation Authority of the Ministry of Tourism was founded in November 2012. Its mission is to plan, co-ordinate and support tourism-related actions within the framework of the National Strategic Reference Framework 2007-13.

The Ministry supervises the Greek National Tourism Organisation (GNTO) and the Hotel Chamber of Greece. The GNTO is responsible for Greece's promotion and advertising campaigns, aimed at developing both domestic and inbound tourism, and for licensing tourism businesses, e.g. accommodation providers, travel agencies, etc., mainly through its regional offices. The Hellenic Chamber of Hotels (a public law entity consisting of all hotels and camping sites operating in Greece) is the state's institutional consultant as far as tourism and hospitality are concerned.

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

Figure 1. **Greece: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

Tourism budgets

For 2012 the budget of the Ministry of Tourism was approximately EUR 35 million (down from EUR 50 million in 2011). of the total included EUR 9.5 million from the regular budget, while the public investment budget, which made up the remainder, consisted of EUR 11.4 million from European Union co-funding and EUR 14.6 million from national sources.

Tourism-related policies and programmes

The National Tourism Strategy has four fundamental purposes, to:

- Develop the institutional and legal framework for tourism.
- Promote entrepreneurship in tourism, by facilitating investments and exploiting the funds granted through the National Strategic Reference Framework.
- Foster an emphasis on the quality of services and infrastructure.
- Develop human resources.

In 2012, a range of legislative initiatives were adopted, including the:

- Recognition of thermal springs and the licensing of thalassotherapy (seawater therapy) and therapeutic centres.
- Establishment of the GNTO's Special Service for Promoting and Licensing Tourism Enterprises, a "one-stop-shop" for tourism enterprises.
- Simplification of the licensing procedure for tourism enterprises.
- Introduction of a new form of integrated tourism enterprise, the Complex Tourism Accommodation, which includes four-star or five-star hotel accommodation, special tourism infrastructure (e.g. conference centres, golf courses, spas) and tourist residences (villas).
- Liberalisation of the tourist guide profession.
- Simplification of procedures and the abolishment of limitations on the operations of travel agencies and car rental agencies.

The National Strategic Reference Framework provides incentives for modern, green investments in tourism, aimed at promoting better standards of tourism service, quality, innovation, and the encouragement of green building. Other measures include legislative action encouraging the development of cruise, marine and fishing tourism and the lifting of cabotage fees, the simplification of visa procedures for new and emerging markets such as the Russian Federation, China and Turkey, and the liberalisation of tourism-related professions (e.g. tourist guides).

The Ministry of Tourism, in collaboration with the GNTO, has also taken action to encourage domestic tourism through its recently announced programme, "Tourism for all 2013-14", which subsidises low-cost holiday packages to sensitive social groups, reaching 72 000 beneficiaries.

As far as tourism promotion is concerned, the Ministry of Tourism is increasing the number of its target markets and implementing tailored marketing initiatives to meet the specific demands of each market. The Ministry of Tourism is also trying to extend the tourism seasons throughout the year, especially by diversifying the tourism product away from the traditional emphasis on sun, sea and sand and by developing differentiated products that will focus on special interest tourism and new tourism markets. The methods applied to achieve these goals involve modern technological methods, via social media, in programmes, such as "You in Greece" and "My Greece". Last but not least, Greece has adopted as its tourism brand the new strap line "Greece, all time classic".

Statistical profile

Table 1. **Greece: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	93 557	92 113	68 610	68 980	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Holiday trips. Visitors aged 15 years and over.

Source: Hellenic Statistical Authority, Quarterly Survey for the Demand Side Tourism Statistics.

StatLink http://dx.doi.org/10.1787/888932987100

Table 2. **Greece: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	15 939	14 915	15 007	16 427	15 518
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Germany	Thousand	2 278	2 364	2 039	2 240	2 109
United Kingdom	Thousand	2 496	2 112	1 802	1 758	1 921
France	Thousand	910	962	868	1 149	977
Italy	Thousand	1 100	935	844	938	848
Netherlands	Thousand	757	651	528	561	478
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million EUR	11 636	10 400	9 611	10 505	10 444
International passenger transport receipts		..	..	..	..	..

Source: Hellenic Statistical Authority.

StatLink http://dx.doi.org/10.1787/888932987119

Table 3. **Greece: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	1 265	986	1 071	711	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million EUR	2 680	2 425	2 156	2 266	1 844
International passenger transport expenditure		..	..	..	..	..

Source: Hellenic Statistical Authority.

StatLink http://dx.doi.org/10.1787/888932987138

Table 4. **Greece: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	195 079	198 951	186 902	179 219	167 749
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	54 639 |	50 591	46 906	47 539	49 297
Hotels and similar establishments	52 370 |	48 220	45 226	46 809	47 293
Food and beverage serving industry[2]	126 429 |	136 535	129 108	122 133	109 409
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	14 010 |	11 825	10 889	9 547	9 043
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Break in series. Since 2008, NACE Rev. 2 classification.

1. Includes hotels and similar establishments, camping sites and other short-stay accommodation.
2. Includes restaurants and mobile food service activities; beverage serving activities; event catering and other food service activities.

Source: Hellenic Statistical Authority, Labour Force Survey.

StatLink http://dx.doi.org/10.1787/888932987157

Table 5. **Greece: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	6.6	6.9	6.6	6.9	7.1

Source: Hellenic Statistical Authority, Labour Force Survey.

StatLink http://dx.doi.org/10.1787/888932987176

For more information

Public Properties Company	*www.tourism-development.gr*
Greece National Tourist Office	*www.gnto.gr*
Hellenic Statistical Authority	*www.statistics.gr*

Hungary

Tourism in the economy

In 2012, the number of international tourist arrivals in Hungary totalled 14.9 million (+9.2% compared with 2011), while visitor spending reached EUR 2 796 million (-7.9% over 2011).

2012 was an exceptionally good year for the hotel industry. The number of guests in commercial accommodation increased by 4.5% to 8.4 million (of whom about half were domestic tourists). Guest nights increased by 5.8% to 21.8 million. Foreign guest nights rose 9.4% and domestic guest nights 2.0%. The two fastest-growing source markets were the Netherlands (+36.6% in terms of nights) and the Russian Federation (+32.9%).

The surplus on the balance of payments for tourism fell slightly in 2012 (by just 0.2%) to EUR 2 243 million: foreign visitors spent EUR 3 781 million (6.2% less than in 2011), while outbound travellers spent EUR 1 538 million (13.7% less).

In 2008, the direct value added of tourism was 5.9% of GDP and 8.4% of employment. In 2010, the industry employed 292 000 people.

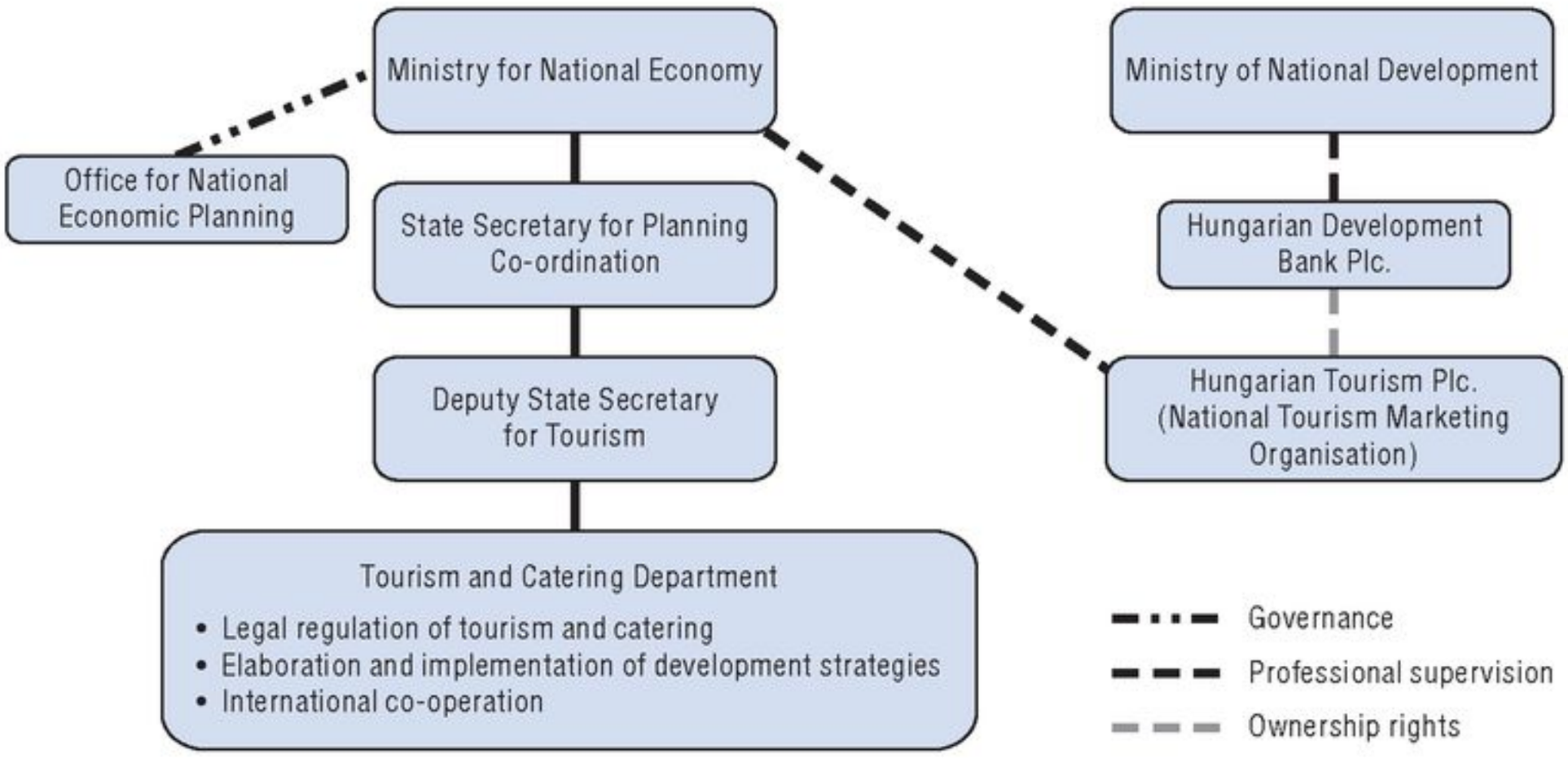
Tourism organisation and governance

The Ministry for National Economy is responsible for tourism. The Tourism and Catering Department, led by the Deputy State Secretary for Tourism, is responsible for the elaboration and implementation of the national tourism development strategy, for legislative tasks related to tourism, for international co-operation on tourism affairs, and for the supervision of the Hungarian National Tourist Office (HNTO) (Figure 1). The Tourism and Catering Department is also responsible for providing the conceptual framework for the Széchenyi Recreation Card system, as well as for the management and development of the national quality assurance trademark system.

The Tourism Fund is supervised by the Ministry for National Development. The development programmes, co-financed by the EU (including tourism-related programmes) are managed by the National Development Agency. This institution is responsible, among other things, for selecting the projects to be supported and for supervising their implementation, including the planning and tendering processes.

The Standing Committee on Sport and Tourism of the Hungarian Parliament is responsible for taking initiatives, making proposals, and participating in the supervision of government work on tourism.

Figure 1. **Hungary: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry for National Economy, 2014.

At the local level, a network of tourism Destination Management Organisations (DMOs) is being created. The Tourism and Catering Department has so far registered 85 local DMOs that meet the professional requirements set by the Ministry for National Economy. Regional organisations for tourism destination management will be developed after the formation of the local system.

The Tourism and Catering Department co-operates closely with other government departments that have tourism-related responsibilities – the Ministry of Human Resources for cultural tourism; the Ministry of Rural Development for rural tourism development and ecotourism; the Ministry of Foreign Affairs – for travel advisories, visa issues and crisis management; the National Statistical Office for tourism statistics; and the National Development Agency for national and regional development programmes. It also co-operates closely with the major tourism trade organisations and professional associations. A good example is in the elaboration and operation of the new quality trademark system, for which the relevant tourism industry associations are responsible for the qualification process.

Tourism budgets

The central government budget for tourism, was around EUR 54 billion in 2013, including an annual allocated Tourism Fund, which is dedicated to specific tourism development schemes, to finance tourism promotion, and to cover the royalties of the Formula 1 Hungarian Grand Prix. In 2013, EUR 45.7 million was allocated from the central budget for tourism purposes, and marketing absorbed about 45% of the Tourism Fund.

Over the EU's 2007-13 programming period, EUR 1 197 million were expected to be allocated to the regions, mainly for tourism attractions, accommodation development and the establishment of the destination management system.

Tourism-related policies and programmes

The government is taking action to improve the regulatory environment for the industry, with a view to encouraging inbound and domestic tourism, harmonising legal regulations with EU directives, eliminating administrative burdens encumbering tourism businesses, and simplifying formalities for tourists arriving from non-EU countries.

Tourism-related activities are generally regulated by the Act on Commerce (Act 164/2005). A new Tourism and Catering Act is being prepared in accordance with the Tourism Development Concept (2014-24). It will define the responsibilities and tasks of the state and local governments and the modes of co-operation with professional organisations in a "tourism destination management system". It will also provide a framework for entrepreneurs working in the tourism and catering industry, and will define the structure of central and local tourism support systems.

One of the priorities of the New Széchenyi Plan (the Development Strategy for Recovery and Progress in Hungary) focuses on better exploitation of the country's thermal waters and geothermal potential and on organising related products and services. The new Tourism Development Concept for 2014-24 will continue to focus on the health tourism market. Over 2007-13, 43 projects were supported by EUR 84 million to realise investments worth more than EUR 182 million. These projects were generally aimed at the reconstruction and expansion of existing spas. In 2013, priority was also given to health tourism based on medical services: investments of EUR 90 million in 33 projects were awarded subsidies of EUR 53 million.

The new Tourism Development Concept will place emphasis on quality of service, cost control and energy efficiency. Hungary will seek international co-operation in the field of health tourism and Hungarian Tourism Plc. will continue to give health tourism first priority in its marketing campaigns.

As a means of promoting domestic tourism, a new fringe benefit system has been introduced, which is called the Széchenyi Recreation Card (SzRC). It is a non-wage benefit that can be provided by companies to their employees with a discounted tax rate. Each card-holder may receive up to EUR 1 500 a year with the tax benefits, from which EUR 750 can be used for accommodation, EUR 500 for catering and EUR 250 for leisure services. One of the advantages of the system is the relatively low commission level, set at 1.5%, which is to be paid by the service providers after the transactions.

The SzRCs are issued by market participants (currently three bank-owned groups of companies), at no cost to the state. A government decree specifies the conditions under which the issuers operate. Since the launch of the new system, more than 22 000 companies have given this benefit to their employees and more than 886 000 cards have been issued. By the end of October 2013, EUR 430 million had been credited to SzRCs, from which EUR 340 million had already been spent. The SzRCs are part of the government's policy of making holidays available to all.

The other important element in the Hungarian fringe benefit system, the Erzsébet Voucher (EV), primarily serves social goals. EVs are vouchers that may be used to purchase services of hot-meal catering units and ready-for-consumption meals and foods. The issuer, the Hungarian National Holiday Foundation, has to spend its profits derived from the distribution of EVs on the implementation of social programmes (such as organised social holidays and providing meals for children). In 2012, the Hungarian National Holiday

Foundation invited applications for organised social holidays for more than EUR 10 million under the programme. As a result, over 100 000 people, including more than 30 000 children, were provided with recreation and camping opportunities.

With regard to inbound tourism, in connection with the government's policy of "opening towards the East", Hungary is looking for ways of attracting visitors from emerging markets. For many of these countries visa requirements seem to be an obstacle to tourism, and the government is looking for alternatives that can provide greater travel mobility without compromising national security. More attention is being given to tailor-made tourism packages, which are already available for traditional source markets, for growing emerging markets like the Russian Federation and the Central European countries. Regional co-operation schemes (notably the Visegrád group – the Czech Republic, Hungary, Poland and the Slovak Republic) and inter-regional agreements (involving, for instance, Brazil, the United States and Japan) provide further opportunities.

To stimulate off-season tourism, the Ministry for National Economy is the government partner of the Hungarian National Foundation for Recreation in OFF2013, which is supported by the European Union within the framework of the Calypso Programme. The objective of OFF2013 is to facilitate low-season transnational exchanges of seniors and families facing difficult circumstances in Hungary and Poland.

The competitiveness of tourism enterprises in Hungary has declined in recent years. The sector has had to cope with adverse effects of the economic crisis and rising energy and raw material prices, while prices of tourism services have remained constant and hotel capacity has increased. To improve the quality of services, it is essential to increase prices.

To support high quality services, the development of a national quality trademark system was started in 2009. Joining the system is not obligatory, but it helps distinguish the better quality service providers. The qualifications for rural accommodation, private rooms, holiday bungalows, camping sites and hotels were established at the end of 2012. The management of the system is the responsibility of the relevant professional associations.

The environmental issues of tourism development are also addressed. Under the grants scheme co-financed by the EU's Structural Funds, 14 tourism projects for national parks were provided with grants of EUR 16.5 million to implement investments of EUR 19.6 million in 2007-13 Climate change, and particularly the growing probability of extreme meteorological incidents that may influence tourism, is receiving renewed attention: a study has been prepared to raise service providers' awareness of low-carbon operational solutions. The EU-funded grants scheme also supports energy-saving developments.

Statistics and performance evaluation

In 2014 Hungary will update its Tourism Satellite Account for the period 2008-10. The performance of the sector is continuously monitored by measurable statistical results. In addition, targeted evaluations are also prepared from time to time. In 2013 the National Development Agency is doing an "Assessment of tourism development regarding territorial cohesion". The scope of the assessment is to examine the results of tourism development in the Regional Operational Programmes in 2007-11, and the results are to be taken into consideration in planning the tourism interventions under the 2014-20 Partnership Agreement.

Statistical profile

Table 1. **Hungary: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	21 753	17 920	18 123	19 062	17 062
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional	Thousand	650	511	512	594	616
Holiday, leisure and recreation	Thousand	21 103	17 409	17 611	18 469	16 446
Nights in all means of accommodation	Thousand	9 965	9 495	9 941	10 205	10 413
Hotels and similar establishments	Thousand	7 794	7 207	7 578	7 869	8 060
Other collective establishments	Thousand	2 171	2 288	2 363	2 336	2 353
Domestic travel receipts	Million HUF	291 859	236 892	252 417	268 511	266 628

Source: Ministry of National Economy, Central Statistical Office.

StatLink http://dx.doi.org/10.1787/888932987195

Table 2. **Hungary: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	17 796	17 377	18 543	18 596	21 149
Overnight visitors (tourists)	Thousand	12 653	12 670	13 362	13 620	14 878
Same-day visitors (excursionists)	Thousand	5 143	4 707	5 181	4 976	6 271
Top markets						
Austria	Thousand	2 669	2 889	3 050	3 058	3 870
Germany	Thousand	1 982	2 034	2 131	2 103	2 231
Slovak Republic	Thousand	1 953	1 414	1 612	1 634	2 029
Romania	Thousand	1 156	1 122	1 160	1 319	1 179
Serbia and Montenegro	Thousand	492	460	666	519	781
Nights in all means of accommodation	Thousand	10 010	9 220	9 614	10 411	11 392
Hotels and similar establishments	Thousand	8 489	7 773	8 317	9 049	9 938
Other collective establishments	Thousand	1 521	1 447	1 297	1 362	1 454
Total international receipts	Million HUF	730 777	819 605	828 041	847 248	809 113
International travel receipts	Million HUF	669 419	762 185	761 248	773 657	731 445
International passenger transport receipts	Million HUF	61 358	57 420	66 793	73 591	77 668

Source: Ministry of National Economy, Central Statistical Office.

StatLink http://dx.doi.org/10.1787/888932987214

Table 3. **Hungary: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	8 808	8 041	7 616	8 043	7 737
Overnight visitors (tourists)	Thousand	5 390	4 816	4 605	4 644	4 267
Same-day visitors (excursionists)	Thousand	3 417	3 225	3 012	3 399	3 470
Total international expenditure	Million HUF	465 188	438 411	401 510	388 763	386 761
International travel expenditure	Million HUF	428 007	403 088	369 585	354 116	322 522
International passenger transport expenditure	Million HUF	37 181	35 323	31 925	34 647	64 239

Source: Ministry of National Economy, Central Statistical Office.

StatLink http://dx.doi.org/10.1787/888932987233

Table 4. **Hungary: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	119 891	120 453	124 209	129 793	131 035
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	33 444	33 729	33 494	33 200	32 914
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	38 345	38 575	40 140	41 833	41 940
Passenger transport[2]	10 957 |	10 789	10 960	11 043	10 755
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	2 767	2 776	2 882	2 935	3 002
Cultural industry[3]	24 163 |	25 999	27 926	29 449	30 915
Sports and recreation industry[4]	10 215	8 585	8 807	11 333	11 509
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Includes other services.
2. Break in series. Since 2008, excludes transit services.
3. Break in series. Since 2008, excludes cinematographic services.
4. Recreation and other entertainment services.

Source: Ministry of National Economy, Central Statistical Office.

StatLink http://dx.doi.org/10.1787/888932987252

Table 5. **Hungary: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	301 831	282 077	291 572	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	34 098	30 274	31 641	..	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	106 316	101 603	100 794	..	..
Passenger transport	92 153	88 550	94 026	..	..
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	6 369	6 032	7 668	..	..
Cultural industry	40 278	34 119	35 567	..	..
Sports and recreation industry[2]	22 616	21 500	21 876	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	58	57	57	..	..
Female (% of total tourism employment)	42	43	43	..	..

1. Includes other services.
2. Recreation and other entertainment services.

Source: Ministry of National Economy, Central Statistical Office.

StatLink http://dx.doi.org/10.1787/888932987271

Table 6. **Hungary: Internal tourism consumption**

Million HUF, 2008

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total[1]	422 916	730 778	1 153 694
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	84 566	204 682	289 248
Food and beverage serving services	34 553	121 246	155 799
Passenger transport services	63 046	79 079	142 125
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	22 234	8 636	30 870
Cultural services	3 322	15 741	19 063
Sports and recreation services[2]	14 322	70 185	84 507
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	200 873	231 209	432 082
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes margin.
2. Recreation and other entertainment services.

Source: Ministry of National Economy, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932987290

Table 7. **Hungary: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	5.9	..	..	..	..
Total tourism employment (direct) as % of total employment	8.4	..	..	..	..

Source: Ministry of National Economy, Central Statistical Office.

StatLink http://dx.doi.org/10.1787/888932987309

For more information

Ministry for National Economy	*www.kormany.hu*
Hungarian Tourism Plc.	*www.gotohungary.com*
Hungarian Central Statistical Office	*www.ksh.hu*

Iceland

Tourism in the economy

Tourism has been one of the fastest-growing sectors of the Icelandic economy and enjoyed further growth in 2010-12. The share of tourism in Iceland's GDP was 5.9% in 2009. Tourism ranks second in total export revenues with a share of 23.4%, up from 14.4% in 2008, and may soon surpass the fisheries industry to become the leading source of export revenues. International tourism receipts were ISK 105.7 billion in 2012, up from ISK 68.4 billion in 2010. Since 2010, arrivals have increased by 38.7%, and international tourism receipts by 40.0%. Tourism accounted for around 5.1% of total employment in Iceland in 2010.

The records show that 672 773 foreign tourists visited Iceland in 2012 – an 18.9% increase, following a 16.6% increase in 2011. These tourists spent 2.9 million nights in Iceland, representing 77.3% of total guest nights for the year. Iceland's major overseas markets are the Nordic countries (22%), North America (17%), the United Kingdom (14%), Germany (11%) and France (6%) – together they accounted for 78% of all overseas visitors in 2012.

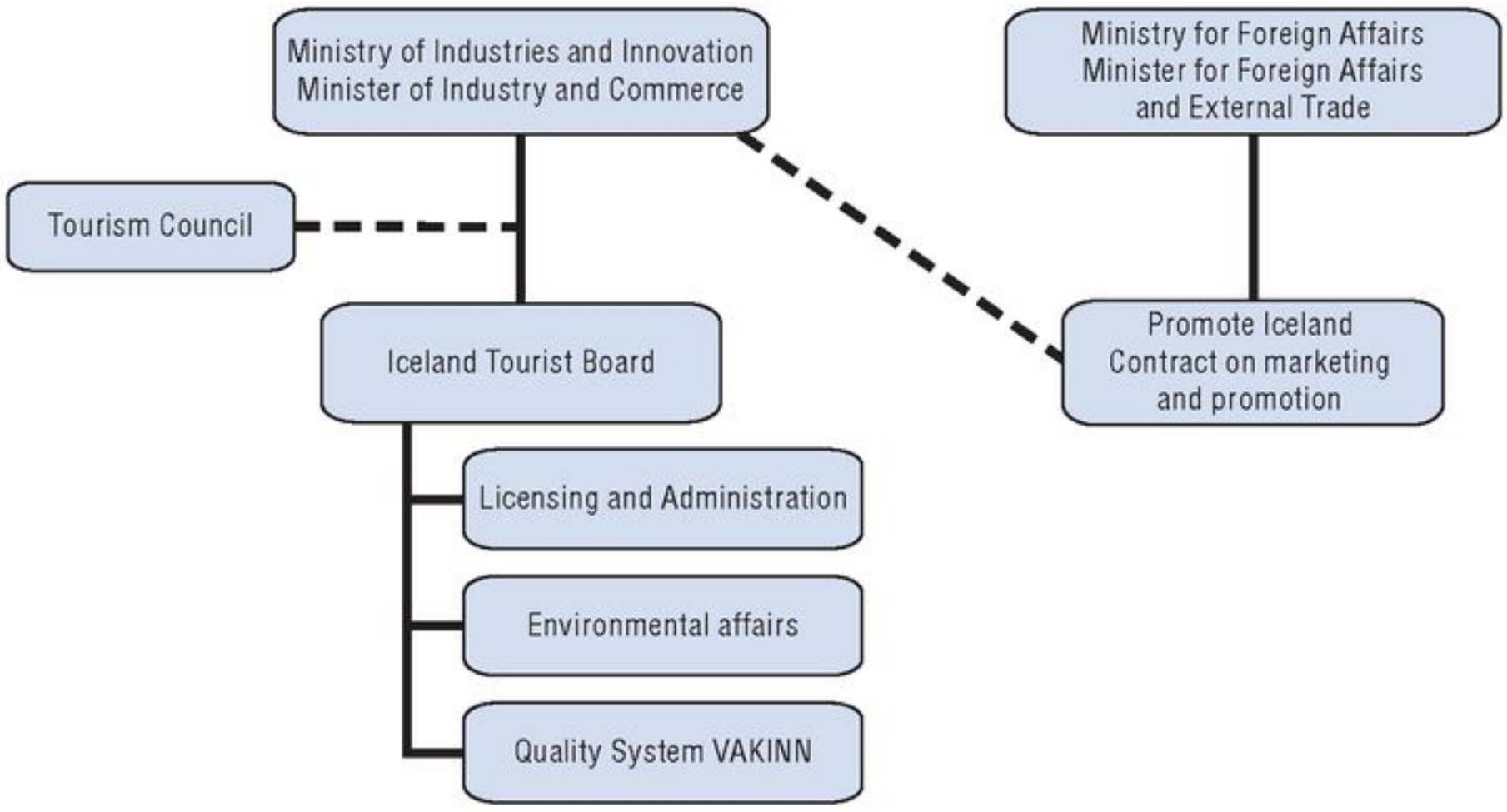
Tourism organisation and governance

Government responsibility rests with the Ministry of Industries and Innovation, into which the Ministry of Industry, Energy and Tourism was incorporated in 2012 (Figure 1). The Icelandic Tourist Board (ITB) handles the implementation of tourism affairs for the ministry and has the following main responsibilities:

- Issuing licenses, registration and monitoring in order to ensure that requirements for operations are met.
- Development, quality control and organisational issues related to tourism: i.e. the implementation of a defined tourism strategy, the co-ordination of environmental and educational affairs, the dissemination of information, regional and local development, and international collaboration.

The Icelandic Tourist Board collaborates extensively with the seven regional tourism marketing offices and provides financial support for their work. It also co-operates with Innovation Centre Iceland, especially on matters and projects pertaining to innovation and product development requiring regional co-operation. The Icelandic Tourist Board is responsible for the implementation of Iceland tourism's new quality and environmental assurance system (VAKINN), the Tourist Site Protection Fund, and the collection of data on tourist numbers, their expectations and experiences.

Figure 1. **Iceland: Organisational chart of tourism bodies**



Source: OECD, adapted from the Icelandic Tourism Board, 2014.

In 2010, the responsibility for marketing and promoting tourism in Iceland was transferred from the Icelandic Tourist Board to a new organisation, Promote Iceland, with a special contract between the Ministry of Industry, Energy and Tourism and the new entity. The marketing department of the Icelandic Tourist Board is now run within the framework of Promote Iceland, thus securing close co-operation between the Tourist Board, the Trade Council and the Embassies of Iceland with regard to projects and efforts to attract foreign visitors to Iceland. Promote Iceland is a public-private partnership aimed at improving the competitive standing of Icelandic industries in foreign markets and stimulating economic growth through increased exports. It is also responsible for reinforcing the image of Iceland as an exciting destination for tourists and for assisting in the promotion of Icelandic culture abroad.

The Icelandic Tourism Council is appointed by the Minister for Industries and Innovation and comprises representatives from: the ministry, the Icelandic Travel Industry Association, the Association of Local Authorities in Iceland, the Iceland Tourism Association, and Promote Iceland. The Director-General of the Icelandic Tourist Board and a representative for the ministry attend Tourism Council meetings and have the right to address the meetings and present proposals. The mandate of the Council, according to Act 73/2005, is to make recommendations to the minister, at least once a year, on the marketing and promotion of services to tourists, and to act as the minister's advisor on matters concerning tourism planning. The council also comments on amendments to tourism-related legislation and regulations, and on other matters referred to it by the minister.

Tourism budgets

The total budget allocated within the Ministry of Industries and Innovation for the tourism sector in 2012 was ISK 970 million. Part of this was outsourced to Promote Iceland (ISK 128 million) for overseas marketing. The ITB's budget was ISK 330 million, and ISK 512 million was allocated to other tourism projects, largely to co-operative marketing efforts.

The total budget in 2013 was ISK 942 million: ISK 332 million for the Icelandic Tourist Board, ISK 130 million for Promote Iceland and ISK 480 million for other tourism projects, in the same manner as in 2012.

The revenue from the accommodation tax, enacted in 2011, was ISK 142 million in 2012. Of those funds 49% (ISK 69 million) was allocated to the Tourist Site Development Fund. Similarly, the Fund was allocated ISK 76 million from the accommodation tax in 2013, out of an expected revenue of ISK 165 million. In addition, ISK 500 million were fed into the fund through the government's Investment Plan in 2013, resulting in a total budget of ISK 575 million.

Tourism-related policies and programmes

The main objectives for tourism during the period 2011-20, as stated in a parliamentary resolution, are to:

- Increase the profitability of the sector.
- Engage in the systematic development of tourism destinations, in terms of effective product development, as well as in promotion and advertising work, so as to lengthen the tourist season, reduce seasonal fluctuations and contribute to a better distribution of tourists throughout the country.
- Enhance quality, professionalism, safety and environmental awareness in the tourism sector.
- Define and maintain Iceland's uniqueness as a tourism destination, in part through effective analysis and research.

The main pillars for growth and for attaining these objectives, with regard to both domestic and inbound tourism development, are:

Iceland's natural surroundings are a natural resource for the tourism sector. The development of tourism infrastructure is intended to protect nature, and the tourism strategy aims to incorporate the concepts of sustainability and responsibility for Iceland's culture and natural surroundings.

The Tourist Site Protection Fund was established in 2011 (Act No. 75/2011) to promote the development, maintenance and protection of tourism attractions anywhere in Iceland where they are under public ownership or supervision. The fund's resources are also used to ensure tourist safety and protect Icelandic nature. In addition, the fund is intended to increase the number of sites visited by tourists in order to reduce the pressure on frequently visited tourism destinations. In 2011, the government allocated ISK 500 million to the fund for three years.

Quality and environmental issues are addressed within the quality and environmental system VAKINN. Its main aims are to strengthen quality and safety in tourism by means of guidance and support, as well as to develop a sense of social responsibility. The system also addresses professional skills, an area in which further strategic work has to be accomplished in view of the industry's rapid growth.

Product development projects in the tourism sector will be based on clusters and on strategies reflecting the uniqueness of individual areas. Innovation Centre Iceland has promoted the development of clusters throughout Iceland in collaboration with the Icelandic Tourist Board. Regional support systems have been strengthened and work is underway in simplifying, co-ordinating and integrating efforts in different regions.

The Tourism Strategy 2011-20 calls for a search for new options for public promotional work, and for an increase in professional collaboration between public entities in the fields of product development and promotion and advertising. The 2011-13 marketing campaign was aimed at increasing tourist arrivals outside the three-month summer period and was based on the "Inspired by Iceland" campaign, launched in response to the Eyjafjallajökull volcanic eruption and its consequences. The internationally award-winning campaign has met with success, and recent figures for tourist arrivals show proportionally higher growth outside the high season than the annual average.

The Strategy also calls for a dramatically increased emphasis on analysis, research and forecasting. Strategic work by the Icelandic Tourist Board on research policies for tourism is on-going. However, further efforts are required to ensure the secure provision of statistics, analysis and forecasting for the tourism industry, at both national and local levels.

Statistical profile

Table 1. **Iceland: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	793	870	855	805	850
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Statistics Iceland.

StatLink http://dx.doi.org/10.1787/888932987328

Table 2. **Iceland: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	502	494	489	566	673
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets[1]						
Nordic countries	Thousand	124	124	118	131	145
United Kingdom	Thousand	70	62	61	68	95
United States	Thousand	41	44	51	78	95
Germany	Thousand	49	56	59	61	70
France	Thousand	27	30	30	37	42
Nights in all means of accommodation	Thousand	1 943	2 130	2 144	2 444	2 889
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts[2]	Million ISK	64 037	68 476	68 358	86 763	105 727
International passenger transport receipts		..	..	..	..	..

1. Nordic countries include Denmark, Norway, Sweden and Finland.
2. Excludes passenger fare. Based on Tourism Satellite Account.

Source: Icelandic Tourist Board and Statistics Iceland.

StatLink http://dx.doi.org/10.1787/888932987347

Table 3. **Iceland: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	408	256	296	343	360
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure[1]	Million ISK	..	66 159	72 750	85 872	97 759
International passenger transport expenditure		..	..	..	..	..

1. Excludes passenger fare; Balance of Payments figures.

Source: Statistics Iceland.

StatLink http://dx.doi.org/10.1787/888932987366

Table 4. **Iceland: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	327 |	337	350	..	..
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[2]	71 |	80	101	..	..
Travel agencies and other reservation services industry[3]	363 |	488	617	..	..
Cultural industry[4]	141 |	148	154	..	..
Sports and recreation industry[5]	283 |	294	303	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Break in series. Since 2008, NACE Rev. 2 classification.

1. Includes guest houses.
2. Car rental.
3. Includes tourist information centres.
4. Museums and galleries.
5. Recreation.

Source: Icelandic Tourist Board and Statistics Iceland.

StatLink http://dx.doi.org/10.1787/888932987385

Table 5. **Iceland: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP[1]	4.6	5.9	..	..	..
Total tourism employment (direct) as % of total employment	5.1	5.2	..	..	..

1. Based on Gross National Product.

Source: Icelandic Tourist Board, Statistics Iceland, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932987423

For more information

Ministry of Industry, Energy and Tourism	*www.idnadarraduneyti.is*
Iceland National Tourist Office	*www.visiticeland.com*
Statistics Iceland	*www.statice.is*

Ireland

Tourism in the economy

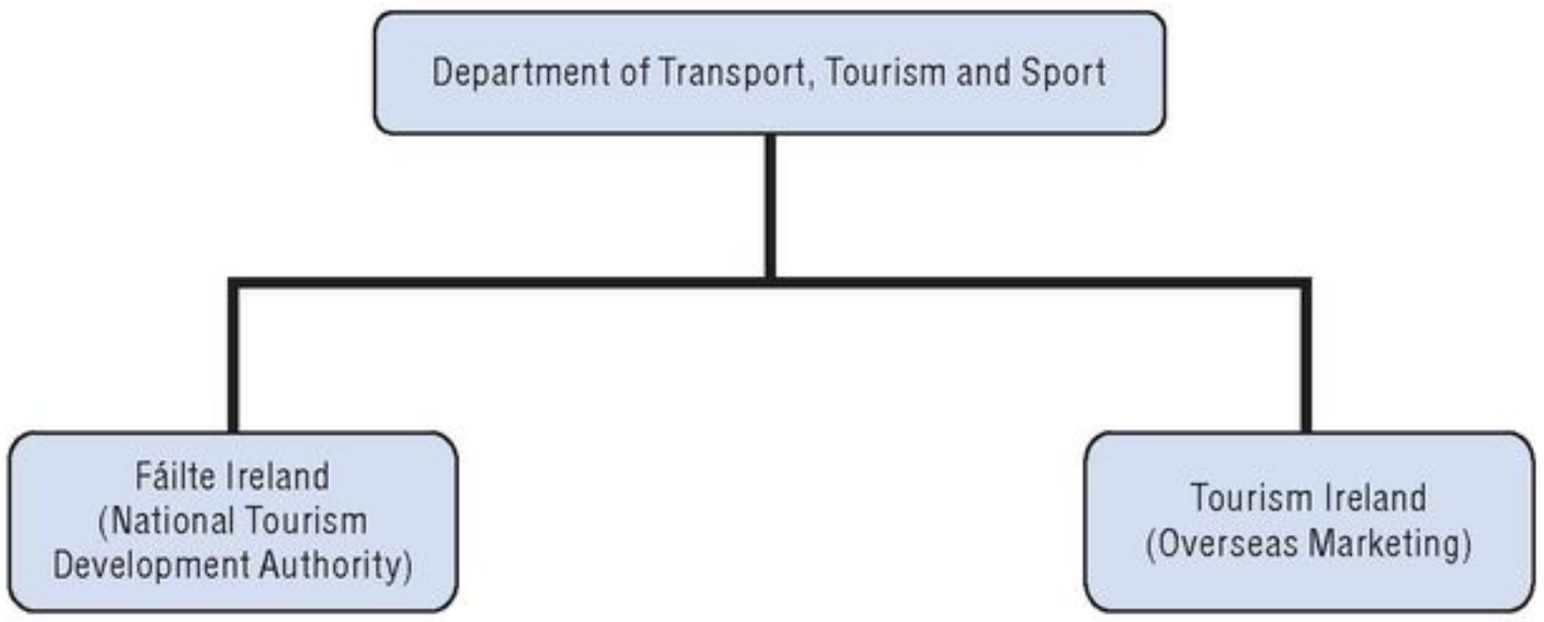
Tourism is an important driver of economic activity for Ireland. As well as being the longest-standing source of service export earnings, it also directly and indirectly supports employment across the country for a range of skill levels – often in areas where the scope to develop other export-focused sectors is constrained. The tourism and hospitality industry employed approximately 185 000 people in 2012, and generated over EUR 5 billion in revenues from home and abroad – equivalent to over 3% of GDP. Tourism also shapes Ireland's image and attractiveness as a place to live, work and invest.

2012 data show that overall visits to Ireland held steady (+0.2% to 6.52 million trips), with holiday trips up 3.8% and business trips up 7.7%. By comparison, visits to friends and relatives in Ireland fell by 7.9%. Spending by visitors to Ireland also increased in 2012, with total tourism and travel earnings from overseas visitors growing by 4.5% to EUR 3.67 billion. There was particularly strong growth in expenditure by holiday visitors from North America (+10% to EUR 519 million) and from other long-haul source regions (+11% to EUR 142 million).

Tourism organisation and governance

The Tourism Division forms part of the Department of Transport, Tourism and Sport and advises government on national tourism policy (Figure 1). It provides the strategic direction required to support the growth of a competitive and sustainable tourism industry through the development, implementation and influence of a range of policy actions and programmes by the department, its agencies and other government departments, in consultation with industry partners.

Figure 1. **Ireland: Organisational chart of tourism bodies**



Source: OECD, adapted from the Department of Transport, Tourism and Sport, 2014.

Fáilte Ireland was set up to encourage, promote and support tourism as a leading indigenous component of the Irish economy. Its principal functions are the development of a quality tourism product, domestic tourism marketing, tourism standards, enterprise support, capability building and human resource development for the tourism industry.

Tourism Ireland carries out the promotion of the island of Ireland as a tourism destination in overseas markets. Tourism Ireland is accountable to the North South Ministerial Council, with funding being provided by the Department of Enterprise, Trade and Investment in Northern Ireland and by the Department of Transport, Tourism and Sport in Ireland.

Local tourism bodies outside the main state organisation (e.g. West Cork Tourism, Wicklow Tourism) also play an important role in tourism promotion. Local Action Groups use public funding to implement multi-sectoral business plans for the development of their own areas. All Local Action Groups have a tourism element in their business plan and other non-tourism actions may also have an impact on tourism.

Tourism budgets

The overall budget allocated by the Department of Transport, Tourism and Sport specifically for tourism in 2012 was EUR 143 million. This was allocated to the tourism agencies – Fáilte Ireland and Tourism Ireland – and includes specific funds for product development, marketing and promotion. Apart from private sector investment, the main source of funding is the national budget funded by taxation. A total of EUR 39.35 million was provided for overseas marketing in 2012. Funding of EUR 20.2 million was provided for the continued rollout of Tourism Product Development investment support, which will lead to the development of improved tourism infrastructure and new and upgraded tourist attractions and activities.

The Special EU Programmes Body (SEUPB) launched a call for suitable projects under INTERREG IVA during 2008. Approximately EUR 30 million (including matching funding) was made available for tourism projects during the period 2008-13.

Local tourism bodies also receive public funding to implement multi-sectoral business plans for the development of their own areas.

Tourism-related policies and programmes

In the context of the challenges facing both the sector and the wider economy, the Irish government has integrated tourism into the broader economic strategic framework as a key component of the country's economic recovery programme, rather than pursue separate stand-alone strategies for the tourism sector. This overall strategic approach is complemented by the work of the tourism agencies.

Existing tourism policy was set in the Programme for government 2011, which set out key priorities to help the industry survive after some of the most challenging years for decades, and included commitments on access, marketing, visas and product development (Box 1). Key commitments in the 2011 Programme for government were reflected in the government's subsequent "Jobs Initiative", with immediate priority actions set out in the annual Action Plans for Jobs. In 2013, the "Gathering Ireland 2013" was an important year-long initiative inviting people with ancestral links and an affinity for Ireland to play a part in, and benefit from, the country's economic recovery by connecting with the people of Ireland, now and in the future.

Box 1. **Training in the Irish tourism and hospitality sector**

Tourism and hospitality training used to take place primarily in dedicated training centres with the focus on full-time training courses typically of 12-16 weeks in duration, preparing new entrants to the marketplace. However, the economic downturn meant that there were much reduced opportunities for new entrants to the sector, but a growing need for on-site training and other business support measures to help businesses survive and sustain employment. In consequence, Fáilte Ireland radically reoriented its training infrastructure so that interventions are now focused at the enterprise level to improve their skill base, reduce their costs and grow their top line.

While the initial focus was also on mentoring, cost control and other essential survival skills, it has since evolved to help businesses grow through improving their sales skills and the quality of their online presence. There are also dedicated online tools for businesses including webinars and online diagnostic tools.

In addition to the on-site training to tourism employees, Fáilte Ireland provides accreditation for prior learning (APL), thus improving the service these tourism workers provide in tandem with the quality of their jobs. It also supports a number of "Earn and Learn" programmes operated by Institutes of Technology, which enable workers to attend college part-time while receiving paid work experience. Tourism has also been identified as a key sector in government strategies for employment.

The Finance Act 2013 contained further measures to assist the tourism industry by stimulating growth and job creation, including: a fuel rebate for hauliers and bus and tourist coach operators; an increase in the VAT cash receipts' threshold from EUR 1 million to EUR 1.25 million to assist small businesses with cash flow; extension of the Employment and Investment Incentive Scheme to encourage the tourist accommodation sector to invest in renovation and refurbishment; and confirmation of the eligibility of hotels and accommodation providers to participate in Real Estate Investment Trusts.

In 2013, the Minister for Transport, Tourism and Sport commenced a review of tourism policy to examine how policy should contribute to sustainable growth in the sector in the medium term.

The government has already delivered on several measures under the Jobs Initiative to reduce costs for tourists and for tourism businesses, therefore enhancing Ireland's competitiveness – e.g. reducing VAT on certain tourism services to 9% until end-2013; introducing a new Visa Waiver Programme; and halving employers' PRSI for those on modest wages. Tourism also benefits from the government's Internship and Work Placement programmes, as well as from the significant investment in non-national roads and other transport infrastructure, as part of the Jobs Initiative.

A cross-departmental plan for the development of the "green economy" was published in 2012 – *Delivering Our Green Potential: Government Policy Statement on Growth and Employment in the Green Economy*. The Action Plan recognises that Ireland has an outstanding natural environment and landscape to support "green tourism" and activities, as well as an established international image as the "Emerald Isle", which could be built on to promote its "green" offering.

Several agencies provide assistance to tourism businesses and Fáilte Ireland has developed an environmental guide for tourism businesses outlining all the supports currently available, from tips and advice, assessment and training and eco-label certification, to marketing and communications. Many businesses have already taken steps towards improving environmental performance, ranging from simple steps such as reducing energy consumption to becoming fully accredited eco-tourism businesses. These businesses are profiled on the DiscoverIreland.ie/green section of the consumer website, where green businesses are profiled for the visitor.

Various eco-labels/accreditation/certification programmes are available to sustainable and eco-tourism businesses that wish to attain formal recognition and associated marketing benefit.

Other supports to help Irish businesses make more efficient and sustainable use of resources, and include guidance and programmes administered by the Sustainable Energy Authority of Ireland and by the Environmental Protection Agency (EPA). There is also a scheme of accelerated capital allowances for energy equipment, as well as a tax incentive aimed at encouraging companies across all sectors to invest in energy saving technology, which was extended to include catering and hospitality equipment.

Fáilte Ireland and the EPA funded a three-year project (2009-12) to test a set of sustainable tourism indicators (ACHIEV) across the following headings: Administration; Community; Heritage; Infrastructure; and Visitors and Economics. The project has led to the development of a manual/toolkit for measuring sustainability at destination level, which Fáilte Ireland intends to make available to other destinations, allowing them to use the same indicators to undertake evidence-based (indicator-led) destination management plans.

Statistics and performance evaluation

Official tourism statistics cover three different surveys: Overseas Travel (the number of overseas trips, both inbound and outbound); Tourism and Travel (further details on international travel including expenditure, purpose of visit and overnight stays); and the Household Travel Survey (Irish households' travel and tourism, both at home and overseas, including expenditure, purpose of trip and overnight stays). The tourism agencies also conduct their own analyses and research, including Fáilte Ireland's Survey of Overseas Travellers, Visitor Attitudes Survey and surveys by accommodation providers (covering visitor motivation for holidaying in Ireland, activities undertaken, destinations visited and accommodation used).

A TSA pilot project was completed in 2004 and work has continued to address the data gaps identified. However, the Central Statistical Office has not had the necessary resources to develop further, regular TSAs. In the meantime, Fáilte Ireland has developed its own economic model to estimate the value of tourism's contribution, based on available data and using multipliers to measure the direct, indirect and induced effects of tourism expenditure.

Statistical profile

Table 1. **Ireland: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	8 339	8 340	7 300	7 169	7 031
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	26 195	26 027	22 540	21 628	20 120
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Central Statistics Office.

StatLink http://dx.doi.org/10.1787/888932987442

Table 2. **Ireland: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	7 839	..	..	..	..
Overnight visitors (tourists)	Thousand	7 288	6 470	5 695	6 021	6 035
Same-day visitors (excursionists)	Thousand	551	..	..	..	..
Top markets[1]						
Great Britain	Thousand	3 872	2 987 |	2 562	2 623	2 518
Other Europe	Thousand	776	1 492 |	1 270	1 382	1 415
United States/Canada	Thousand	1 005	905 |	849	889	922
Germany	Thousand	468	415 |	378	409	435
France	Thousand	415	377 |	338	378	382
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts[1]	Million EUR	4 520	3 874 |	3 485	3 582	3 670
International travel receipts[1]	Million EUR	3 834	3 383 |	2 947	2 864	2 877
International passenger transport receipts	Million EUR	686	491	538	718	793

1. Break in series. Since 2009, refers to overnight tourism trips only.

Source: Central Statistics Office.

StatLink http://dx.doi.org/10.1787/888932987461

Table 3. **Ireland: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	7 877	7 021	..	..	..
Overnight visitors (tourists)	Thousand	..	..	6 534	6 144	6 170
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure[1]	Million EUR	7 728	6 043	6 367 |	6 110	6 060
International travel expenditure[1]	Million EUR	6 912	5 473	5 788 |	5 340	5 260
International passenger transport expenditure[1]	Million EUR	816	570	579 |	770	801

1. Break in series. Since 2010, refers to overnight tourism trips only.

Source: Central Statistics Office.

StatLink http://dx.doi.org/10.1787/888932987480

Table 4. **Ireland: Enterprises in tourism**

Number of enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	22 112	23 295	23 475	22 684	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	15 987	16 460	16 511	16 340	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..
Passenger transport	1 933	2 001	1 949	1 942	..
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[2]	3 421	4 048	4 246	3 638	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries[3]	771	786	769	764	..
Other industries	..	..	..	..	..

1. Includes food service activities.
2. Arts, entertainment and recreation.
3. Administrative and support service activities.

Source: Central Statistics Office, Business Demography.

StatLink http://dx.doi.org/10.1787/888932987499

Table 5. **Ireland: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	184 700	166 900	165 929	164 840	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	132 200	118 100	116 350	117 200	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..
Passenger transport	26 600	25 400	24 891	25 636	..
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[2]	18 800	18 100	18 986	16 306	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries[3]	7 100	5 400	5 702	5 698	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent.

1. Includes food services.
2. Arts, entertainment and recreation.
3. Administrative and support service activities.

Source: Central Statistics Office, Business Demography.

StatLink http://dx.doi.org/10.1787/888932987518

Table 6. **Ireland: Internal tourism consumption**

Million EUR, 2007

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	3 142	3 637	6 779
Consumption products	..	..	..
Tourism characteristic products	..	..	..
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	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[1]	805	762	1 567
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes profit margin.

Source: Central Statistics Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932987537

Table 7. **Ireland: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	14.0	14.0	15.0	15.0	..

Source: Central Statistics Office, Business Demography.

StatLink http://dx.doi.org/10.1787/888932987556

For more information

Department of Transport, Tourism and Sport	*www.dttas.ie*
National Tourism Development Authority	*www.failteireland.ie*
Overseas Tourism Promotion (Corporate website)	*www.tourismireland.com*
Overseas Tourism Promotion	*www.ireland.com*
Domestic Tourism Promotion	*www.discoverireland.ie*
Central Statistics Office	*www.cso.ie*

Israel

Tourism in the economy

Among the principal challenges to the Israeli tourism sector are the continuing fragility of EU economies, the political unrest in the Middle East and North Africa, and the need to adapt the scope of tourism infrastructure to the growing number of tourists and their expectations.

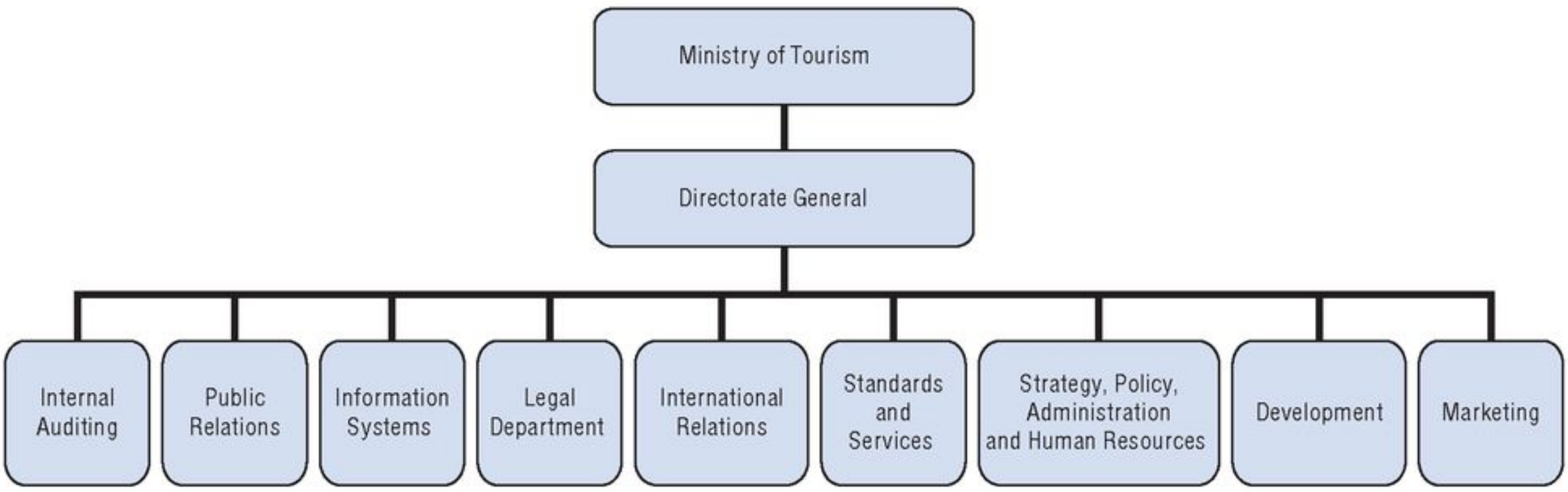
Tourism contributes slightly over 2% to Israel's GDP and just over 3.2% of total employment, counting only direct tourism jobs. In 2010, the combined total of direct and indirect tourism jobs was some 206 000, or 7% of total employment.

There were 2.9 million international tourist arrivals in 2012 (2.3% more than in 2011), plus 635 000 same-day visitors. International tourism receipts amounted to USD 5.5 billion. Israel's most important international origin markets (2010 data) are, in order of size, the United States, the Russian Federation, France, Germany and the United Kingdom, accounting together for approximately two thirds of all tourist arrivals. Tourism exports accounted for 4% of total exports (2010). In addition, Israeli airlines earned USD 745 million from inbound tourism.

Tourism organisation and governance

Reflecting the importance of tourism to the economy, Israel has a dedicated ministry, the Ministry of Tourism (Figure 1), to oversee the sector. Policy, marketing and the

Figure 1. **Israel: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

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.

development of the tourism sector are handled by the ministry, which is assisted by several other ministries in the fields of building infrastructure, site development and job training. There are also many local organisations promoting tourism in Israel.

Tourism budgets

In 2010/11 the general budget of the Ministry of Tourism was ILS 875 million. Some 27.5% of this was allocated to marketing, 45.6% to investment incentives, and 15.5% to infrastructure investment. In addition, the ministry received an allocation of ILS 5 million for job training.

There is to be a cut in the Ministry of Tourism's budget for 2013/14, but this budget has not yet been approved and so the details are not yet determined.

Other government offices contributed ILS 18 million to infrastructure investments in 2010/11. All funding comes from the government's general budget. Marketing and infrastructure are funded by the government, and accommodation by the private sector, sometimes with grants from government. There is a continuous evaluation of all expenditure and its outcomes.

Tourism-related policies and programmes

In 2010, it was estimated that Israel has a shortage of about 16 000 hotel rooms, due to a stagnation in hotel construction over the past decade, and more rapid tourism growth than expected. As a response, the Ministry of Tourism introduced several policy measures:

- A new hotel grading system compatible with the European Hotel Star system, with participation on a voluntary basis.
- Grants of up to 20% of the cost of hotel renovations to complement the hotel grading policy.
- Grants of up to 28% to entrepreneurs to convert existing buildings into hotels.

With the aim of raising the level of competitiveness in the tourism industry, the Ministry of Tourism established in 2012 a committee that checks the components of tourism prices in Israel. The committee recommended the abolition of many unnecessary regulations that affect costs in the tourism industry and hamper competition. The committee's recommendations were approved and adopted by the government. The ministry is now working with other government offices on implementation.

In June 2013 Israel signed an "Open Skies" agreement with the European Union, to be phased in by 2018. It is expected that the implementation of the agreement in the coming years will reduce flight costs, increase Israel's competitiveness and increase the number of inbound tourists.

The sustainable development policy of the Ministry of Tourism operates according to the following principles: territorial contiguity of new tourism development with the built area in order to conserve as much as possible the natural environment, integration with the landscape and environment, encouraging the use and adaptation of existing structures, green construction, rehabilitation of rivers, and the preparation of a strategic plan for sustainable development. The ministry is encouraging investors to build "green hotels" by giving such hotels priority when considering their eligibility for grants.

From a cultural standpoint, the ministry is fostering cultural preservation through the rehabilitation of archaeological sites. It also encourages and assists enterprises that present the whole range of cultures that exist in Israel. From a social standpoint, the

ministry is assisting residents in outlying areas with the development of small tourism enterprises, and encouraging the development of rural and agricultural tourism.

The ministry holds courses for workers in the various tourism industry markets, and also trains young people and the unemployed for work in the tourism industry. In addition, the ministry organises employment fairs together with tourism industry stakeholders. Due to the increase in tourist numbers, there is a lack of authorised tourist guides in several languages, and the ministry is giving special grants to people who want to become tourist guides in these languages. The ministry has announced the opening of shorter but more intensive courses in these languages for people who have already a background in guiding.

The ministry regularly convenes a marketing forum that is attended by representatives from all tourism sectors. Special funds exist for assisting travel agents and wholesalers, in Israel and abroad, with their international marketing. The ministry is working with inbound tour operators towards the removal of obstacles at the gateways to Israel, and also provides an economic safety net for new airlines seeking to market Israel and operate flights to the country. The ministry, with the tourism industry, is organising special visits to Israel for groups of wholesalers who are interested in marketing Israel. The ministry is covering part of the costs of industry representatives at international fairs.

Statistics and performance evaluation

The ministry prepares annual plans that include yearly targets and measurable goals for all activities and outcomes, and is based on a long-term master plan. The ministry carries out surveys and studies, and maintains regular contact with tourism industry entities in Israel and abroad, for feedback. Tourism Satellite Accounts (TSA) for Israel were first published in 2005, with tables covering 1995, the year in which the last general input-output tables for the country were compiled. The second set of TSAs was published in 2010 and referred to 2004 data. Currently, the Central Bureau of Statistics is updating the TSA to 2007.

Statistical profile

Table 1. **Israel: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	6 491	6 572	6 739	6 684	6 850
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	15 407	15 599	15 996	15 865	16 260
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932987575

Table 2. **Israel: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	3 028	2 739	3 445	3 362	3 521
Overnight visitors (tourists)	Thousand	2 560	2 321	2 803	2 820	2 886
Same-day visitors (excursionists)	Thousand	468	418	642	542	635
Top markets						
United States	Thousand	617	548	620	581	584
Russian Federation	Thousand	356	404	551	494	526
France	Thousand	264	261	287	269	263
United Kingdom	Thousand	187	172	181	168	165
Germany	Thousand	147	147	179	180	158
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million ILS	14 407	13 108	16 622	16 198	18 420
International travel receipts	Million ILS	11 712	10 783	13 841	13 622	15 524
International passenger transport receipts	Million ILS	2 695	2 325	2 781	2 576	2 896

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932987594

Table 3. **Israel: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	4 207	4 006	4 269	4 387	4 349
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million ILS	15 951	15 214	16 553	16 595	16 787
International travel expenditure	Million ILS	12 340	11 438	12 743	12 663	12 717
International passenger transport expenditure	Million ILS	3 611	3 776	3 810	3 932	4 070

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932987613

Table 4. **Israel: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	18 997	18 042	18 895	18 574	15 316
Tourism industries	..	..	..	..	..
Accommodation services for visitors	2 133	1 678	1 669	1 704	1 665
Hotels and similar establishments	335	336	332	338	342
Food and beverage serving industry[1]	8 286	8 605	8 936	9 109	9 351
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	1 078	1 159	1 174	1 301	1 300
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods[2]	7 500	6 600	7 116	6 460	3 000
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Restaurants.
2. Shops with Value Added Tax refund arrangements.

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932987632

Table 5. **Israel: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	95 000 e	95 000 e	99 000 e	103 000 e	106 800 e
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932987651

Table 6. **Israel: Internal tourism consumption**

Million ILS, 2012

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	18 461	18 454	36 915
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	..	..	..
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	..	..	..

Note: Domestic tourism consumption includes outbound tourism.
Source: Ministry of Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932987670

Table 7. **Israel: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	2.2	2.0	2.3	2.0	2.1
Total tourism employment (direct) as % of total employment	3.3	3.2	3.4	3.3	3.2

Source: Ministry of Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932987689

For more information

Ministry of Tourism	*www.tourism.gov.il*
Israel National Tourist Office	*www.thinkisrael.com*
Central Bureau of Statistics	*www.cbs.gov.il*

Italy

Tourism in the economy

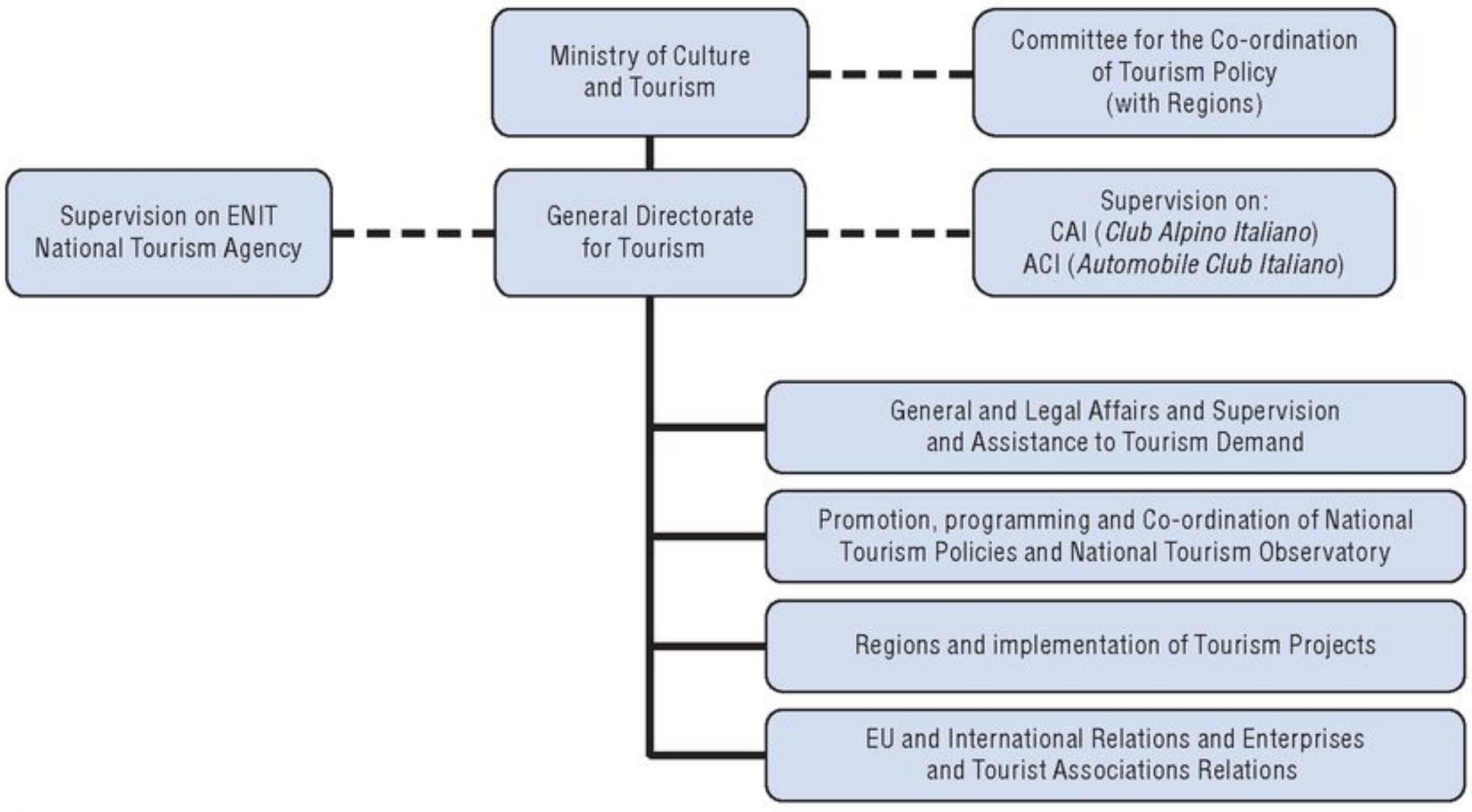
The Tourism Satellite Account for Italy indicates that in 2010, the value added in tourism accounted for EUR 82.8 million, 6% of the total value added in the whole economy. The contribution of tourism to employment – including direct, indirect and induced effects – was 13.8% of the total in 2011.

Italy is one of the most important international tourism destinations, with 76.3 million foreign visitors in 2012, up 7.9% over the four years from 2008. The main source markets are Switzerland, Germany, France, Austria and Slovenia. Italians made 53.3 million trips abroad in 2012, 2% fewer than in 2008.

Tourism organisation and governance

In 2013, the responsibility for the governance of the tourism sector moved from the Prime Minister's Office to the Ministry of Culture and Tourism (Figure 1) with a mandate for both safeguarding Italian cultural heritage and the development of the tourism industry.

Figure 1. **Italy: Organisational chart of tourism bodies**



Note: The structure of the General Directorate for Tourism is under development.
Source: OECD, adapted from the Ministry of Culture and Tourism, 2014.

In the field of tourism, the central government carries out the following tasks:

- Elaborating and defining national tourism policies, in co-ordination with the regions and autonomous provinces.
- Adopting measures for the tourism sector, and planning and managing structural funds.
- Supervising the State Tourism Agency (ENIT), the *Automobile Club d'Italia* (ACI) and *Club Alpino Italiano* (CAI).
- Providing assistance and incentives to encourage tourism demand.
- Promoting investment in Italy and abroad.
- Delivering certifications and authorisations to foreign professionals.
- Managing relations with international organisations and participating in the elaboration and adoption of EU legislation.

The State Tourism Agency (ENIT – *Ente Nazionale Italiano per Il Turismo*) comes under the supervision of the General Directorate for Tourism of the Ministry of Culture and Tourism. Regions and other stakeholders are represented on ENIT's executive board. It pursues the objectives of promoting Italy as a destination and promoting its natural and cultural heritage. It also carries out studies and publishes research, professional and promotional materials, and develops marketing and promotional strategies to support the tourism industry, in co-ordination with local authorities and other stakeholders.

Italy's Constitution empowers the regions to play an essential role in the field of the tourism through key activities, including:

- Managing European Structural Funds.
- Programming and developing tourism activities at regional and local level.
- Promoting strategic marketing activities.
- Performing tasks related to regional tourism structures.
- Performing tasks related to enterprises and tourism professions.

Provinces and municipalities also contribute to the improvement of the quality of tourism supply. Their national organisations are the *Unione delle Province Italiane* (UPI) and the *Associazione Nazionale dei Comuni Italiani* (ANCI).

The most important industry federations and associations at national level are: the *Federturismo* (part of *Confindustria*), *Confturismo (Confcommercio)* and *Assoturismo (Confesercenti)*. Their tasks are to represent tourism industries and professionals, provide information and communication on actions of common interest, undertake training, studies and research programmes, promote the culture of entrepreneurship, and support initiatives in sustainable tourism development.

Tourism budgets

The 2012 budget for the National Tourism Administration (part of the previous Department for regional affairs, tourism and sport) was EUR 33 million, of which EUR 19 million were earmarked for the operations of ENIT.

In addition, regional organisations in tourism have their own budgets. In 2010, the latest year for which data are available, total expenditure on tourism was EUR 1 314 billion.

Legislation in 2006 and 2009 allocated funds for implementing flagship projects to develop and promote tourism nationally and to recover its international competitiveness. These were made available to regions and autonomous provinces and totalled EUR 112.7 million.

Tourism-related policies and programmes

The General Directorate for Tourism leads a project aimed at providing the Convergence Regions (Calabria, Campania, Puglia and Sicily) with tools and methodologies supporting the design and management of development plans in the tourism sector. The budget allocated to this project, co-financed through the Governance and Technical Assistance National Operational Plans (ERDF 2007-13) is EUR 4.4 million.

Also related to the Convergence Regions is a programme that is part of the Inter-Regional Programme on Cultural, Natural and Tourism Attractors. The project, which was worth EUR 49.9 million over the period 2007-13 seeks to promote social and economic development through the valorisation of the cultural, natural and landscape heritage. A memorandum of understanding between the previous Department of Tourism and the regions and autonomous provinces was signed in June 2010 to implement provisions relating to 43 regional and inter-regional projects prepared by local authorities. Each project is subject to the signature of a project-specific agreement, in which the contribution of the state may not exceed 90% of the project cost, the balance coming from the regional administrations and/or other participating bodies. Most of these projects are being completed.

In 2012, the former Minister for Tourism issued a National Strategic Plan for Tourism to be implemented by 2020. The plan identifies 61 actions to be carried out to develop and strengthen the Italian tourism industry. Under the present government, the plan is being updated with priority actions and programmes developed for immediate start.

In May 2011, the Council of Ministers approved a decree issuing the Code on Tourism (*Codice della normativa statale in tema di ordinamento e mercato del turismo*), which came into force in June 2011. This aims to regularise tourism to meet the obligations of the sector under international and European Union law.

The code revises the organisation of the tourism sector to ensure modern market regulation in line with European legislation, to promote the latest computer technology, to meet security needs and issues of environmental protection, to protect the rights and interests of consumers and professionals, and to provide incentives and support for small and medium-sized enterprises in the tourism sector.

Several initiatives are under way in the framework of social policies and economic recovery plans, financed with national and EU funds. The previous Department of Tourism and the Regions have co-financed several multi-annual projects in the regions, such as a programme of hospitality in villages in Campania, Basilicata and Puglia, a programme of Mediterranean food and wine in Calabria, Sicily and Puglia, and a programme of tourism in the countryside in Lombardy, Sicily and other regions. Elsewhere across Italy, regional projects seek to improve the performance of tourism enterprises, promote cultural tourism, improve infrastructure, minimise waste, create new tourist and cultural routes and enhance the natural and cultural heritage.

Italy has hosted the Permanent Secretariat of the World Committee on Tourism Ethics with the Department of Tourism since 2008. The committee is aimed at promoting and disseminating the UNWTO Global Code of Ethics in Tourism. The committee has pursued the distribution of the code at major international and national tourism events, has organised an international conference on ethics in tourism, and has drafted model protocols implementing the code's principles. In February 2013, Italy and UNWTO signed a memorandum of understanding aimed at implementing the activities of the secretariat, whose name has been changed to the Centre for the Promotion of the Global Code of Ethics for Tourism.

In 2011, a law was enacted authorising the regions to create "tourism districts", bringing together public and private enterprises in seaside municipalities with the aim of increasing the tourism value of their territories. In 2013, the first such "tourism district" was created in Rome and its neighbouring seaside municipalities.

Statistical profile

Table 1. **Italy: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	103 149	94 353	81 760	68 164	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	550 010	530 830	493 681	411 510	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Italian Institute of Statistics (ISTAT).

StatLink http://dx.doi.org/10.1787/888932987708

Table 2. **Italy: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	70 719	71 692	73 225	75 866	76 293
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Switzerland	Thousand	12 008	12 234	13 297	13 565	13 145
Germany	Thousand	11 517	11 422	10 857	11 682	11 679
France	Thousand	10 107	10 168	9 976	10 165	10 246
Austria	Thousand	6 573	7 318	7 660	6 503	6 930
Slovenia	Thousand	3 900	4 226	4 117	4 394	4 071
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million EUR	31 090	28 856	29 257	30 891	32 056
International passenger transport receipts		..	..	..	..	..

Source: Bank of Italy.

StatLink http://dx.doi.org/10.1787/888932987727

Table 3. **Italy: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	54 421	54 839	55 304	52 618	53 339
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million EUR	20 848	20 015	20 416	20 583	20 512
International passenger transport expenditure		..	..	..	..	..

Source: Bank of Italy.

StatLink http://dx.doi.org/10.1787/888932987746

Table 4. **Italy: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises[1]	291 197	290 973	294 115	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
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	..	..	..	..	..

1. Hotels and restaurants.

Source: Italian Institute of Statistics (ISTAT).

StatLink http://dx.doi.org/10.1787/888932987765

Table 5. **Italy: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP[1]	3.4	3.7	3.6	3.6	3.7
Total tourism employment (direct) as % of total employment[1]	5.2	5.2	5.2	5.4	5.6

1. Hotels and restaurants.

Source: Italian Institute of Statistics (ISTAT), International Center of Studies on the Tourist Economy (CISET).

StatLink http://dx.doi.org/10.1787/888932987803

For more information

Ministry of Culture and Tourism	*www.beniculturali.it*
Italy National Tourist Office	*www.enit.it*
National Institute of Statistics	*www.istat.it*

Japan

Tourism in the economy

Tourism is one of the largest sectors in the Japanese economy. Internal tourism consumption in Japan in 2011 was estimated to be JPY 21.5 trillion (including about JPY 1 trillion from international visitors). The total travel consumption of the Japanese (which has declined in recent years) was estimated at JPY 24.6 trillion, of which approximately JPY 3.2 trillion was spent overseas.

The direct and indirect contribution of tourism to GDP in 2011 was JPY 46.4 trillion (5.0%), according to the Tourism Satellite Accounts. The 4 million jobs generated by the industry provided 6.2% of total employment in 2011. Tax revenues from the tourism industry were estimated to be JPY 4 trillion or 5.1% of total tax revenues (including national and local taxes) in 2011/12.

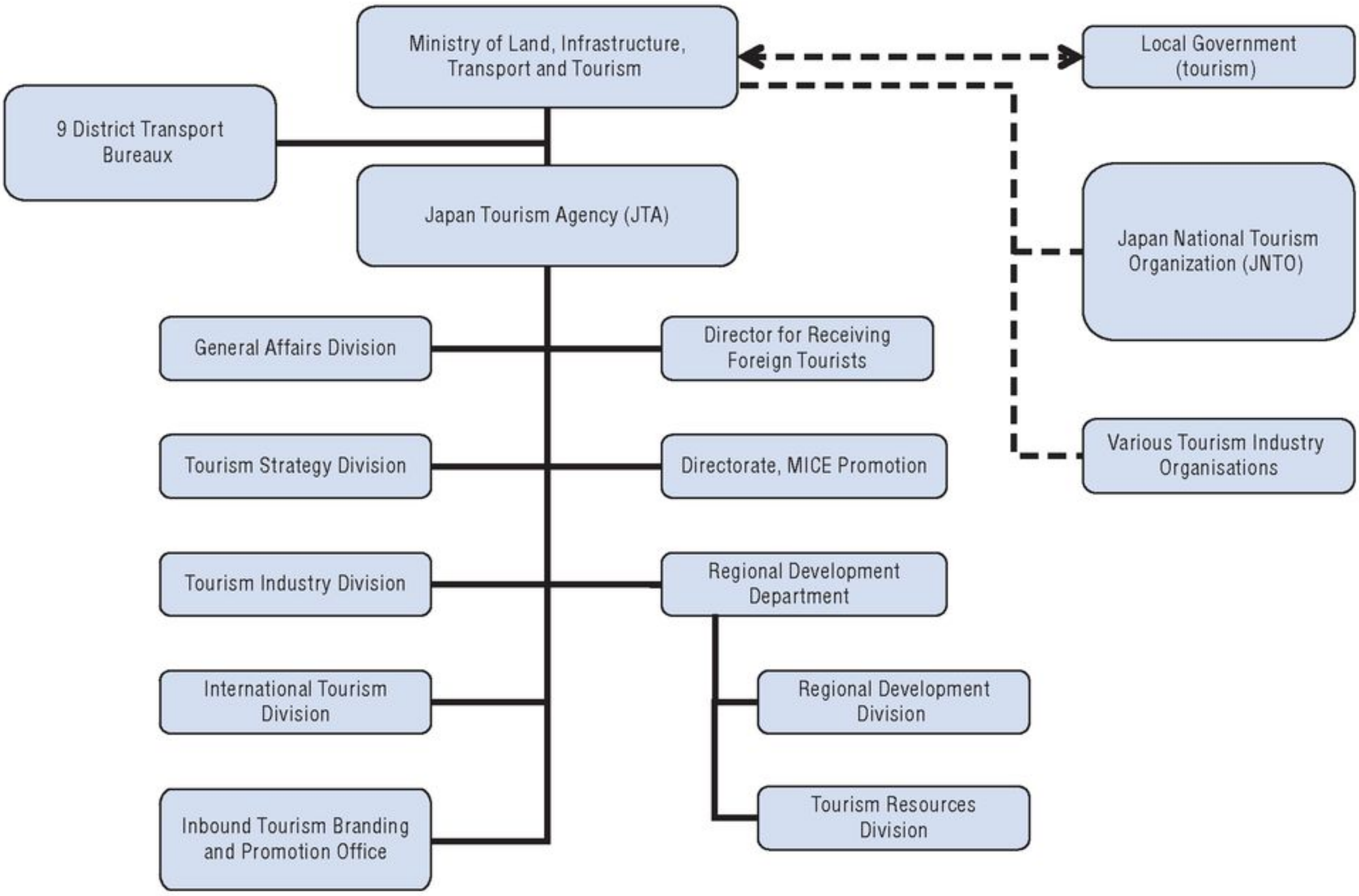
Tourism organisation and governance

The Japan Tourism Agency (JTA), established in October 2008 as an extra-ministerial bureau of the Ministry of Land, Infrastructure, Transport and Tourism, oversees the administration of the tourism policy (Figure 1). In co-operation with the public and private sectors, it promotes the attractiveness of Japan as a tourism destination. The agency, led by a Commissioner, represents the government of Japan in all matters concerning tourism.

In June 2013, the government set as a new target the objective to attract 20 million international visitors by 2030. The Tourism Strategy and International Tourism Divisions were formed to bring together policies necessary to achieve this goal. In addition, an Inbound Policy Promotion Office was created.

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

Figure 1. **Japan: Organisational chart of tourism bodies**



Source: OECD, adapted from the Japan Tourism Agency, 2014.

Tourism budgets

The Ministry of Land, Infrastructure, Transport and Tourism budget for tourism-related activities in 2013/14 (not including regional development and infrastructure building budgets) is approximately JPY 10.2 billion. This includes JPY 6.1 billion for the Visit Japan campaign and JPY 1.8 billion in subsidies for the Japan National Tourism Organization (JNTO). The remainder of JNTO's budget of JPY 2.8 billion in 2013/14 is made up of JPY 360 million in contributions, convention sponsorship and other income, JPY 200 million in business income, and JPY 380 million in donations.

Tourism-related policies and programmes

In June 2013, the government introduced the Japan Revitalization Strategy ("Japan is Back"), a new growth strategy aimed at reviving the Japanese economy. One of the specific elements within the strategy is the Strategic Market Creation Plan, which aims to attract people from around the world (20 million international visitors by 2030).

In July 2010 the government put into force measures to simplify the procedures for tourist visas for Chinese nationals, including easing visa requirements and increasing access to diplomatic establishments and tourism agencies to apply for visas. It has also taken other measures, including promotional campaigns under the "selection and concentration" principle, promoting tourism in collaboration with medical and other growth fields, and improving the welcoming environment for international travellers (e.g. authorising paid tour guides in addition to nationally licensed tour guide-interpreters). By these measures, Japan aims to increase the number of international visitors to Japan, towards the target of 30 million.

The government created the Tourism-based Country Promotion Basic Plan in 2007, which aims to develop Japan as a tourism-oriented country. In March 2012, a new basic plan was developed to address such issues as the recovery after the Great East Japan Earthquake of March 2011, and to accelerate Japan's economic growth over the next five years. The policy direction of the basic plan includes "expanding tourism's support base" and "improving the quality of tourism".

In order to speed up the recovery in visitor numbers to Japan, the JTA is developing an "All Japan" system of promoting inbound travel, using all the human resources and opportunities available, including the private sector, diplomatic missions abroad, and the opportunities provided by open-skies agreements and MICE events held in Japan and abroad. The agency is also more generally encouraging business demand for international conferences and the whole range of MICE events, both domestic and international. The agency has also held a Tourism Industry Policy Review Forum, at which industry experts compiled a list of priority policy proposals and issues to be addressed.

In cultivating the human resources necessary to support growth, tourism authorities are advancing initiatives to train future business managers through collaboration with industry, academia and government. They are also working to improve education related to tourism within institutions of higher education and further education programmes.

A specific example is the "Conference of university presidents and deans on tourism education", which was held in July 2013 to discuss the role of university education. Another example is the implementation of internship model programmes, created with the co-operation of tourism industry organisations and companies to promote knowledge about the tourism industry and generate interest in working in the industry.

Statistics and performance evaluation

The Japan Tourism Agency is implementing a new standard to collect inbound tourism statistics at the prefecture level, including data on visitors, tourism consumption and tourism receipts. In 2010/11, the Overnight Travel Statistics Survey was expanded to include small-scale accommodation facilities. In 2011/12, a "Consumption Trend Survey for International Visitors to Japan" was introduced in order to understand better the consumption patterns of international visitors and to gain information on their opinions and attitudes. In addition to establishing Tourism Satellite Accounts, a Regional Tourism Economic Survey was implemented, which will help to clarify the economic effects of tourism on local areas, the position of the tourism industry in these areas, and the flow of tourism-related money in these areas.

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

Statistical profile

Table 1. **Japan: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation[1]	Thousand	309 699	301 304	348 823	339 339	359 945
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts	Billion JPY	18 900	17 300	16 000	15 100	..

1. Accommodation with more than ten employees.

Source: Japan Tourism Agency.

StatLink http://dx.doi.org/10.1787/888932987822

Table 2. **Japan: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	8 351	6 790	8 611	6 219	8 368
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Korea	Thousand	2 382	1 587	2 440	1 658	2 044
Chinese Taipei	Thousand	1 390	1 024	1 268	994	1 467
China	Thousand	1 000	1 006	1 413	1 043	1 430
United States	Thousand	768	700	727	566	717
Hong Kong, China	Thousand	550	450	509	365	482
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Billion JPY	1 430	1 170	1 350	1 000	1 300
International travel receipts	Billion JPY	1 120	960	1 160	900	1 200
International passenger transport receipts	Billion JPY	310	210	190	100	100

Source: Japan National Tourism Organization, Bank of Japan.

StatLink http://dx.doi.org/10.1787/888932987841

Table 3. **Japan: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	15 987	15 446	16 637	16 994	18 490
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Billion JPY	4 030	3 250	3 480	3 170	3 280
International travel expenditure	Billion JPY	2 880	2 350	2 490	2 170	2 240
International passenger transport expenditure	Billion JPY	1 150	900	990	1 000	1 040

Source: Ministry of Justice, Bank of Japan.

StatLink http://dx.doi.org/10.1787/888932987860

Table 4. **Japan: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	71 055	69 090	66 818	66 299	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	60 449	58 654	56 535	56 059	..
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[2]	10 606	10 436	10 283	10 240	10 146
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Includes Western and Japanese style hotels.
2. Travel agencies.

Source: Ministry of Land, Infrastructure and Transport.

StatLink http://dx.doi.org/10.1787/888932987879

Table 5. **Japan: Internal tourism consumption**

Billion JPY, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	20 505	998	21 503
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	3 176	302	3 478
Food and beverage serving services	2 237	185	2 422
Passenger transport services	6 424	218	6 642
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	410	6	416
Cultural services	279	7	286
Sports and recreation services[1]	429	4	433
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products[2]	7 550	275	7 825
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.
2. Tourism connected goods and other services.

Source: Japan Tourism Agency, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932987917

Table 6. **Japan: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	2.7	2.6 |	2.4	2.3	..
Total tourism employment (direct) as % of total employment	4.2	4.0 |	3.6	3.3	..

Source: Japan Tourism Agency, Japan System of National Accounts, Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932987936

For more information

Japan Tourism Agency	*www.mlit.go.jp/kankocho*
Japan National Tourism Organization	*www.jnto.go.jp*

Korea

Tourism in the economy

In 2012, Korean tourism achieved strong growth, registering a record 11.1 million international arrivals, a 13.7% increase over 2011, while outbound travel grew by 8.2% to 13.7 million departures. The five leading origin markets in terms of the number of visitors to Korea were Japan (3.5 million), China (2.8 million), the United States, Chinese Taipei, and Thailand.

Korean tourism contributed an estimated 5.9% of total national GDP in 2012 and accounted for 6.4% of total employment (WTTC). Tourism expenditure for the year was USD 16.5 billion, a 6.3% increase over the previous year, while tourism receipts amounted to USD 13.4 billion, an increase of 8.5%. Significantly, the balance of payment deficit decreased annually from USD 3.9 billion in 2010 to USD 3.0 billion in 2012.

Tourism organisation and governance

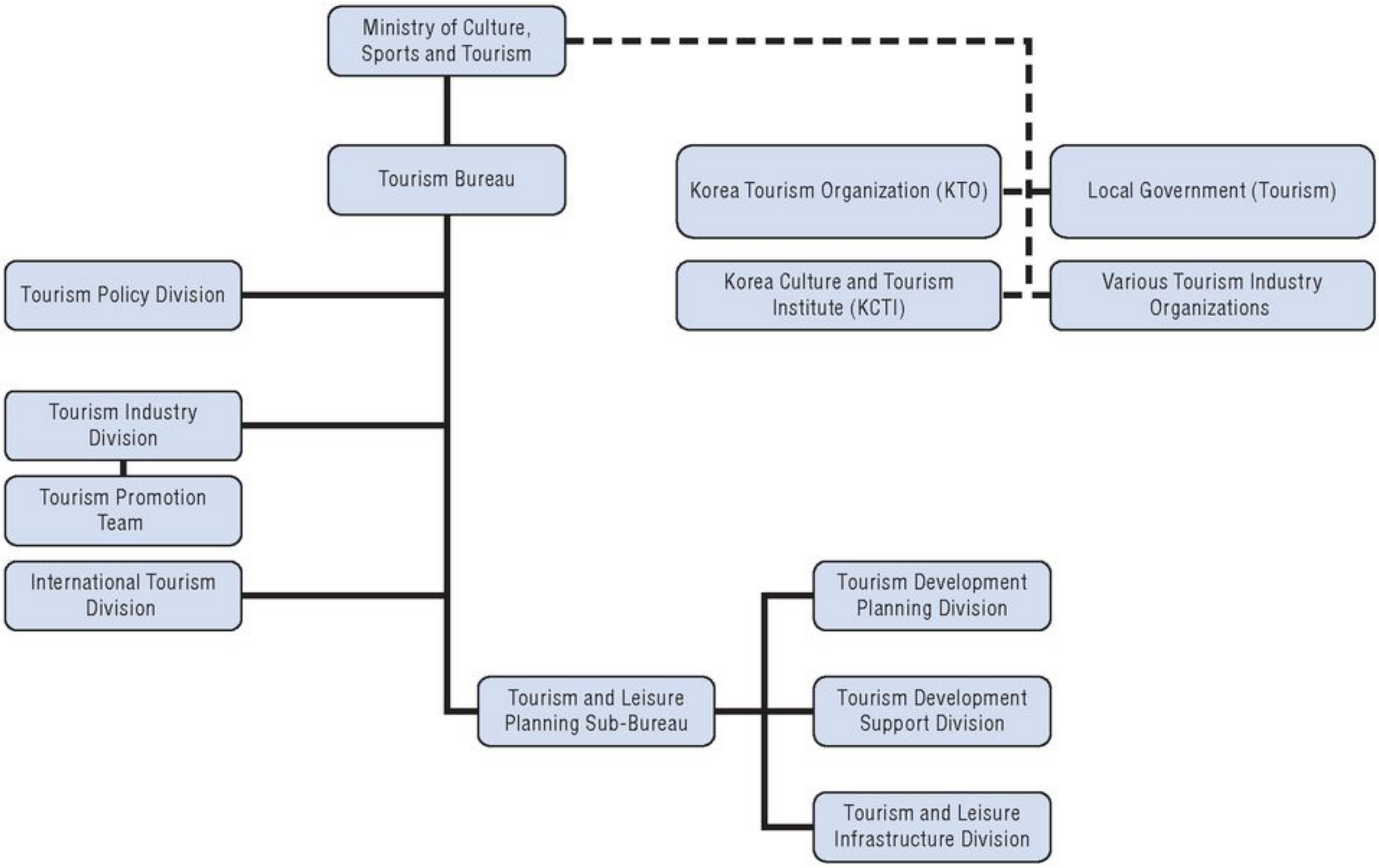
In February 2013, following the election of the country's new government, some important changes impacting the governance and organisation of the administrative office were introduced. One important change is the Ministry of Culture, Sports and Tourism (MCST)'s new Digital Content Industry Division. Other initiatives aimed to heighten efficiencies inside the MCST have also been introduced (Figure 1):

- The Tourism Bureau encompasses the Tourism Policy Division, Tourism Industry Division and International Tourism Division.
- The Tourism and Leisure Planning Sub-Bureau comprises the Tourism Development Planning Division, the Tourism Development Support Division, and the Tourism and Leisure Infrastructure Division.

Additional organisations supporting tourism are:

- The Korea Tourism Organization (KTO) is responsible for international and domestic tourism promotion. Recent initiatives by KTO have focused on the development of tourism technology as a means of further promoting and enhancing the reach of Korean pop culture (the Korean wave or *Hallyu*) to further enhance the country's tourism industry.
- The Korean Culture and Tourism Institute (KCTI) conducts research activities in parallel with the initiatives of the MCST. In July 2013, the MCST announced a new policy aimed at enhancing international co-operation in the field of tourism, which described ten major tasks including strengthening research functions in international tourism co-operation. In line with this new initiative, the KCTI established the International Tourism Research Centre under the Tourism Policy Research Division.

Figure 1. **Korea: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Culture, Sports and Tourism, 2014.

- A variety of organisations, including the Korea Tourism Association (KTA), Korea Association of Travel Agents (KATA), Korea MICE Association (KMA), Korean Association of Professional Congress Organizers (KAPCO) and Korea Tourist Guides Association (KOTGA), work closely with the MCST to support the many benefits – economic, social, cultural, etc. – associated with tourism development as a whole.

Tourism budgets

In 2012, a total of USD 2.54 million (general account) was allocated to support the development and assessment of tourism resources, co-operation in international tourism, official development assistance (ODA) in tourism, and the establishment of tourism and leisure cities.

Tourism promotion and development funding included USD 644 million allocated across the following areas: medical tourism and MICE industries; tourist information centres and reporting centre management; overseas promotion for Korean tourism; tourism market research; and overseas marketing.

An allocation of USD 371 million (special account) was made for infrastructure development. This included the construction of a tourism cluster on the southern coast of Korea and development in the eastern coastal belt to support the construction of access roads to specially designated tourism and leisure enterprise cities.

Tourism-related policies and programmes

In July 2013, in acknowledgement of the importance of the tourism industry's contribution to the economy, the MCST introduced a set of initiatives and policy reforms to achieve its target of attracting 16 million international visitors to Korea annually, creating 60 000 new jobs by 2017.

Initiatives to further boost Korean tourism are as follows:

- *Increased visa facilitation:* To boost visitor arrivals, Korea will increase the number of multiple-entry visas it issues to Chinese nationals resident in Beijing and Shanghai municipalities, and to students at specified Chinese universities. In addition, Southeast Asian tourists from selected countries who have previously visited South Korea without any illegal overstay, will be granted a one-year, multiple-entry visa on arrival.
- *Replacement holiday plan:* To encourage greater domestic travel, the new initiative will provide an additional day off to workers when a public holiday fall on a weekend. Scheduled to commence in January 2014, the periods affected will include Thanksgiving (*Chuseok*), Lunar New Years and Children's Day. Under the new system, workers are expected to receive an average of 1.1 additional vacation days per year.
- *Hotel Tax Refund Program:* Commencing in 2014, foreign visitors who pay hotel charges themselves will be reimbursed for the 10% value-added tax charged to room stays. Canada adopted a similar scheme from 1992 through 2006 and, as a result, the nation benefited from an average 5.8 % rise in tourism revenues annually. Although the programme will result in tax losses of some USD 46 million per annum, the MCST believes it will generate an additional USD 279 million for the economy.
- *Meetings, incentives, conventions and exhibitions/events (MICE):* Since 2008, the Korean government has invested heavily to increase its competitiveness in the MICE Industry. A total of 563 international meetings were hosted in 2012, making it the fifth most visited destination in the world for international association events, according to the Union of International Associations (UIA). To support further advances in these sectors, the government will allocate additional financial and administrative resources to enhance the MICE industry.
- *Medical tourism:* The number of international visitors travelling to Korea for medical-related reasons is on the increase. Key markets for this sector include Japan, China, the Russian Federation and the United States. International patients have more than doubled in recent years, with major hospitals reporting a total of 122 297 patients in 2011 – up from 60 201 patients in 2009. Estimates for this year point to as many as 200 000 international patients being treated in Korea. The MCTS, in co-operation with the Ministry of Health and Welfare, has been actively engaged in developing the infrastructure and mechanisms to promote medical tourism by supporting measures which include the establishment of medical tourism clusters in Daegu and Osong, the opening of one-stop service centres for medical tourism, developing measures to reduce waiting times for people applying for medical visas, and revising laws and regulations governing the practices of agencies or brokers involved in medical tourism.
- *More berths committed to cruise ships at the major seaports and on-board casino services:* In 2012, 23 cruise ships from 16 companies, including Royal Caribbean Cruises and Costa Cruises, visited Korean ports 379 times, bringing 282 400 international tourists (up from 153 300 in 2011) – mostly Chinese to Incheon, Busan, Yeosu, Jeju and other Korean

seaports. The Korean government plans to build eight more berths capable of handling ships weighing more than 100 000 tons in Incheon, Busan, Yeosu and Jeju, to construct duty free shops, shopping and leisure facilities nearby, and to allow foreigner-only casinos on cruise ships owned by local companies. According to the Ministry of Oceans and Fisheries, if all these measures are put in place, more than 2 million foreigners are expected to visit the country on board cruise ships in 2020, generating economic outputs valued at USD 4.6 billion, and generating 30 000 jobs.

- *National Police Agency – Tourism Liaison Officer Program:* According to the Korea Tourism Organization, the number of complaints from visitors travelling to Korea jumped from 468 in 2009 to 897 in 2012. In order to address this issue, commencing in October 2013, the MCST will dispatch police officers with foreign language proficiency from the National Police Agency to areas frequented by tourists – such as Dongdaemun, Insadong, Itaewon, Namdaemun market and airports – to oversee security and prevent foreign tourists being overcharged by taxi drivers and merchants.

The MCST closely works with the Ministry of Land, Infrastructure and Transport and its affiliated organisations, such as the Korea Transport Institute and the Korea Aviation Promotion Association, to support the sharing of knowledge and capabilities to further increase tourist arrivals and to boost revenue enhancement generators at the nation's regional airports.

From 2010 to 2012, Korea recorded one of the highest air traffic growth rates in Asia – averaging nearly 12% annually for international air passenger arrivals. Incheon International Airport has developed into one of Northeast Asia's largest hub airports. The government has negotiated bilateral and multilateral agreements according to the principles of open skies. As of December 2012, the Korean government had signed air services agreements (ASAs) with 93 countries and concluded open skies agreements with 27 countries for the deregulation of passenger traffic.

The MCST is actively supporting the implementation of the 10-Year Framework of Programmes (10YFP) on Sustainable Consumption and Production, which was adopted by the heads of states at the Rio+20 conference.

In 2009, the MCST outlined the guidelines for the development of low-carbon green tourism resources, established action plans to transform the Jungmun Resort into a green tourism complex, and introduced special programmes to manage eco-tourism resources, such as wetlands, breeding sites for migratory birds, the Demilitarized Zone (DMZ) and its adjacent areas. By the end of 2013, the MCST was planning to introduce the "Eco-tourism Activation Masterplan" and the "Eco-tourism Certificate" to encourage tourism stakeholders to implement environment-friendly practices.

Statistical profile

Table 1. **Korea: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	267 009	268 647	263 633	201 976	244 102
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Ministry of Culture, Sports and Tourism, Domestic Visitor Survey, 2008-12.

StatLink http://dx.doi.org/10.1787/888932987955

Table 2. **Korea: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	6 891	7 818	8 798	9 795	11 140
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Japan	Thousand	2 378	3 053	3 023	3 289	3 519
China	Thousand	1 168	1 342	1 875	2 220	2 837
United States	Thousand	610	611	653	662	698
Chinese Taipei	Thousand	320	381	406	428	548
Thailand	Thousand	161	191	261	309	387
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million USD	9 719	9 782	10 321	12 397	13 448
International passenger transport receipts		..	..	..	..	..

Source: Korea Tourism Organization, Korea Tourism Statistics, 2008-12.

StatLink http://dx.doi.org/10.1787/888932987974

Table 3. **Korea: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	11 996	9 494	12 488	12 694	13 737
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million USD	14 581	11 040	14 292	15 544	16 519
International travel expenditure		..	..	..	..	..
International passenger transport expenditure		..	..	..	..	..

Source: Korea Tourism Organization, Korea Tourism Statistics, 2008-12.

StatLink http://dx.doi.org/10.1787/888932987993

Table 4. **Korea: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	11 979	12 755	14 281	16 144	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	758	844	896	920	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[1]	2 067	2 507	3 126	3 415	..
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[2]	8 499	8 569	9 284	10 725	..
Cultural industry	..	..	..	..	..
Sports and recreation industry[3]	418	527	612	686	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries[4]	237	308	363	398	..
Other industries	..	..	..	..	..

1. Includes restaurants which provide entertainment, other restaurants, city tour services, tour photo services and transport terminal services.
2. Travel agencies.
3. Includes casino services, entertainment facility services and professional resort services, excursion boat and cruise services, art performance services, souvenir shop exclusives for foreign tourists.
4. Convention services.

Source: Ministry of Culture, Sports and Tourism, Census on Basic Characteristics of Tourism Establishments, 2008-11.

StatLink http://dx.doi.org/10.1787/888932988012

Table 5. **Korea: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	167 174	168 940	186 395	204 579	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	53 385	56 530	60 402	62 783	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[1]	26 825	30 951	36 725	39 715	..
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[2]	54 661	46 989	49 928	59 287	..
Cultural industry	..	..	..	..	..
Sports and recreation industry[3]	24 593	25 733	28 321	30 156	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries[4]	7 710	8 737	11 018	12 638	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent.

1. Includes restaurants which provide entertainment, other restaurants, city tour services, tour photo services and transport terminal services.
2. Travel agencies.
3. Includes casino services, entertainment facility services and professional resort services, excursion boat and cruise services, art performance services, souvenir shop exclusives for foreign tourists.
4. Convention services.

Source: Ministry of Culture, Sports and Tourism, Census on Basic Characteristics of Tourism Establishments, 2011.

StatLink http://dx.doi.org/10.1787/888932988031

Table 6. **Korea: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	2.0	2.1	1.9	1.9	2.0
Total tourism employment (direct) as % of total employment	2.3	2.4	2.2	2.3	2.4

Source: World Travel and Tourism Council (WTTC), Travel and Tourism Economic Impact 2013.

StatLink http://dx.doi.org/10.1787/888932988050

For more information

Ministry of Culture, Sports and Tourism	*www.mcst.go.kr*
Korea Tourism Organization	*http://visitkorea.or.kr/*
Korea Culture and Tourism Institute	*www.kcti.re.kr*
Korea National Statistical Office	*http://kostat.go.kr/*
K-MICE Information System	*www.k-mice.visitkorea.or.kr*
Korea Tourism Statistics System	*www.tour.go.kr*

Luxembourg

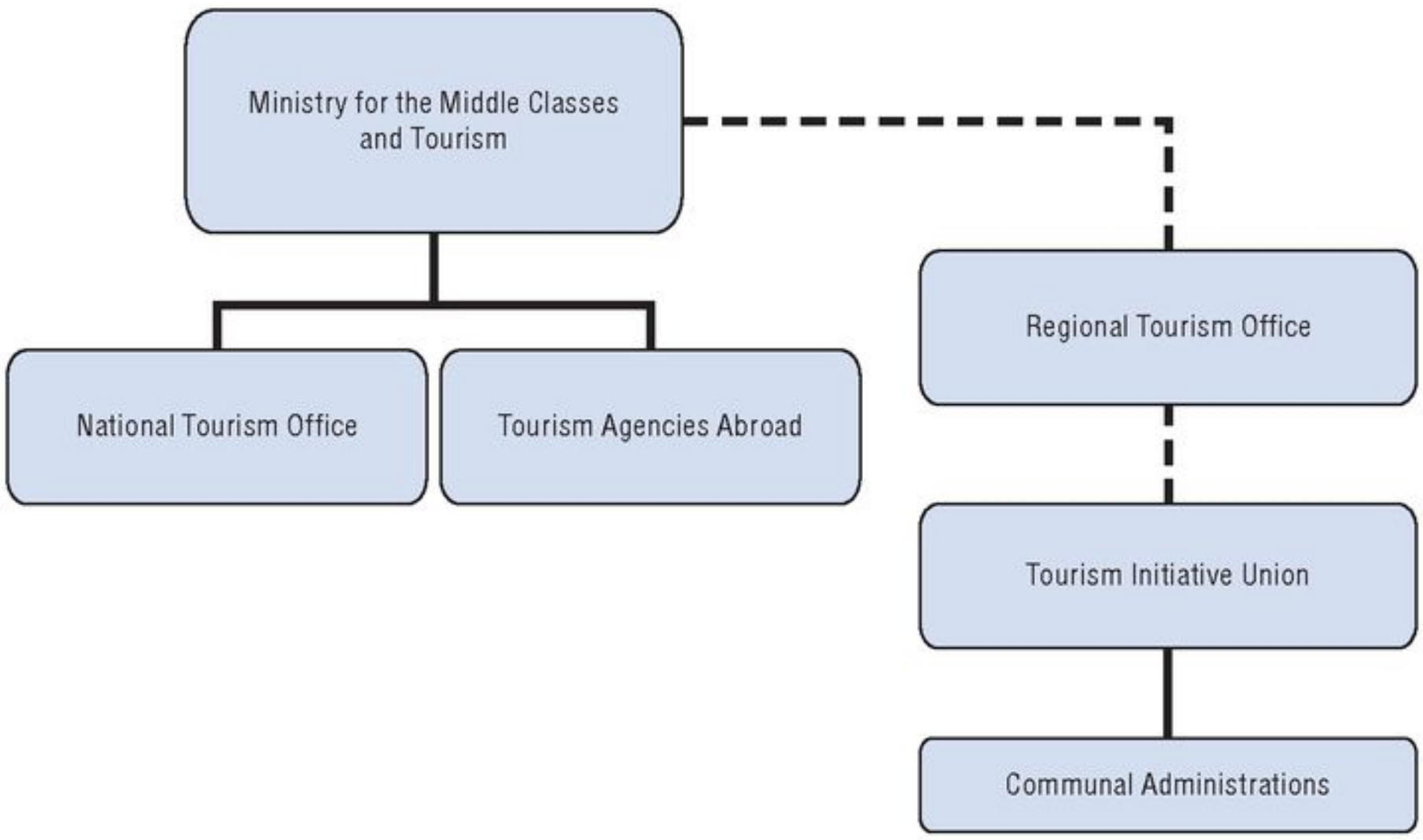
Tourism in the economy

In 2012, Luxembourg welcomed 905 000 tourists, 24% of whom were from France, 20% from Belgium, 18% from the Netherlands and 14% from Germany. Those visits generated EUR 3.6 billion in income from international tourism. The direct impact of tourism in Luxembourg's GDP was estimated at 2.1% in 2011 (WTTC).

Tourism organisation

The Ministry for the Middle Classes and Tourism is responsible for implementing tourism policy and is supported by regional tourism offices (RTOs) within the country. The RTOs bring together each region's leading tourism stakeholders with a view to better co-ordinating activities and making management more professional (Figure 1). A "Marketing Master Plan" was formulated in 2010 to lay down the most important activities of the regional tourism offices.

Figure 1. **Luxembourg: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry for the Middle Classes and Tourism, 2014.

Since 2004, the National Tourism Board has facilitated co-operation between the industry's main stakeholders. Its mission is to advise the government on tourism-related subjects, facilitate a more highly structured dialogue among tourism professionals, and spark discussion on tourism-related topics of broad general interest.

Tourism budget

The primary funding source for the development of tourism is the central government budget. The 2012 budget of the Ministry for tourism totalled EUR 14.3 million, and that of the National Tourism Board EUR 3.5 million (including EUR 2.1 million in subsidies from the ministry).

The funding available to RTOs includes annual subsidies from the central and local government budgets, dues from members and all other income.

Tourism-related policies and programmes

The government's tourism policy is based on the needs of the tourism sector, planning for which is carried out through five-year plans, which have delivered improvements to Luxembourg's tourism infrastructure at local authority level and among businesses. The overall budget for the ninth five-year tourism-related plan is estimated at EUR 45 million. The plan focuses on Luxembourg's key strengths in terms of significant growth potential. These include conference, business and incentive tourism, cultural tourism, tourism in rural areas and domestic tourism.

The 2013-17 plan will continue to subsidise investment in programmes and training to improve the quality of services. It is also innovative in that it now authorises subsidies for investment with a view to participating in tourism-related trade shows. In particular, the plan offers subsidies to businesses for investment in marketing at tourism shows. The ceiling of aid for small and medium-sized enterprises has been raised to 20% of the total investment.

However, there remains further room for action in terms of the organisation of tourism and tourism training and marketing, i.e. in areas generally excluded from the previous plans. The following is proposed for these areas:

- Support for the creation of regional tourist agencies, with a view to gradually transforming non-profit tourist associations (*ententes touristiques*) into regional tourist agencies.
- Tourist information offices, non-profit associations of tourist information offices or other non-profit-making associations should be able to operate as genuine managers of regional or national projects or initiatives to ensure: opening hours that are tailored to customer needs; a professional service throughout the year; greater accessibility and professional management of the project or initiative.
- Creation, by the regional agencies, of thematic tourism products focused on sustainable development.
- Developing the Luxembourg brand image and defining a "unique selling proposition" for the Grand Duchy.
- Developing the training of tourism professionals at national, regional and local level.

The new 2013-17 plan takes these recommendations on board and will provide funding for the creation and expansion of infrastructure projects as well as financial support for the management of key projects, such as the regional tourism offices. The objective is to improve the professionalism of the management and promotion of the key tourism infrastructure projects.

Statistical profile

Table 1. **Luxembourg: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	29	59	49	61	61
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	189	175	142	180	225
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. All means of accommodation.

Source: National Institute of Statistics and Economic Studies (STATEC).

StatLink http://dx.doi.org/10.1787/888932988069

Table 2. **Luxembourg: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)	Thousand	877	847	805	874	905
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
France	Thousand	203	197	202	221	216
Belgium	Thousand	177	172	168	176	177
Netherlands	Thousand	190	189	161	167	165
Germany	Thousand	124	118	109	119	123
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million EUR	3 047	2 989	3 105	3 211	3 585
International passenger transport receipts		..	..	..	..	..

Source: National Institute of Statistics and Economic Studies (STATEC).

StatLink http://dx.doi.org/10.1787/888932988088

Table 3. **Luxembourg: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	1 486	1 494	1 507	1 642	1 580
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million EUR	2 529	2 768	2 484	2 674	2 885
International passenger transport expenditure		..	..	..	..	..

Source: National Institute of Statistics and Economic Studies (STATEC).

StatLink http://dx.doi.org/10.1787/888932988107

Table 4. **Luxembourg: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	454	449	450	441	430
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	372	365	365	360	349
Hotels and similar establishments	272	267	264	261	252
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	82	84	85	81	81
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Includes hotels, hostels, pensions and campsites.

Source: National Institute of Statistics and Economic Studies (STATEC).

StatLink http://dx.doi.org/10.1787/888932988126

For more information

Ministry for the Middle Classes and Tourism	*www.mdt.public.lu*
National Tourist Board	*www.ont.lu*
National Statistics Portal	*www.statistiques.public.lu*

Mexico

Tourism in the economy

Tourism is a national priority in Mexico as it generates direct and indirect jobs, as well as foreign currency receipts and economic growth. Tourism also promotes regional development and productive chains, in addition to improving quality of life for families and communities. It contributes 8.4% of Mexico's GDP, is the fourth largest source of export revenues, and creates around 2.5 million direct and 5 million indirect jobs.

Domestic tourism represents more than 80% of tourism in the country, mostly generated in regions/municipalities that do not receive important international flows.

Mexico has a diversity of tourism products, offering more than 40 000 archaeological sites (almost 200 of which are open to the public); 62 ethnic groups; 38 World Heritage Sites; 83 *Pueblos Mágicos* (Magical Towns); 10 *Rutas de México* (recognised tourist routes); 14 AAA – 5 diamond hotels and 637 000 hotel rooms; 50 world-class golf courses; the world's leading port in cruise ship arrivals (Cozumel); and world-class facilities for meetings and conventions. Mexico's gastronomy and *mariachi* were named Intangible Cultural Heritage of Humanity by UNESCO.

During 2012, Mexico received 23.4 million tourists, placing it in 13th position in the international tourist arrivals ranking published by UNWTO. In the same year, Mexico generated USD 12.7 billion in international tourism receipts.

Tourism organisation and governance

The Ministry of Tourism, cabinet position within the federal government, designs, develops, co-ordinates and implements tourism policy. Specific policy details are set out by each administration, which in Mexico changes every six years following presidential elections. During the first semester of every new administration, a National Development Plan and individual plans for economic sectors such as tourism are set out by the executive.

The Ministry's vision is to make Mexico a world leader in tourism by 2030. To achieve this, the strategy of the federal government is to: recognise tourism as key to economic development; encourage tourism businesses to be competitive both nationally and internationally; develop tourism that respects the natural, cultural and social environments; diversify tourism products; and develop new markets.

Its mission is to develop tourism by planning and stimulating the sector, providing operational support, and promoting tourism services in co-ordination with the different bodies and levels of government. For this purpose, the President created and chairs the Federal Tourism Cabinet, a body that includes ministers and sectoral stakeholders, in order to incorporate the views of the public and private sectors for the implementation of the national tourism policy.

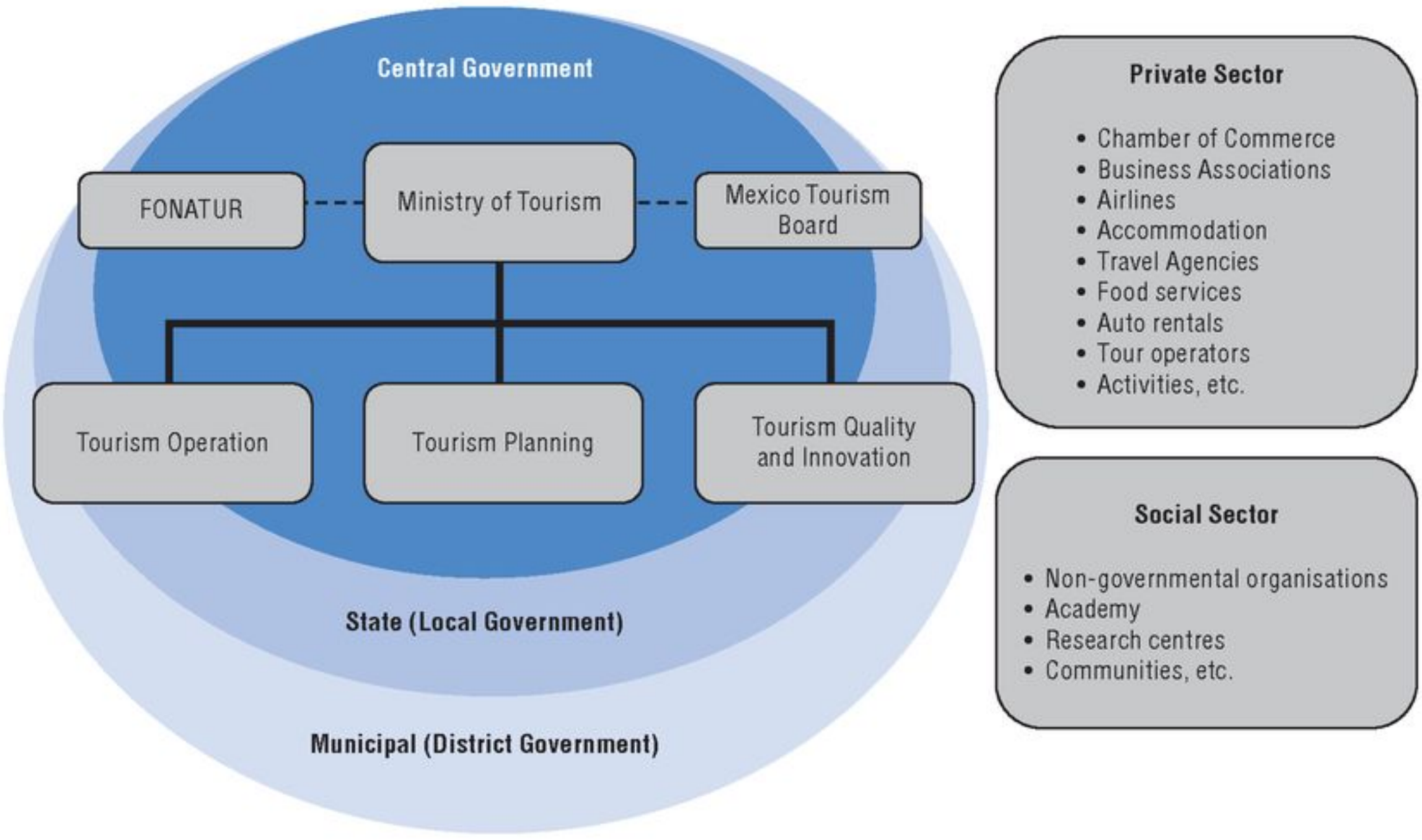
The Tourism Cabinet articulates plans, actions and budgets of federal agencies to achieve the objectives of the National Tourism Policy, through specific working groups in order to streamline, rationalise and optimise the use of public resources for the benefit of the tourism sector. It serves as an instrument for public policy planning and as a co-ordination mechanism for the government to increase management capability, and to facilitate the implementation of tourism sector priorities.

The General Tourism Law (2009) establishes the basis for co-ordination between federal, state and local authorities, and defines the main roles and responsibilities for each level of government. It also states that the ministry is to register all tourism service providers, organise and publish tourism-related statistics, and conclude international agreements to promote foreign investment for tourism in Mexico.

The basic organisational structure of the Ministry of Tourism of Mexico (Figure 1) is as follows:

- The Office of the Minister, which is responsible for leading and consolidating national tourism development by planning activities, supporting the development of supply and operation of tourism services, and for advocacy to meet the priorities established in the National Development Plan. The head of the ministry (the Secretary), interacts and co-ordinates actions with the National Trust Fund for Tourism Development (FONATUR) and the Mexico Tourism Board, to promote tourism investment and products, in order to increase flows and expenditure.
- FONATUR identifies potential large-scale tourism development projects, assists and supports state governments in the planning of local projects, participates in the construction of basic infrastructure in tourism destinations, and is responsible for attracting private investment to them.

Figure 1. **Mexico: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

- The Mexico Tourism Board develops and executes strategies to promote tourism to and from Mexico at national and international level, and maintains offices in major source markets for promotional purposes.
- The Undersecretariat for Tourism Planning is responsible for designing public policies and programmes, and, in co-ordination with state and municipal governments, for identifying priority projects for the development and promotion of tourism.
- The Undersecretariat of Tourism Operation encourages the development, operation and evaluation of programmes and tourist services that enable competitive and sustainable tourism development contributing to job creation, the preservation of the natural and historic heritage, and the generation of foreign exchange earnings.
- The Secretariat for Quality and Innovation is responsible for establishing mechanisms and institutions to provide the human, financial and material resources necessary for quality tourism. It also provides computer services, organisational support and co-ordinating services for their operation, and encourages the development of innovative measures of quality and efficiency.

Tourism budgets

In 2012, the total budget of the Ministry of Tourism was MXN 7 744 million (approximately USD 587 million). The Mexico Tourism Board received MXN 2 246 million (USD 170 million) and FONATUR's budget was MXN 3 646.1 million (USD 276 million).

Tourism-related policies and programmes

The goal of the new National Tourism Policy (NTP) is to help Mexico become a world-class destination. It is based on four principles:

- *Planning and sectoral transformation:* the NTP will be followed by the various levels of government, and in the actions and budgets of federal agencies involved in the sector. The agenda of tourism-related work across all government departments will be co-ordinated by the new Federal Tourism Cabinet.
- *Innovation and competitiveness:* the country needs to work on diversifying its tourism offer as well as on strengthening destinations that are already recognised worldwide.
- *Development and promotion:* the state must assume its responsibility in planning, developing and promoting destinations, thus acting as a proactive agent, driver and facilitator of private efforts.
- *Sustainability and social benefit:* the government will create tools that will help Mexico's tourism industry preserve natural resources, heritage, history and culture. Programmes will also be developed to make tourism more accessible to all sectors of the population.

In accordance with the National Development Plan 2007-12, the government is running several programmes to support sustainability:

- *Environmental Quality Tourism:* delivers a certification system for tourism service providers who have demonstrated compliance with environmental legislation and self-regulation policies.
- *Clean Tourism Destination:* an initiative that encourages municipalities to ensure that high standards of water and solid waste management are integrated into the tourism services offered in the destination.

- *Special Programme for Climate Change:* the main objectives are to establish a sectorial fund in co-ordination with the National Council of Science and Technology, which is financing two research projects in this field; to develop a Programme of Certification; and to recognise the best environmental practices in tourism logistics and facilities.
- *Sustainable Tourism Certificate:* this programme is run jointly with the Office of the Attorney General for Environmental Protection, pursuing full compliance with environmental regulations and the implementation of best practice.

The Ministry of Tourism participates in several international forums to enhance trade in tourism. Mexico is a member of several international tourism organisations and forums, including UNWTO, APEC, OAS and the OECD.

The government intends to improve the tourism sector's competitiveness by a combination of sectoral planning and co-ordinated strategic policies, with up-to-date statistical information provided to inform the policies, programmes and projects.

By way of example, the Centre for Advanced Studies in Tourism, with a decentralised structure, is a centre of knowledge aimed at improving the competitiveness of the tourism sector through studies, research and publications. It promotes academic research and the dissemination of strategic information, technical resources and the transfer of technology to improve tourism management and policy.

"Angeles Verdes" (Green Angels) is a decentralised corporation responsible for designing policies and strategies for providing information, support and assistance for the safety of tourists, which will strengthen the image of the country as a safe and attractive tourism destination for domestic and foreign visitors.

A "Tourism orientation and mechanical assistance" programme is intended to provide visitors with proper information and emergency services. To accomplish this, radio patrols will receive maintenance and fuel, and tourists will be able to make reservations at service stations or obtain information and advice by phone.

The government will contribute to increasing tourism activity through promotion and advertising campaigns, fairs and events that publicise the national attractions and services, and familiarisation trips in collaboration with the tourism industry and national destinations.

The "Live it to believe it" campaign is based on information about visitors' experiences and opinions, showing how they enjoyed Mexico, in order to present and promote Mexico as potential visitors want to see it.

The "Development and improvement of infrastructure to foster and promote investments in the tourism sector" programme aims to increase the diversity, productivity and competitiveness of the national tourism offer through Integrally Planned Centres (CIP). These will be implemented by the: development, construction and equipping of urban infrastructure for the projects and programmes of FONATUR; formalising the legal instruments that allow tourism planning studies for states and municipalities; selling land reserves; generating marketing, technical and financial support elements that help tourism enterprises to undertake investment projects and determine their risk levels; and identifying the territorial areas with potential to become tourism destinations.

The "Generation of actions for the development of products" programme aims to increase the competitiveness of the national tourism industry by developing tourism, cultural, gastronomic, meetings, health and nautical products and infrastructure all over the country, so as to diversify and consolidate the offer for both domestic and foreign tourists.

An "Ecotourism and rural tourism" programme aims to increase demand for nature tourism by developing and promoting natural, sustainable and competitive products, supported by specialised courses, evaluations and investments in infrastructure and equipment.

The *Rutas de México* programme presents ten tourist routes that enable travellers to enjoy Mexico's natural, architectural, historical and cultural inheritance and richness. The ten routes together cover all 32 states of the country and include special interest destinations. Each route suggests a different travel experience, such as gastronomy, ecotourism, adventure, extreme sports, folk art, beach destinations, historical and archaeological sites.

Statistical profile

Table 1. **Mexico: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	78 498	73 514	79 187	84 296	93 531 p
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932988145

Table 2. **Mexico: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	92 948	88 044	81 953	75 732	76 749 p
Overnight visitors (tourists)	Thousand	22 931	22 346	23 290	23 403	23 403 p
Same-day visitors (excursionists)	Thousand	70 017	65 698	58 664	52 329	53 346 p
Top markets						
United States	Thousand	18 241	18 517	18 993	18 956	18 658 p
Canada	Thousand	1 135	1 222	1 460	1 563	1 572 p
United Kingdom	Thousand	311	257	296	330	363 p
Spain	Thousand	285	216	287	280	279 p
France	Thousand	208	164	170	187	203 p
Nights in all means of accommodation	Thousand	52 746	42 904	48 152	49 064	52 936 p
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million MXN	163 893	169 485	159 819	152 431	172 612 p
International travel receipts	Million MXN	148 801	155 576	151 527	147 450	167 771 p
International passenger transport receipts	Million MXN	15 093	13 909	8 292	4 980	4 841 p

Source: Ministry of Tourism, National Bank.

StatLink http://dx.doi.org/10.1787/888932988164

Table 3. **Mexico: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	14 527	14 104	14 334	14 799	15 581 p
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million MXN	114 030	118 076	114 202	120 930	139 561 p
International travel expenditure	Million MXN	95 356	97 396	91 673	97 299	111 265 p
International passenger transport expenditure	Million MXN	18 674	20 680	22 529	23 631	28 296 p

Source: Ministry of Tourism, National Bank.

StatLink http://dx.doi.org/10.1787/888932988183

Table 4. **Mexico: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	15 754	16 231	16 875	17 294	17 669 p
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	33 588	34 532	36 092	37 658	39 302 p
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	6 549	7 238	7 278	8 556	8 910 p
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932988202

Table 5. **Mexico: Employment in tourism**

Number of jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)	2 454 081	2 456 244	2 475 409	2 474 162 p	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	185 969	173 024	182 786	177 896 p	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	890 578	903 927	899 748	893 219 p	..
Passenger transport	452 534	445 901	448 745	450 456 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	16 847	15 693	15 602	15 853 p	..
Cultural industry	..	..	..	..	..
Sports and recreation industry[1]	22 851	22 760	22 271	21 622 p	..
Retail trade of country-specific tourism characteristic goods	278 049	256 391	265 068	268 648 p	..
Other country-specific tourism industries	..	..	..	..	..
Other industries[2]	607 253	638 548	641 189	646 468 p	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Average number of paid jobs.

1. Includes cultural services and entertainment activities.
2. Other services.

Source: Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988221

Table 6. **Mexico: Internal tourism consumption**

Million MXN, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	1 421 957 p	185 105 p	1 607 062 p
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	171 125 p	22 514 p	193 640 p
Food and beverage serving services	114 824 p	53 639 p	168 463 p
Passenger transport services	444 939 p	21 052 p	465 991 p
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[1]	15 598 p	3 528 p	19 126 p
Cultural services	..	..	..
Sports and recreation services[2]	7 221 p	5 900 p	13 121 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	668 250 p	78 471 p	746 721 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes tour operators and tourist guide services.
2. Includes cultural services and entertainment activities.

Source: Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988240

Table 7. **Mexico: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	6.7	7.0	7.0	6.8 p	..

Source: Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988259

For more information

Ministry of Tourism	*www.sectur.gob.mx*
Mexico National Tourist Office	*www.visitmexico.com*
National Institute of Statistical and Geographical Information	*www.inegi.org.mx*
Rutas de Mexico	*www.visitmexico.com*
Pueblos Magicos	*www.visitmexico.com/es/pueblosmagicos*
Mexico Tourism Board	*www.cptm.com.mx*

Netherlands

Tourism in the economy

Tourism is an important sector of the Dutch economy, accounting for 2.9% of GDP in 2012. The tourism industry (as defined in the Tourism Satellite Account) provides 413 000 jobs, 4.5% of total employment.

In 2011 and 2012, inbound tourism reached a new record of 11.7 million visitors. The five leading origin markets for the Netherlands in 2012 were Germany (26% of the total), the United Kingdom (14%), Belgium (13%), the United States (8%) and France (5%). These five markets therefore contributed 66% of all international arrivals.

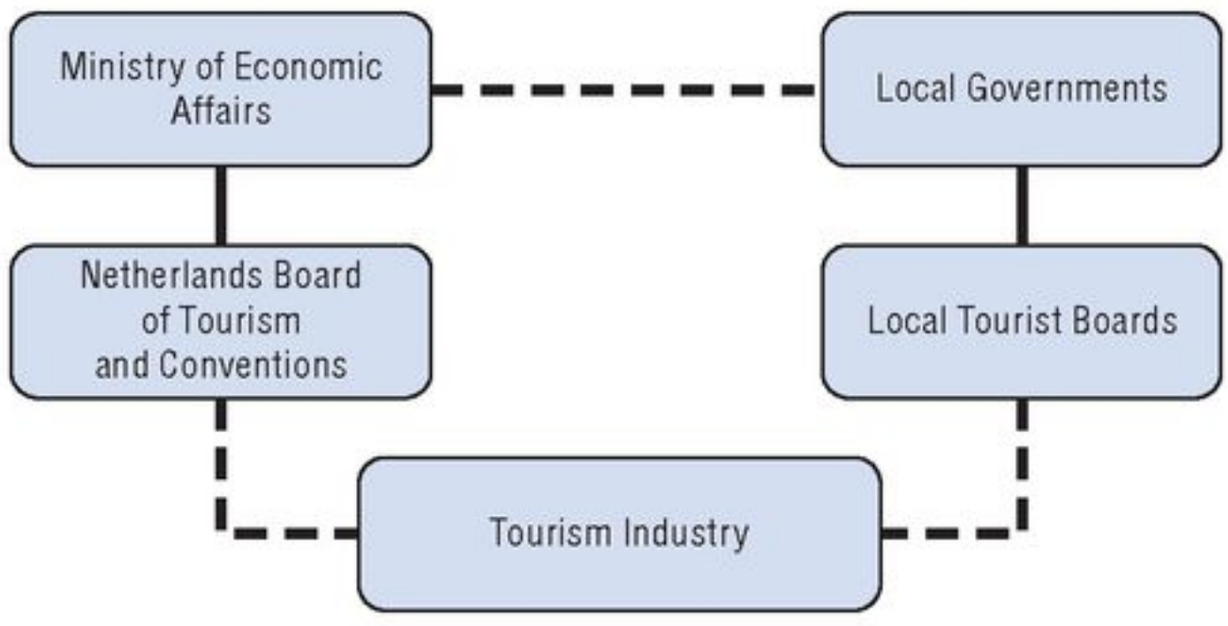
International tourism receipts rose 4.9% in 2012 to EUR 10.7 billion.

Tourism organisation and governance

The Ministry of Economic Affairs is responsible for tourism policy at the national level (Figure 1). The Ministry's responsibilities include:

- Funding the Netherlands Bureau of Tourism and Conventions (NBTC), which is responsible for the international marketing of the Netherlands and the promotion of international conventions.
- Stimulating innovation, entrepreneurship and sustainability – the tourism industry can make use of a range of general policy instruments available within the ministry.
- Stimulating the synergy between nature, recreation and entrepreneurship.
- Acting as the first point of contact within central government for tourism industry associations and stakeholders.

Figure 1. **Netherlands: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Economic Affairs, 2014.

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 domestic and international marketing of the regional or local destination.
- Product development.

Tourism budgets

The Ministry of Economic Affairs has a tourism budget of EUR 13.3 million for 2013. The tourism budgets of the ministry is gradually being reduced to EUR 8.3 million over the period 2012 to 2015, in line with the central government's goal to reduce overall government expenditure.

The Netherlands Board of Tourism and Conventions (NBTC) had a budget of approximately EUR 26.3 million for 2013. In addition to the contribution of the ministry, NBTC receives funding from industry stakeholders and local and regional authorities.

The ministry's tourism budget is entirely funded out of the general state budget. In the Netherlands, specific tourism taxes are only imposed at the local level, e.g. accommodation/bednight taxes; these can be used by local authorities for both tourism-specific and general purposes.

Tourism-related policies and programmes

Tourism is an integral part of enterprise policy in the Netherlands, a new version of which, "To the Top, The Enterprise Policy in Actions" by the Ministry of Economic Affairs was presented in 2011 (Box 1). The key elements of this policy are:

- Fewer subsidies in return for lower taxes.
- Fewer, simpler rules.
- Greater access to corporate financing.
- Better access to the knowledge infrastructure for business.
- Better harmonisation between the requirements of businesses and fiscal, educational and diplomatic activities.

A progress report "Enterprise Policy: Focus and Future" was presented in April 2013.

The Ministry of Economic Affairs has signed an agreement with NBTC for the Holland Marketing Strategy for the period 2012-15. NBTC will endeavour to attract some 3.4 million additional visitors to the Netherlands in this period, through marketing campaigns and publicity. These visitors are forecast to spend approximately EUR 1.37 billion directly in the Netherlands. NBTC will be active in the Netherlands and in the eleven source countries that are integral to tourism to the Netherlands, and/or show strong potential for future growth. NBTC is well on track in terms of reaching its target, since 1.3 million additional visitors were generated from marketing campaigns in 2012.

Box 1. **To the Top, the Netherlands Enterprise Policy in Actions**

Better regulation

- As of January 2013, the government had abolished more than 2 million individual annual charges for registration with the Chamber of Commerce.
- In 2013 the government prepared a simplification of the environmental law (*omgevingsrecht*).
- A "right to challenge" is being introduced, whereby companies and citizens will be entitled to offer alternatives to existing rules and regulations.
- A pilot study is being executed for a "regulation-friendly" zone, which will involve research to determine how recreation companies and government can accelerate the speed of granting permits.
- Businesses and government bodies in, for example, the Hotel and Restaurants and the Recreation industries work together to introduce the Company Dossier (*Ondernemingsdossier*) in order to reduce the regulatory burden.
- The government works on the reduction of compliance costs for companies.

Better financing for SMEs and innovative enterprise

- The government will make available funding of up to a maximum of EUR 400 million per annum for the new business loan guarantee scheme (*garantieregeling voor ondernemingsfinanciering*, GO).
- The ceiling for microcredit is raised from EUR 35 000 to EUR 150 000.

Statistical profile

Table 1. **Netherlands: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	17 450	17 959	17 708	17 740	18 120
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	91 830	93 800	94 000	91 760	91 960
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Statistics Netherlands.

StatLink http://dx.doi.org/10.1787/888932988278

Table 2. **Netherlands: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	10 104	9 921	10 883	11 300	11 680
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Germany	Thousand	2 669	2 744	2 848	2 978	3 010
United Kingdom	Thousand	1 639	1 409	1 556	1 508	1 614
Belgium	Thousand	1 109	1 172	1 257	1 345	1 462
United States	Thousand	1 068	1 018	1 223	1 320	1 323
France	Thousand	575	574	669	666	642
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million EUR	9 072	8 867	9 718	10 308	10 697
International passenger transport receipts		..	..	..	..	..

Source: Statistics Netherlands.

StatLink http://dx.doi.org/10.1787/888932988297

Table 3. **Netherlands: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	18 458	18 408	18 430	18 560	18 628
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million EUR	12 555	12 321	12 212	12 402	12 886
International passenger transport expenditure		..	..	..	..	..

Source: Statistics Netherlands.

StatLink http://dx.doi.org/10.1787/888932988316

Table 4. **Netherlands: Employment in tourism**

Thousand jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)	250	247	250	254 p	255 p
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	31	..	..	..	..
Food and beverage serving industry[2]	..	..	..	..	..
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent.

1. Hotels.
2. Restaurants.

Source: Statistics Netherlands.

StatLink http://dx.doi.org/10.1787/888932988335

Table 5. **Netherlands: Internal tourism consumption**

Million EUR, 2010

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total[1]	24 037	7 356	31 393
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	1 811	855	2 666
Food and beverage serving services	8 178	935	9 113
Passenger transport services	3 772	1 310	5 082
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	997	1	998
Cultural services	1 285	213	1 498
Sports and recreation services[2]	2 148	98	2 246
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	4 312	3 349	7 661
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes Value Added Tax.
2. Includes recreation and other entertainment services.

Source: Statistics Netherlands, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988354

Table 6. **Netherlands: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	3.0	2.9	2.9	2.8 p	2.9 p
Total tourism employment (direct) as % of total employment	3.7	3.7	3.7	3.8 p	3.8 p

Source: Statistics Netherlands.

StatLink http://dx.doi.org/10.1787/888932988373

For more information

Ministry of Economic Affairs	*www.government.nl*
Netherlands National Tourist Office	*www.holland.com*
Statistics Netherlands	*www.cbs.nl*

New Zealand

Tourism in the economy

Tourism plays a significant role in the New Zealand economy, directly contributing NZD 7.3 billion, or 3.7% of GDP, and indirectly contributing an additional NZD 9.8 billion, or 5.0%. Tourism is also a major export earner, second only to dairy. In the year ended March 2013, international tourism expenditure increased 2.2%, to NZD 9.8 billion, and contributed 15.2% to New Zealand's total exports of goods and services. Domestic tourism expenditure increased 2.4%, to NZD 14.2 billion. Tourism directly employs 5.7% of the workforce and generates NZD 1.3 billion in goods and services tax (GST) revenue.

International tourist arrivals totalled 2.6 million in the year ended June 2013. Australia is the largest source market, accounting for 44.9% of international visitors and 29.5% of expenditure. In September 2012, China overtook the United Kingdom to become New Zealand's second largest source, recording a 38% increase in visitor numbers and a 37% increase in expenditure over the previous year. The tourism sector is set to recover from its current slowdown due to the continuing strength of Australia and a growing Chinese market.

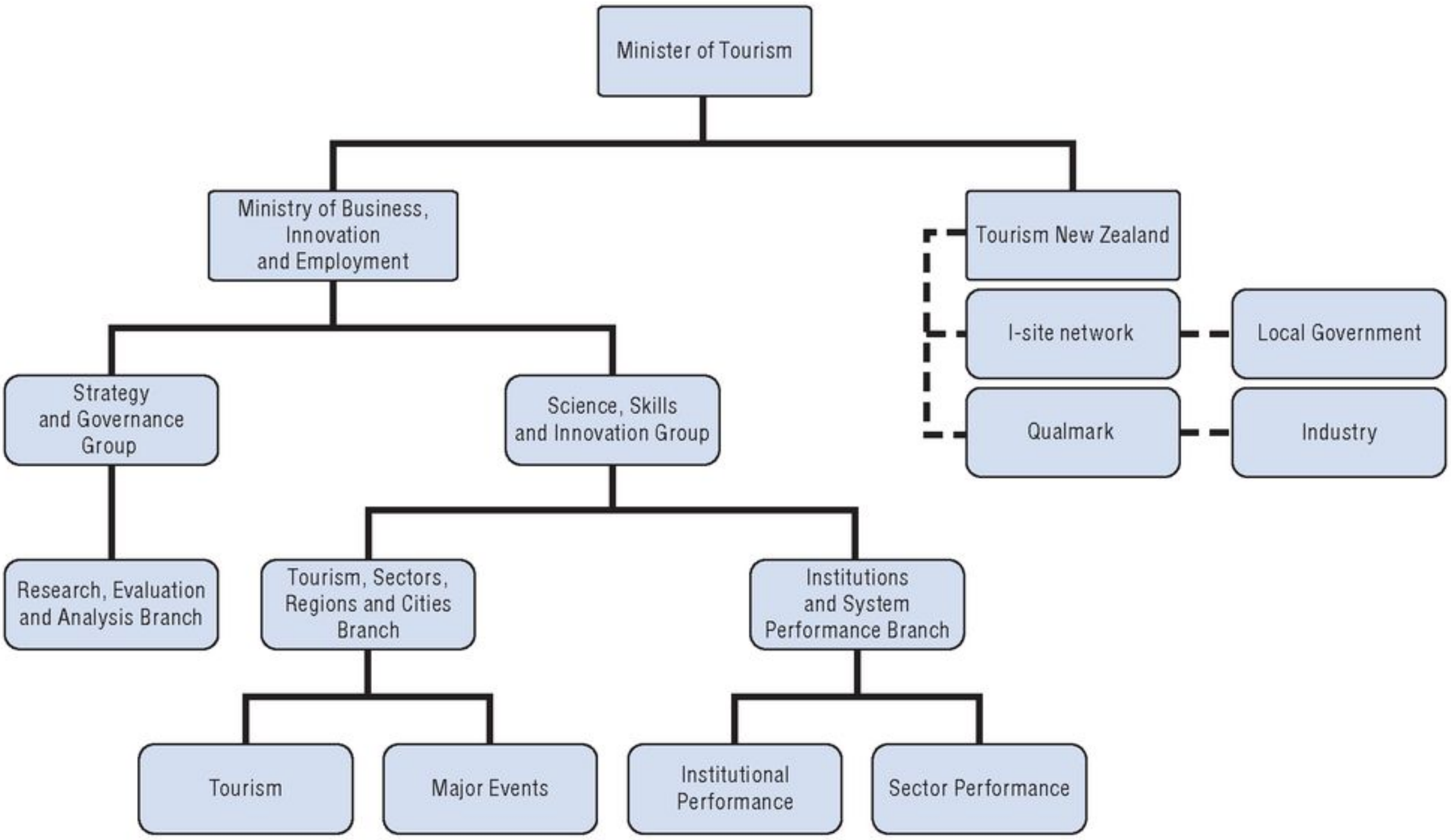
Tourism organisation and governance

In 2012, four government ministries were merged to form the Ministry of Business, Innovation and Employment (Figure 1). The new ministry, positioned at the heart of the government's economic plans, will drive the government's business growth agenda by implementing integrated policies to build a more competitive and internationally focused economy. This structural change is facilitating and encouraging stronger co-operation between tourism and immigration within the new ministry.

The Tourism Policy unit provides advice to the government on how it can create the right environment for enhanced productivity and growth in the tourism sector, and maximise the sector's contribution to the New Zealand economy. Three other units link to tourism: the Sector Performance unit collects, analyses and publishes tourism data; the Institutions and System Performance unit monitors the Crown entity, Tourism New Zealand; and the Research, Evaluation and Analysis unit evaluates the effectiveness of government initiatives that impact on tourism.

Tourism New Zealand is a Crown entity that has responsibility for promoting New Zealand overseas as a tourism destination. The major tool used to do this is the "100% Pure New Zealand" marketing campaign, which has evolved over the past decade to make New Zealand one of the world's most well-respected tourism brands. An extension of this – the award-winning "100% Middle-earth, 100% Pure New Zealand" campaign – will underpin Tourism New Zealand's marketing strategy of converting international attention on New Zealand from starring in "The Hobbit" trilogy into travel.

Figure 1. **New Zealand: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Business, Innovation and Employment, 2014.

There are 29 Regional Tourism Organisations (RTOs), owned and operated by New Zealand's local and regional governments and supported by the tourism industry. RTOs market New Zealand's regional destinations.

Tourism budget

The total tourism funding allocation for fiscal year 2013/14 is NZD 129.05 million, an increase of NZD 23.40 million over 2012/13. This allocation includes NZD 7.20 million for policy advice and research to promote a high-value and sustainable tourism sector, and NZD 113.40 million for the promotion of New Zealand as a visitor destination in key overseas markets.

As a part of the government's Internationally Focused Growth Package in the 2013/14 budget, tourism received an additional NZD 158 million of funding over four years. Tourism New Zealand is charged with positioning New Zealand as a high-value destination to drive growth from emerging markets, such as India, Indonesia and Latin America; from the business and incentives segment; from the very high-spending traveller segment; and from New Zealand's current key source markets.

Tourism-related policies and programmes

Tourism Growth Partnership

As part of the Internationally Focused Growth Package, a new Tourism Growth Partnership has been created to help drive some of the strategic changes required to overcome constraints to growth and to lift the value that international tourism delivers to New Zealand.

The contestable fund will co-invest in demand-led, commercially driven projects that will best contribute to one or both of the following objectives:

- Boost innovation in the tourism value chain so as to ensure New Zealand gains more from international visitor spend.
- Lift the productivity of the tourism sector.

Enhancing travel facilitation for Chinese visitors

China is New Zealand's second largest and fastest growing visitor market. A high proportion of Chinese visitors travel as a part of a "dual-destination" group tour, visiting Australia first, followed by New Zealand. This prevailing distribution channel is constraining both the quality of the experience for Chinese visitors and New Zealand businesses' ability to derive value from the market.

In response to this, an Expert Advisory Group (EAG) of private and public sector representatives was formed in July 2012 to undertake a 100-day China Market Review. The EAG was tasked with reviewing New Zealand's approach to the China visitor market and recommending future actions to ensure New Zealand can capture greater value from, and respond proactively to, the opportunities and challenges of this market. As China is New Zealand's leading market requiring visas, among the EAG's recommendations was the need to streamline visa processes and improve travel facilitation for high-value, low-risk Chinese visitors. In April 2013, Immigration New Zealand responded by extending the length of the multiple-entry visitor visas routinely granted to independent Chinese travellers from 12 months to 24 months. A new bilingual China section on the Immigration New Zealand website was also launched to make it easier for Chinese visitors to lodge a visa application.

Rebuilding Christchurch

The rebuilding of Christchurch following the 2011 earthquakes is one of the New Zealand government's four key priorities. The cost of the rebuild is estimated at NZD 40 billion, with the Prime Minister Rt Hon John Key calling it "the largest and most complex in New Zealand's history". The rebuild of the city is led by the Canterbury Earthquake Recovery Authority and will include a new convention centre and associated hotel and hospitality precinct, as well as sporting and arts facilities.

Given the role that Christchurch plays as a gateway to the wider South Island, the impact of the earthquakes on the wider regional economy has been significant. The government has supported tourism recovery activity through a Canterbury Tourism Partnership with the Christchurch City Council and Christchurch International Airport. Notwithstanding the rebuild work underway, Christchurch has sufficient tourism, hospitality and recreations product in place to underpin its ability to welcome visitors. Indeed, the unique opportunity for visitors to witness the rebuild activity has been acknowledged by the travel publisher Lonely Planet in its "must-see" destinations in 2013.

Investing in major events

The New Zealand government recognises that investing in major events generates a wide range of direct and indirect, immediate and long-term benefits, including tourism revenue, new business opportunities, achievement in sports and arts, stronger local and national pride, and the development of infrastructure and amenities (Box 1).

Box 1. **New Zealand Major Events Development Fund**

From the government's perspective, a major event:

- Generates significant economic, social and cultural benefits for New Zealand.
- Attracts international participants and spectators.
- Has a national profile outside the region in which it is being held.
- Generates significant international media coverage in markets of interest.

To support the government's major events strategy, a Major Events Development Fund (MEDF) has been established. The fund enables the government to invest as an integral partner alongside the events sector, to support New Zealand's growing reputation as an attractive destination for major events of global significance.

New Zealand International Convention Centre

In May 2013, the government announced the signing of a "Heads of Agreement" with SkyCity to build a NZD 402 million international-standard convention centre in Auckland, with construction due to start in 2014. Scheduled to open in 2017, the New Zealand International Convention Centre will have a 3 500-delegate capacity and is expected to bring significant economic benefits, including 1 000 jobs during construction and 800 jobs once it is built.

Visitor Sector Emergency Advisory Group

The Visitor Sector Response Group, which was set up to ensure the welfare of visitors who were affected by the February 2011 Canterbury earthquake, has since evolved into the Visitor Sector Emergency Advisory Group. The group, which comprises representatives from tourism industry bodies and government agencies active in the visitor sector, will plan its response to future emergencies that impact on international visitors to New Zealand. It will be activated when incidents occur or threats emerge that could impact on the visitor sector, such as events that affect the welfare and disrupt the travel plans of overseas visitors and attract significant inaccurate media coverage that could damage New Zealand's reputation as a destination. Members of the group will make use of their international networks to disseminate accurate and timely information offshore. They will work to mobilise the sector's resources to assist with national and local responses during emergencies.

Safety regulations in adventure tourism

New Zealand has a strong reputation for developing new and successful adventure activity products, such as commercial jet boating, bungy jumping and zorbing (plastic sphere globe riding).

To ensure that New Zealand's reputation as an attractive, high-quality tourism destination is maintained and adventure activity participants are protected, the government has passed legislation – the Health and Safety in Employment (Adventure Activities) Regulations 2011. The Regulations require all operators providing activities that are designed to deliberately expose participants to a risk of serious harm, to undergo a safety audit by a recognised auditor, and to be registered. These new requirements will give foreign visitors and New Zealanders confidence that appropriate steps have been taken to keep them safe.

Statistics and economic evaluation

The New Zealand government spends around NZD 3.5 million a year on the collection and analysis of tourism data. In October 2011, following a consultative review, a Tourism Domain Plan was approved – a five-year change programme to enhance the quality and usefulness of tourism data.

The first significant change is intended to strengthen the understanding of tourism at regional level and to provide more accurate and timely information for regional investment and planning purposes. The world's first Regional Tourism Indicators (RTIs), launched in December 2012, combine data from electronic transactions with modern database and analytical technology to measure the change in expenditure of both international and domestic travellers in New Zealand by region and industry. From September 2013, this data collection has included regional tourism estimates in absolute dollars, in addition to the indicators. The monthly RTIs have been received very positively by the industry.

An equal priority was to improve the estimates of international visitor spend, which initiated the redesign of the International Visitor Survey (IVS). The redeveloped survey delivers significant improvements in the accuracy of estimates while reducing the cost. Other programme initiatives, including an education, tourism and cruise series, are currently in development.

Statistical profile

Table 1. **New Zealand: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	15 064	16 681	15 872	17 681	16 599
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	44 545	48 197	47 422	51 263	49 753
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Note: Year-ended December.
Source: Ministry of Business, Innovation and Employment, Domestic Travel Survey.

StatLink http://dx.doi.org/10.1787/888932988392

Table 2. **New Zealand: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	2 459	2 458	2 525	2 601	2 565
Overnight visitors (tourists)	Thousand	2 383	2 384	2 449	2 518	2 484
Same-day visitors (excursionists)	Thousand	76	74	76	83	81
Top markets						
Australia	Thousand	976	1 083	1 120	1 156	1 156
China	Thousand	112	102	123	146	197
United Kingdom	Thousand	285	258	234	230	190
United States	Thousand	212	198	190	185	178
Japan	Thousand	102	78	88	69	72
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million NZD	7 166	7 337	6 807	7 062	6 658
International passenger transport receipts		..	..	..	..	..

Note: Year-ended December.
Source: Statistics New Zealand, International Travel and Migration and Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932988411

Table 3. **New Zealand: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	1 967	1 918	2 026	2 093	2 169
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million NZD	4 235	4 034	4 208	4 357	4 585
International passenger transport expenditure		..	..	..	..	..

Source: Statistics New Zealand, International Travel and Migration and Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932988430

Table 4. **New Zealand: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	99	100	105	105	109
Tourism industries	..	..	..	..	..
Accommodation services for visitors	16	17	17	..	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[1]	25	25	23	..	..
Passenger transport[2]	9	9	10	..	..
Air passenger transport	..	..	..	..	..
Railways passenger transport	..	..	..	..	..
Road passenger transport	..	..	..	..	..
Water passenger transport	..	..	..	..	..
Passenger transport supporting services	4	4	4	..	..
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	32	31	31	..	..
Other industries	14	15	21	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent. Includes self-employed. Year-ended March.
1. Restaurants and cafés.
2. Includes road, rail and water transport.
Source: Statistics New Zealand, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988449

Table 5. **New Zealand: Internal tourism consumption**

Million NZD, 2012

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total[1]	13 837	9 565	23 402
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	957	1 111	2 068
Food and beverage serving services	1 225	1 651	2 875
Passenger transport services	3 504	3 076	6 580
Air passenger transport services	1 962	2 212	4 174
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	..	..	..
Cultural services	..	..	..
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products[2]	7 323	3 238	10 561
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes Goods and Services Tax.
2. Includes education services, fuel and other automotive products, other retail sales and other tourism products.

Source: Statistics New Zealand, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988468

For more information

Ministry of Business, Innovation and Employment	*www.mbie.govt.nz*
Tourism New Zealand	*www.newzealand.com*
Statistics New Zealand	*www.stats.govt.nz*

Norway

Tourism in the economy

Domestic tourism is extremely important for Norway, although it has been declining in both trip volume and spending since its peak in 2010. In 2012, domestic trips fell by 6.5% to 13.3 million. Of these, holidays which accounted for a 72% share, fell by 9.5%, while business trips recorded a 3.7% increase, growing their share to 28%. Nevertheless, the number of nights spent on domestic trips fell by 23%, contributing to an overall decline of 13% in overnight volume, to 43.5 million. Nights spent on holiday travel in Norway also declined, by 10% to 35.4 million, and total spending on domestic tourism dropped by 28% to NOK 40.77 billion.

Inbound tourism's performance was rather better, with the number of overnights recorded in all forms of accommodation in 2012 – from hotels to campsites, cabins and youth/family hostels – rising by 1.2% to 7.9 million. The leading source markets in 2012 were (in order of importance): Germany, Sweden, Denmark, the Netherlands and the United Kingdom.

Preliminary data suggest that visitor exports from travel (excluding transportation) totalled NOK 31.2 billion, 12% of services exports and 2.6% of total exports. Data for recent years are not available but tourism in Norway accounted for 3.3% of GDP and 6.3% of total employment in 2009, with the number of people employed in the industry showing a marginal decline. The tourism sector comprised a total of 13 999 firms in 2009, mostly small enterprises of one to ten employees, accounting for a total turnover of NOK 89 billion.

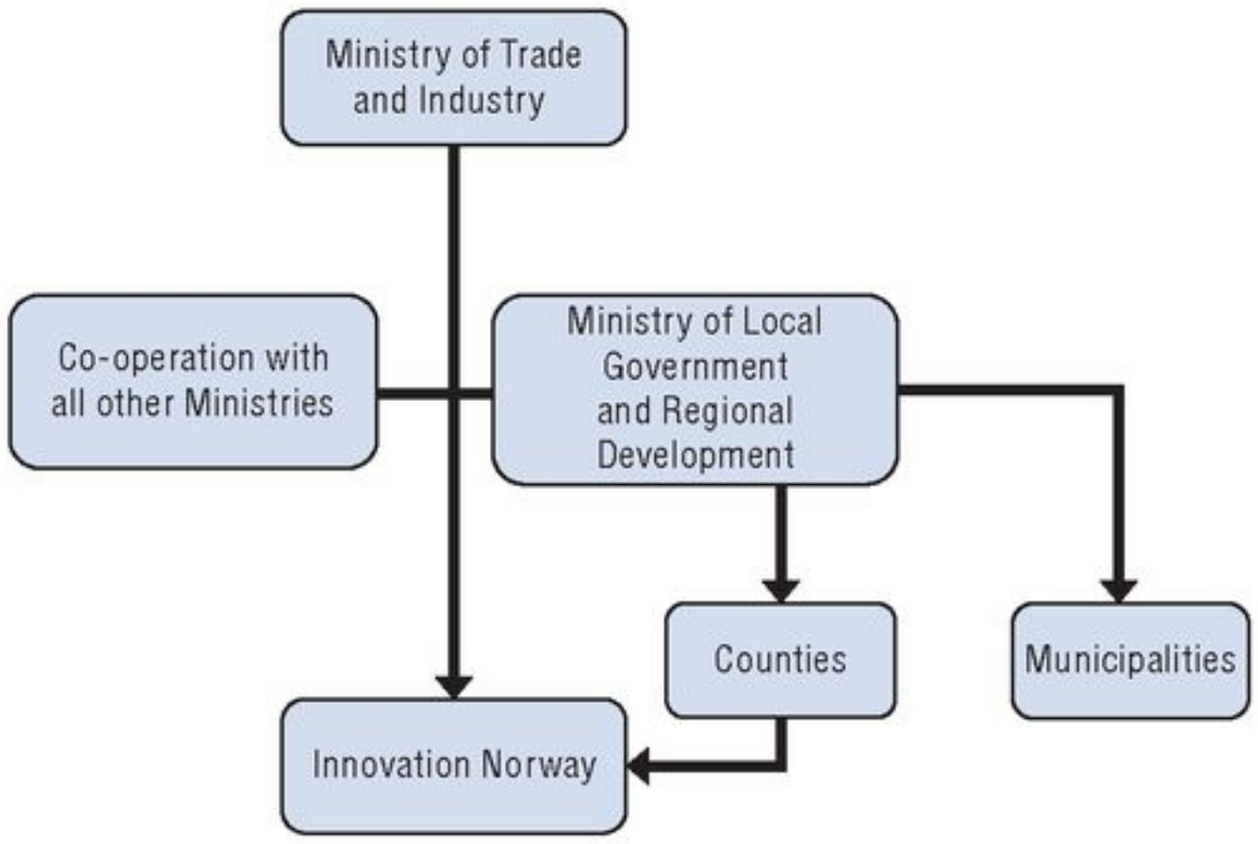
Tourism organisation and governance

The publicly owned company, Innovation Norway, is Norway's national tourism organisation (NTO). Innovation Norway is responsible for the international promotion of Norway as a tourism destination and for the development of the tourism sector within the country's borders. The company has its headquarters in Oslo and regional offices in each of Norway's 19 counties, in addition to offices in 33 other countries worldwide. Some of the offices abroad are located within, and are also part of, Norwegian embassies. A number of other ministries co-operate with Innovation Norway to promote different tourism-related initiatives in the country. Additional public funding is also provided through these ministries.

Innovation Norway runs a number of tourism projects nationwide in co-operation with regional offices, different national, regional or local organisations, and tourism destinations. At local level, most municipalities in Norway operate tourist information offices.

At the national level, the overarching responsibility for tourism policy lies with the Ministry of Trade and Industry (Figure 1). Responsibility for other associated policy areas remains with the relevant ministries. Every year a lump sum is proposed by the Ministry of

Figure 1. **Norway: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Trade and Industry, 2014.

Trade and Industry and sanctioned by Parliament to promote Norway as a tourism destination and to strengthen the competitiveness of the Norwegian travel and tourism industry.

Once this has been approved by Parliament as part of the state budget, the Ministry of Trade and Industry instructs Innovation Norway on the major lines of tourism policy to be followed during the coming year. It is then the responsibility of Innovation Norway to initiate the actions required to put these policies into effect and to develop action plans for their regional offices and offices abroad.

Tourism budgets

The main source of funding for tourism promotion and development in Norway is the annual state budget. However, when marketing Norway as a tourism destination abroad, public funding has to be matched by funds from the travel and tourism industry. In 2008, the amount granted from the state budget was NOK 215 million. This rose to NOK 235 million in 2009, and to NOK 252 million in 2012 (an increase of 17% compared with 2008). There are no direct tourism-related taxes in Norway.

Tourism-related policies and programmes

In April 2012, the Ministry of Trade and Industry launched a National Strategy for the Tourism Industry entitled "Destination Norway". The strategy was developed in close co-operation with the industry and tourism-related organisations.

Sustainability lies at the core of the strategy, which has the following three main objectives:

- ***Increased value added and productivity in the tourism industry.*** The government pursues industrial policies that promote innovative, knowledge-based and environment-friendly business activity, providing jobs nationwide. The government's goal is a significant increase in the level of value being created by the tourism industry in Norway. This will largely occur through the strengthening of collaboration within the industry and interaction between relevant bodies. Increased innovation and enhanced competence require networks and collaboration at all levels. The uniform marketing of Norway as a tourism destination can be accomplished only through close co-operation between public and private sector organisations.

- ***More year-round jobs and more financially robust companies, particularly in rural areas.*** Tourism is an important business sector in rural areas, and contributes to attractive local communities. However, the tourism industry is strongly affected by seasonal variations, which have a particular impact in rural areas. The creation of more year-round jobs will help to increase quality, and stabilise rural population levels and labour resources. It is a pre-condition that both companies and associated jobs are inherently profitable.

The challenges posed by the issue of year-round jobs in the tourism industry must be taken seriously. Many Norwegian tourism destinations remain seasonal, as their customer base is only large enough to maintain a complete range of services for a few months of the year. At the company level this represents a challenge, since the firm's entire financial foundation must be generated during the course of a brief, hectic season. Furthermore, it also means that companies must spend time and money recruiting and training a constant stream of new employees, who only intend to stay with the company for a short period. Companies often find that staff competence begins, and remains, low due to the temporary nature of their employment. More year-round tourism jobs would make it more attractive to choose tourism as a career path, would contribute to higher competence levels among tourism industry employees, and would provide greater population stability at typical tourism destinations.

- ***More unique, quality experiences that attract more visitors with a high willingness to pay.*** As a tourism destination Norway is characterised by two important features: it has a unique natural heritage, and it is a high-cost country. These features represent both a competitive advantage and a competitive challenge. One of the objectives of the government's tourism policy is for the Norwegian tourism industry to provide products of a sufficiently high quality to attract greater numbers of quality-conscious tourists who are willing to pay. By supplying high-quality products, Norwegian tourism companies will be able to justify the price levels necessary to increase the industry's profitability.

The goal must be to leverage Norway's unique natural and cultural heritage as the basis for innovation and product development, so that tourism products that are created command a high price in national and international markets. This is primarily the industry's own responsibility. The public administration can, however, make a contribution by supporting innovation and knowledge building, collaboration and networking, new market opportunities and effective image building.

Statistical profile

Table 1. **Norway: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	14 500	14 540	15 260	14 160	13 280
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional	Thousand	3 590	3 230	3 750	3 550	3 690
Holiday, leisure and recreation	Thousand	10 910	11 310	11 510	10 610	9 590
Nights in all means of accommodation	Thousand	51 610	50 960	53 820	50 010	43 530
Hotels and similar establishments	Thousand	9 840	9 710	10 320	9 000	9 540
Other collective establishments	Thousand	13 590	11 280	12 190	12 390	10 460
Domestic travel receipts	Million NOK	39 840	38 070	41 230	45 780	40 770

Source: Statistics Norway, Travel Survey.

StatLink http://dx.doi.org/10.1787/888932988487

Table 2. **Norway: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets[1]						
Germany	Thousand	1 689	1 590	1 637	1 595	1 512
Sweden	Thousand	945	906	959	933	1 023
Denmark	Thousand	1 001	950	914	841	866
Netherlands	Thousand	846	826	800	742	678
Great Britain	Thousand	656	525	520	519	570
Nights in all means of accommodation[1]	Thousand	8 147	7 525	7 903	7 844	7 940
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million NOK	26 908	26 124	28 449	29 326	31 176
International passenger transport receipts		..	..	..	..	..

1. Nights in commercial accommodation.

Source: Statistics Norway, Accommodation Statistics and Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932988506

Table 3. **Norway: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	7 610	6 630	7 590	8 150	9 260
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million NOK	77 799	75 750	81 603	90 086	98 122
International passenger transport expenditure		..	..	..	..	..

Source: Statistics Norway, Travel Survey and Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932988525

Table 4. **Norway: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	2 778	2 820	2 827	2 856	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[2]	7 715	7 749	7 743	7 749	..
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	1 074	1 135	1 176	1 207	..
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Estimates are for number of entreprises classified to tourism industries as defined in the TSA, as of December.

1. Hotels.
2. Restaurants.

Source: Statistics Norway.

StatLink http://dx.doi.org/10.1787/888932988544

Table 5. **Norway: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	24 895	25 786	24 356	24 796	25 140
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	57 213	58 155	55 545	54 855	53 873
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	8 055	5 400	5 074	5 409	4 969
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Source: Statistics Norway.

StatLink http://dx.doi.org/10.1787/888932988563

Table 6. **Norway: Internal tourism consumption**

Million NOK, 2009

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	75 052	30 514	105 566
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	7 214	3 931	11 145
Food and beverage serving services	9 959	5 255	15 214
Passenger transport services	25 387	6 600	31 987
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[1]	11 913	193	12 106
Cultural services[2]	2 012	746	2 758
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	18 567	13 790	32 357
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes car rental.
2. Includes recreation and other entertainment services.

Source: Statistics Norway, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988582

Table 7. **Norway: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	3.1 p	3.3 p	..	..	..
Total tourism employment (direct) as % of total employment	6.3	6.3	..	..	..

Source: Statistics Norway, National Accounts and Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988601

For more information

Norway National Tourist Office	*www.visitnorway.com*
Ministry of Trade and Industry	*www.regjeringen.no*
Norway National Tourist Office	*www.visitnorway.com*
Statistics Norway	*www.ssb.no*

Poland

Tourism in the economy

Tourism contributed 6% to Poland's GDP in 2012. The total tourism economy was estimated at PLN 96.4 billion, an increase of 32.6% on 2011.

International visitor arrivals in 2012 reached 67.4 million (up by 11% on 2011), including 14.8 million tourist (overnight) arrivals (+11%). Germany remained the largest source market, accounting for 32% of international tourist arrivals. International tourism receipts increased by 13.3% to PLN 35.7 billion, or 4.9% of total Polish export earnings.

The number of domestic trips in 2012 totalled 40.7 million, up 38% on 2011, with the majority (64%) being short trips of 2-4 days. The number of Polish tourists travelling abroad rose by 59% to 10.0 million. In 2011 the accommodation and catering sector employed 240 300 people.

Tourism organisation and governance

The Ministry of Sport and Tourism (Figure 1), is responsible for national tourism management and for tourism market regulation. The ministry is also responsible for the Polish Tourist Organisation (*Polska Organizacja Turystyczna* – POT).

POT's activities primarily include the promotion of Poland as an attractive tourism destination, ensuring the operation and development of Polish tourism information systems at home and abroad, and initiating, assessing and supporting development plans for tourism infrastructure, renovation or reconstruction. In implementing its tasks, POT co-operates with Regional and Local Tourism Organisations, which are autonomous bodies involved in tourism promotion and development.

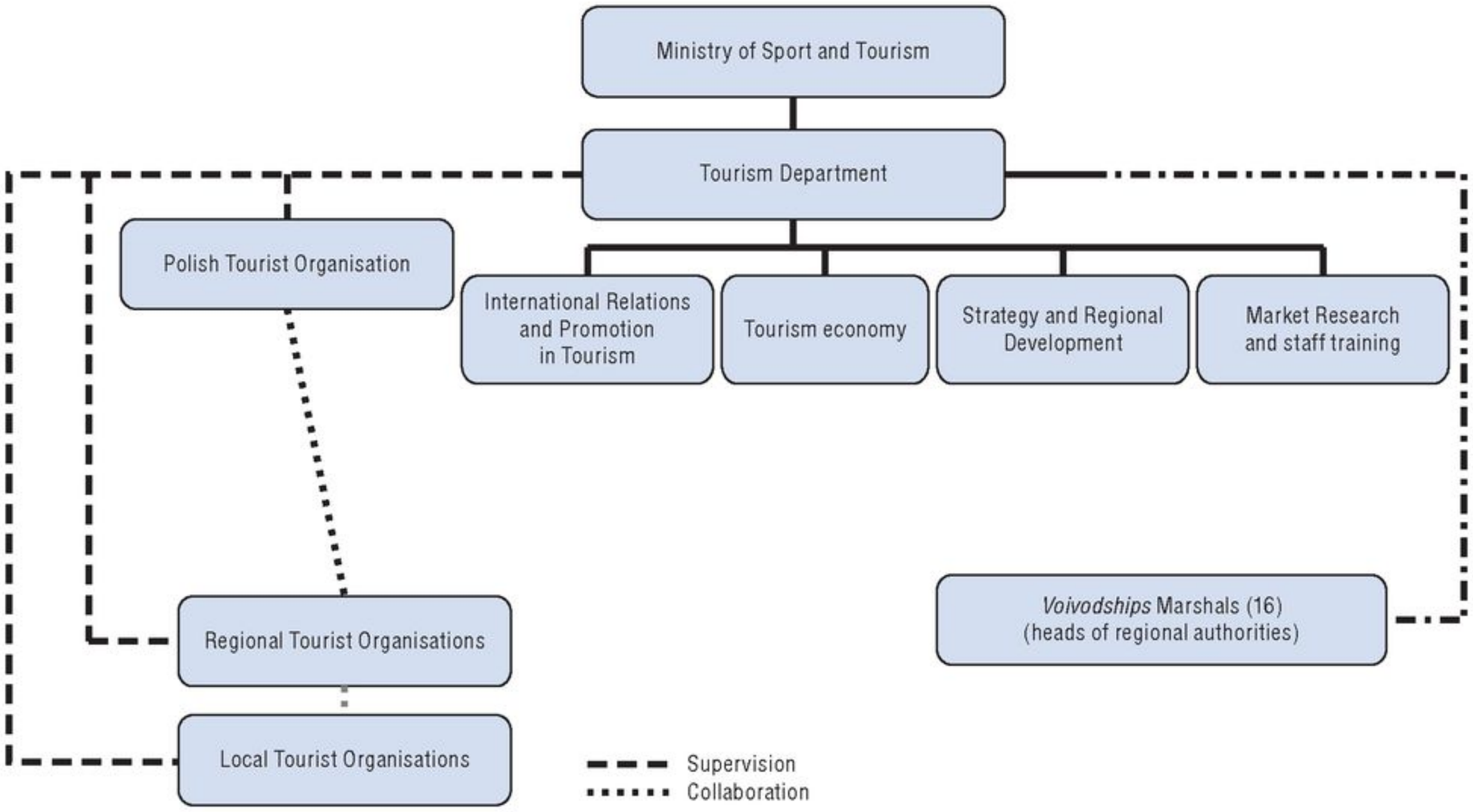
The ministry also co-operates with regional authorities (Marshals of *Voivodships*). Marshals are responsible for the execution of tasks ordered within the framework of the central government's administration, including those related to tourism services as defined under the 1997 legislation.

At local and regional level, the primary role in tourism development is played respectively by regional (*Voivodship*) and local governments (*poviats* at the local level and *gminas* at commune level).

Their tasks include:

- Keeping and controlling the register of tour operators and tourism intermediaries.
- Granting licences for mountain guides and exercising control over their professional activities.
- Exercising control over tour operators and tourism intermediaries in terms of their registration and compliance with operating requirements.

Figure 1. **Poland: Organisational chart of tourism bodies**



Note: The Ministry of Sport and Tourism supervises Marshals only for the implementation of the Tourist Services Act.
Source: OECD, adapted from the Ministry of Sport and Tourism, 2014.

- Maintaining and controlling the register of training course organisers for mountain guides.
- Appointing examination commissions and verifying knowledge of foreign languages by tourist guides and tour leaders.
- Classifying hotel facilities.

In the context of the deregulation of the labour market, the government has amended parts of the tourism legislation with effect from 1st January 2014. As a result, tour leaders and tour guides (except mountain guides) are no longer required to undergo training and pass state exams to exercise their profession.

Tourism budgets

In 2012, the budget of the national tourism administration amounted to PLN 48.2 million, including PLN 39.3 million for the Polish Tourist Organisation. In addition, EU structural funds covering the period 2007-13 are available to support special projects in the tourism sector.

In 2012, the government financing for tourism amounted to PLN 694.9 million, including 646.7 million allocated by self-governing entities (*Voivodships*, *Poviats*, *Gminas*).

Tourism-related policies and programmes

The National Tourism Action Plan, *Directions for Tourism Development to 2015*, sets the main objectives for the tourism sector to: raise the tourism economy's contribution to GDP; increase the number of domestic tourist trips; and grow the number of foreign tourists and visitors.

On 1 February 2013, the Council of Ministers adopted the *Report on the tourism economy 2007-11*. The report concluded that the performance of the country's tourism economy was above target in the period covered. The next report is due in 2016. The government also assessed the impact of EURO2012 for Poland (Box 1).

Box 1. **Assessing the impact of EURO2012 for Poland**

The European Football Championships were held in Poland and Ukraine in June-July 2012. In the years 2007-12, over 120 large-scale infrastructure projects costing PLN 90 billion related to the championships were completed, including new multi-purpose stadiums in Warsaw, Gdańsk and Wroclaw and one reconstructed stadium in Poznań, as well as other major infrastructure improvements, e.g. railways, highways, increased airport capacity, parking lots, multi-modal city transport and football training centres. The majority of these newly constructed facilities continue to serve tourism purposes and contribute significantly to the competitiveness of Polish tourism.

A number of facilities were made available to tourists arriving in Poland for the tournament, including:

- Polish Guide – an Internet platform providing football fans with information about Poland and tournament arrangements, available also as a mobile application for smart-phones.
- Polish Pass – an "all-in-one" voucher attesting to the purchase of various services, including train and airline tickets, municipal transport cards, travel insurance and accommodation.
- Check-in Poland – a mobile telephone application that helped foreign football fans to locate and meet their compatriots in Polish cities.
- Visa fast-track procedure.

In order to help supporters from the Russian Federation and the Ukraine visiting Poland for UEFA EURO2012 obtain visas, the Ministry of Foreign Affairs prepared a special fast-track visa issuance procedure. The procedure was applied from 8 March 2012 to 1 July 2012 by the Polish posts in the Russian Federation and Ukraine – among the countries taking part in the tournament, only Russian and Ukrainian citizens needed visas to enter the Schengen area.

The championship attracted 677 000 international visitors in June 2012. Additional revenue from foreign tourism (net, after allowing for the crowding out effect) is estimated at PLN 1 121 billion. Additional income from foreign tourism in 2012-20 is expected to total PLN 8.1 billion at 2012 prices.

Every year the Ministry of Sport and Tourism co-funds a number of tourism-related projects implemented by non-governmental organisations.

Twenty-seven projects were co-financed in 2013, with a total allocation from the state budget of PLN 1.9 million.

The EU Structural Funds for the period 2007-13 offered a great opportunity for Poland to develop its infrastructure and tourism products and to enhance tourism services. Operational programmes included:

- Promotion of Poland tourism assets (EUR 30 million).
- Investment in tourism products of supra-regional importance (EUR 138 million).

- Promoting sustainable tourism development (EUR 5.88 million).
- Bicycle routes (EUR 63.5 million).
- Infrastructure for congress and fair travel (EUR 64 million).
- Regional Operational Programmes (EUR 730 million).
- Human Capital Operational Programme (EUR 90 million).

In 2009-13, the Polish Tourist Organisation implemented the "Let's promote Poland together" project. With a total budget of PLN 141.7 million, it was the most significant undertaking in POT's history. A second phase of the promotional campaign for 2011-13 was implemented in key European markets: France, Germany, the United Kingdom, Belgium, Denmark, the Netherlands and Sweden. As part of the project, POT also developed the Polish Tourist Information System, consisting of a central tourism database, a brand new web gate portal in 23 language versions, together with a version for mobile devices, and a network of stationary tourist information centres and tourist information kiosks across the country.

In 2013, POT initiated a new campaign in major Asian markets in the context of the "I like Poland" project. Under the Innovative Economy Operational Programme, POT was allocated PLN 50 million to carry out promotional activities in China (with 85% of the total allocation), Japan and India. The project is aimed at consumers, tour operators, media representatives and influent social and professional groups, e.g. leading Chinese bloggers and Bollywood filmmakers.

Following the 2009 Declaration on co-operation between the Polish Chamber of Tourism and the Ministry of Sport and Tourism, the eVouchers scheme has been implemented. The programme seeks to simplify and accelerate the visa application process for entrepreneurs certified by the Polish Chamber of Tourism acting on behalf of customers from non-Schengen countries. Certified entrepreneurs can access to an electronic eVoucher system, which entitles them to issue a document confirming the purpose of their visit to Poland as well as to pay for the services. An eVoucher may be issued for individual customers or for a group of tourists. This document is attached to the visa application and is recognised by the Polish consular bodies, thereby replacing some of the previously required supporting documents.

The Polish-Russian Local Border Traffic Agreement entered into force on 27 July 2012. The agreement covers permanent residents of the Kaliningrad Oblast (part of the Russian Federation) and of border cities and *poviats* in Poland situated in parts of two *Voivodships*, Pomorskie and Warmińsko-Mazurskie. The total number of residents covered by the agreement is approximately three million.

Statistical profile

Table 1. **Poland: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	15 510	15 492	16 327	17 569	17 656
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	46 472	45 411	45 730	48 247	50 138
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Central Statistical Office.

StatLink http://dx.doi.org/10.1787/888932988620

Table 2. **Poland: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	59 935 |	53 840	58 340	60 745	67 390
Overnight visitors (tourists)	Thousand	12 960 |	11 890	12 470	13 350	14 840
Same-day visitors (excursionists)	Thousand	46 975 |	41 950	45 870	47 395	52 550
Top markets						
Germany	Thousand	4 780 |	4 560	4 520	4 590	4 800
Ukraine	Thousand	1 550 |	1 295	1 350	1 580	1 930
Belarus	Thousand	870 |	865	970	1 220	1 620
Russian Federation	Thousand	410 |	320	400	500	670
Lithuania	Thousand	695 |	620	620	630	615
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million PLN	28 075 |	27 800	28 900	31 500	35 700
International passenger transport receipts		..	..	..	..	..

Source: Ministry of Sport and Tourism.

StatLink http://dx.doi.org/10.1787/888932988639

Table 3. **Poland: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	7 600	6 300	7 100	6 300	10 000
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million PLN	18 469	18 020	22 432	11 813	27 900
International passenger transport expenditure		..	..	..	..	..

Source: Ministry of Sport and Tourism.

StatLink http://dx.doi.org/10.1787/888932988658

Table 4. **Poland: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	6 857	6 992	7 206	9 121	9 483
Hotels and similar establishments	2 642	2 836	3 223	3 574	3 414
Food and beverage serving industry[2]	7 517	7 545	7 415	7 644	7 565
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	2 987	2 956	3 050	3 136	3 382
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Collective accommodation.
2. Restaurants and catering in accommodation.

Source: Central Statistical Office, Local Data Bank, Institute of Tourism.

StatLink http://dx.doi.org/10.1787/888932988677

Table 5. **Poland: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	183 425	180 892	175 663	173 722	174 811
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent.
1. Includes restaurants and catering.

Source: Ministry of Sport and Tourism, Local Data Bank.

StatLink http://dx.doi.org/10.1787/888932988696

Table 6. **Poland: Internal tourism consumption**

Million PLN, 2010

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	8 702	13 345	22 047
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	1 817	2 393	4 210
Food and beverage serving services	2 766	2 206	4 972
Passenger transport services	691	186	877
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	..	..	..
Cultural services[1]	622	1 543	2 165
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	2 806	7 018	9 824
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreational services.

Source: Ministry of Sport and Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988715

For more information

Ministry of Sport and Tourism	*www.msport.gov.pl*
Polish Tourist Organisation	*www.pot.gov.pl*
Polish Tourist Organisation (consumer website)	*www.poland.travel*

Portugal

Tourism in the economy

According to the latest data from the Portuguese Tourism Satellite Account (TSA), tourism contributed some 9.2% to GDP in 2010 (compared to 8.8% in 2009).

A total of 13.8 million guests stayed in hotels and similar establishments in Portugal in 2012. Of these, 44.5% were domestic and 55.5% were foreign tourists. The number of nights spent by foreign tourists totalled 27.3 million, 4.8% more than in 2011, and the average length of stay was around 3.5 nights. Domestic nights totalled 12.4 million, a 7.5% decrease on the previous year, reflecting an average length of stay of 2.0 nights. Around 69.5% of nights were generated by international markets and 30.5% by the domestic market.

The five leading international source markets in 2012, in order of importance, were the United Kingdom, Germany, Spain, France and the Netherlands. Together, the top three accounted for 48% of demand.

International tourism receipts totalled EUR 8.6 billion in 2012, an increase of 5.6% on the previous year, and representing 45.1% of the total value of services exports.

Tourism organisation and governance

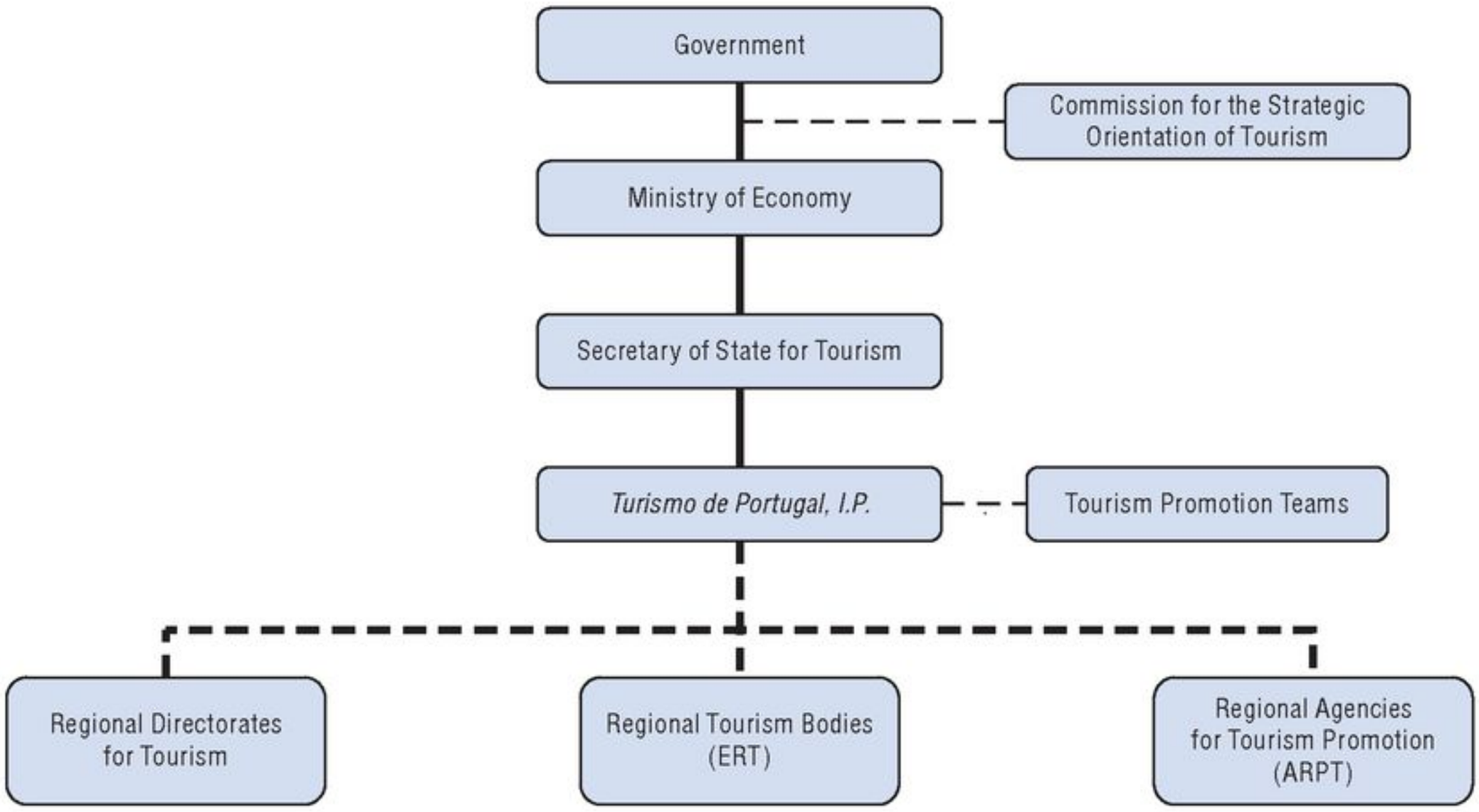
Since 2011, the Secretary of State for Tourism has been located within the Ministry of Economy (Figure 1).

Turismo de Portugal, I.P. is directly responsible to the Secretary of State for Tourism, and is the only body with direct responsibility for tourism policy at the national level. It also covers the promotion, improvement and sustainability of tourism activities, and has tourism promotion teams in the different priority source markets. Its main goals are to:

- Develop and categorise tourism infrastructure.
- Promote human resources training.
- Support investment in the tourism sector.
- Co-ordinate the domestic and international promotion of Portugal as a tourism destination.
- Regulate and inspect gambling activity.

At the regional level, an administrative reform, which concentrated the eleven former regional bodies into five Regional Tourism Bodies (ERTs), was recently implemented. These are public-law corporate bodies with a specific territorial scope that act as destination management organisations with financial and administrative autonomy, as well as competences for product development and promotion in the domestic market.

Figure 1. **Portugal: Organisational chart of tourism bodies**



Source: OECD, adapted from *Turismo de Portugal, I.P.*, 2014.

Besides these bodies, there are two Regional Directorates for Tourism in the autonomous regions of Madeira and the Azores, with political and administrative autonomy.

International promotion is the responsibility of the state, through *Turismo de Portugal, I.P.*, which develops and implements international promotional initiatives in co-ordination with seven Regional Tourism Promotion Agencies (ARPTs). These ARPTs are non-profit, private-law associations constituted by private companies and ERTs. They have formal contractual relationships with *Turismo de Portugal, I.P.* for the development of promotional activities in international markets. *Turismo de Portugal, I.P.* and its partners ensure that marketing plans and campaigns supported by public and private funding are in alignment with the National Strategic Plan for Tourism.

Tourism budgets

The total budget of the national tourism authority (*Turismo de Portugal, I.P.*) in 2013 was EUR 243.2 million, of which 49% was derived from dedicated taxes on gambling, 26% from EU Structural Funds, and 25% from other public funding.

The promotional budget was around EUR 45 million and includes expenditure on promotion at national level, as well as the co-financing of regional promotion abroad with the ARPTs, to which private companies and regional tourism bodies also contributed.

The EU Structural Funds are allocated to finance innovative projects and SMEs.

Tourism-related policies and programmes

The National Strategic Plan for Tourism 2007-15 (PENT) is a government initiative launched in 2006. It provides the framework for government activities to support the growth of tourism in the country.

A review of the plan, approved by resolution of the Council of Ministers No. 24/2013, was published in April 2013. It considered the impact of global economic developments and related changes in consumer behaviour and the views of various private and public agents

(regional tourism bodies, local authorities, associations, entrepreneurs and educational institutions, among others). It sets new national goals requiring proactive actions from sector agents to successfully execute the programmes and projects defined in PENT.

The 2013-15 plan aims to enable tourism to provide a decisive contribution to the well-being of the Portuguese population and its cultural assets, through wealth generation, job creation, and a capacity to promote territorial cohesion. It consists of 10 strategic products, 8 implementation programmes and 40 projects promoting strategic tourism products across specific tourism regions of the country, including: Lisbon (the city and province), the Algarve, the North, the city of Porto, the Centre, the Alentejo, and the islands of Madeira and the Azores (Figure 2).

Figure 2. **Portugal: National Strategic Plan for Tourism 2013-15**

Promotion and sales	Content and experiences	Strategic products	Tourism destinations
Portugal as a destination in the travel and tourism market: • Communication based on local hospitality. • Align communication strategy with new trends. • New model of intervention in target markets. • Marketing programme for product distribution. • Diversify portfolio of markets.	Innovate in client interaction with the product: • Develop content and strategies of communication (Internet, social media, target portals and destination networks). • Encourage the creation of innovative experiences and entrepreneurship (acceleration of financing ideas and solutions).	Create and develop products that attract and respond to customer demand: • Sun and sea, religious and cultural tourist circuits, city short breaks, MICE tourism, golf, nautical tourism, residential tourism, health tourism, gastronomy and wines.	Develop accessible and sustainable destinations: • Air routes of tourism interest. • Maritime tourism and cruises. • Sports tourism. • Military routes. • Scientific tourism. • Algarve's competitiveness. • Sustainable destinations. • Quality systems. • Portugal – an accessible destination. • Reduction of context costs.

Financial resources and modernisation	Qualifications and employment	Platforms and distribution channels	Market intelligence and incentives for R&D
Empower and modernise companies: • Consolidate the financial structure of companies. • Qualify companies through modernisation (energy efficiency, rational management of water, the digital economy and internationalisation). • Enhance the tourism offer.	Qualify professionals for excellence in service and management: • Organise education and training in tourism. • Develop strategic tourism professionals. • Provide a common and transversal training base for tourism professionals. • Promote youth employment. • Disseminate knowledge about trends and innovations.	New products and ways of communicating with the customer: • Create references to companies on the Internet. • Prepare companies for the digital network.	Find new clients and new partners: • Deepen knowledge of the market. • Boost research and development projects that have an impact on tourism.

Source: Turismo de Portugal, I.P. analysis.

The recent focus of legislative and regulatory measures for tourism has been on improving the relationship between the state and businesses by modifying and simplifying administrative procedures for access to the market and for operations.

Since tourism is one of the economic activities with the greatest potential for job creation, it is essential to streamline the private sector's relationship with the state, reducing bureaucracy and creating a better environment for entrepreneurship. Accordingly, a

simplification of the legal framework for the recreation services sector, critical for improving the quality of tourism services, was recently adopted and a new legislative framework for the hotel industry is under way.

In 2013, as part of the administrative re-organisation that reduced the number of regional tourism bodies, the role of each of the stakeholders in the tourism development process was clarified. In particular, the functions of the regional tourism bodies as destination managers responsible for product development and promotion on the domestic market was emphasised, and the role of the private sector in the management of these entities was strengthened.

This represented the transposition into the management model of these public entities of the international promotion model created in 2003, which made the private sector an effective partner in the external promotion of regional destinations. The reform will also allow a better allocation of resources and reductions in costs – critical factors in the current economic environment.

The stimulus of innovation is very important for the tourism strategy in Portugal. In 2011, *Turismo de Portugal, I.P.* launched a three-year project to establish a co-operative network for research and development in tourism, in order to mobilise the capacity of universities for tourism research, with a focus on sustainability and competitiveness. The network has been promoting workshops, seminars and other activities that bring together companies and the academic and scientific communities, allowing the birth of new business ideas.

As a spin-off from this network, Tourism Enterprise on the web is a new project aiming to develop tourism companies' web presence. It brings together tourism companies and associations, the regional tourism organisations and technology providers. This project will evaluate the technological maturity of tourism businesses, disseminate best practices and stimulate collaboration, and is especially targeting SMEs.

Turismo de Portugal, I.P. will soon launch a programme to develop new tourism experiences through entrepreneurship. This programme will select new business ideas and help them to create solid business plans and to approach potential clients and investors. Eighty project ideas are expected to benefit from this programme in its first phase.

In November 2012, *Turismo de Portugal, I.P.* published its fourth Sustainability Report, focusing on the sustainability concerns of *Turismo de Portugal, I.P.* and other stakeholders in the tourism industry. It seeks to influence third parties (in tourism and other sectors) to adopt more sustainable practices.

The strategy for the development of human resources in tourism has been defined in collaboration with the relevant public and private sector stakeholders, and in the context of the National Strategic Plan for Tourism.

A network of 14 hospitality and tourism schools with over 50 years' experience provides the national standards for professional education in this area. There is a planned training policy for human resources in tourism, with considerable investment in professional training and domestic media campaigns, which will promote both the importance and dignity of the tourism professions, and the types of professional training available. All courses are recognised by the *École Hôtelière de Lausanne*.

Portugal has implemented Tourism Satellite Accounts (TSA) for the reference year 2000 and publishes data on a regular basis. There is now a series from 2000 to 2010, and the latest figures make a backwards projection to the reference year of 2006.

As part of the sustainability report, a set of indicators is being developed for monitoring performance in this area, complemented by surveys of best practices and social responsibility among tourism enterprises, each of which is carried out annually.

Statistical profile

Table 1. **Portugal: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	6 347	6 449	6 705	6 581	6 161
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments	Thousand	13 024	13 243	13 783	13 437	12 424
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Hotels and similar establishments.

Source: Statistics Portugal (INE), Hotels and Similar Establishments Survey.

StatLink http://dx.doi.org/10.1787/888932988734

Table 2. **Portugal: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	7 110	6 479	6 832	7 412	7 685
Same-day visitors (excursionists)		..	..	..	..	..
Top markets[2]						
United Kingdom	Thousand	7 302	5 670	5 495	6 259	6 422
Germany	Thousand	3 658	3 342	3 279	3 392	3 685
Spain	Thousand	3 070	3 204	3 278	3 445	3 077
France	Thousand	1 590	1 595	1 619	1 931	2 225
Netherlands	Thousand	1 974	1 789	1 843	1 993	2 137
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments	Thousand	26 204	23 214	23 608	26 004	27 257
Other collective establishments		..	..	..	..	..
Total international receipts	Million EUR	9 523	8 789	9 841	10 663	11 377
International travel receipts	Million EUR	7 440	6 908	7 601	8 146	8 606
International passenger transport receipts	Million EUR	2 083	1 881	2 240	2 517	2 771

1. Hotels and similar establishments.
2. Nights spent.

Source: Statistics Portugal (INE), Bank of Portugal.

StatLink http://dx.doi.org/10.1787/888932988753

Table 3. **Portugal: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million EUR	3 590	3 306	3 548	3 552	3 496
International travel expenditure	Million EUR	2 939	2 712	2 953	2 974	2 946
International passenger transport expenditure	Million EUR	651	594	595	578	550

Source: Statistics Portugal (INE), Crossborder Movements Survey, 2007, Bank of Portugal.

StatLink http://dx.doi.org/10.1787/888932988772

Table 4. **Portugal: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	105 811	103 705	99 295	99 052	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	6 487	6 512	6 478	7 106	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	84 602	82 730	78 727	78 077	..
Passenger transport	12 057	11 956	11 727	11 613	..
Air passenger transport	66	69	68	71	..
Railways passenger transport	2	1	2	2	..
Road passenger transport	11 862	11 751	11 524	11 415	..
Water passenger transport	127	135	133	125	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	..	..	..	..	..
Travel agencies and other reservation services industry	2 665	2 507	2 363	2 256	..
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: Statistics Portugal (INE), Structural Business Survey.

StatLink http://dx.doi.org/10.1787/888932988791

Table 5. **Portugal: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	327 900	306 200	305 400	299 500	289 700
Tourism industries	..	..	..	..	..
Accommodation services for visitors	61 000	55 700	57 700	64 300	54 400
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	258 400	239 400	233 800	226 000	226 400
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	8 500	11 100	13 900	9 200	8 900
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Source: Statistics Portugal (INE), Tourism Satellite Account, Employment Statistics.

StatLink http://dx.doi.org/10.1787/888932988810

Table 6. **Portugal: Internal tourism consumption**

Million EUR, 2008

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	6 126	8 847	14 973
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	953	2 107	3 060
Food and beverage serving services	1 544	2 229	3 773
Passenger transport services	1 691	2 137	3 828
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	547	64	611
Cultural services	24	30	54
Sports and recreation services	441	170	611
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services[1]	448	29	477
Other consumption products	..	..	..
Tourism connected products	122	995	1 117
Non-tourism related consumption products	356	1 086	1 442
Non-consumption products	..	..	..

1. Refers to other tourism characteristic services.

Source: Statistics Portugal (INE), Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988829

Table 7. **Portugal: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP[1]	9.2 p	8.8 p	9.2 e	..	..
Total tourism employment (direct) as % of total employment	8.2	..	..	..	..

1. Based on tourism consumption.

Source: Statistics Portugal (INE), Tourism Satellite Account, Bank of Portugal.

StatLink http://dx.doi.org/10.1787/888932988848

For more information

Turismo de Portugal, I.P. *www.turismodeportugal.pt/*

Visit Portugal *www.visitportugal.com*

Slovak Republic

Tourism in the economy

In 2012, the Slovak Republic's international tourism receipts reached EUR 1 789 million, up 2.5% on the previous year and contributing 2.5% of GDP (the same share as in 2011). Expenditure by Slovak citizens travelling abroad in 2012 totalled EUR 1 681 million, 6.4% more than in 2011. The balance of payments in international tourism therefore remained positive in 2012, but declined by 31% to EUR 123 million.

The total number of domestic and foreign tourists staying in accommodation establishments increased by 5.7% in 2012 to 3.8 million, of whom 1.5 million came from abroad. The five leading foreign markets were the Czech Republic, Poland, Germany, Austria and Hungary, together accounting for 60% of foreign arrivals in 2012.

In 2012, 3 643 enterprises provided accommodation services, offering 63 685 rooms with 163 898 beds. In the same year, 19 714 legal entities offering accommodation and food services operated in the Slovak Republic, 1.3% fewer than in 2011. The number of employees in accommodation and catering establishments was 97 200 in 2012, about 4.2% of the total employed workforce.

Tourism organisation and governance

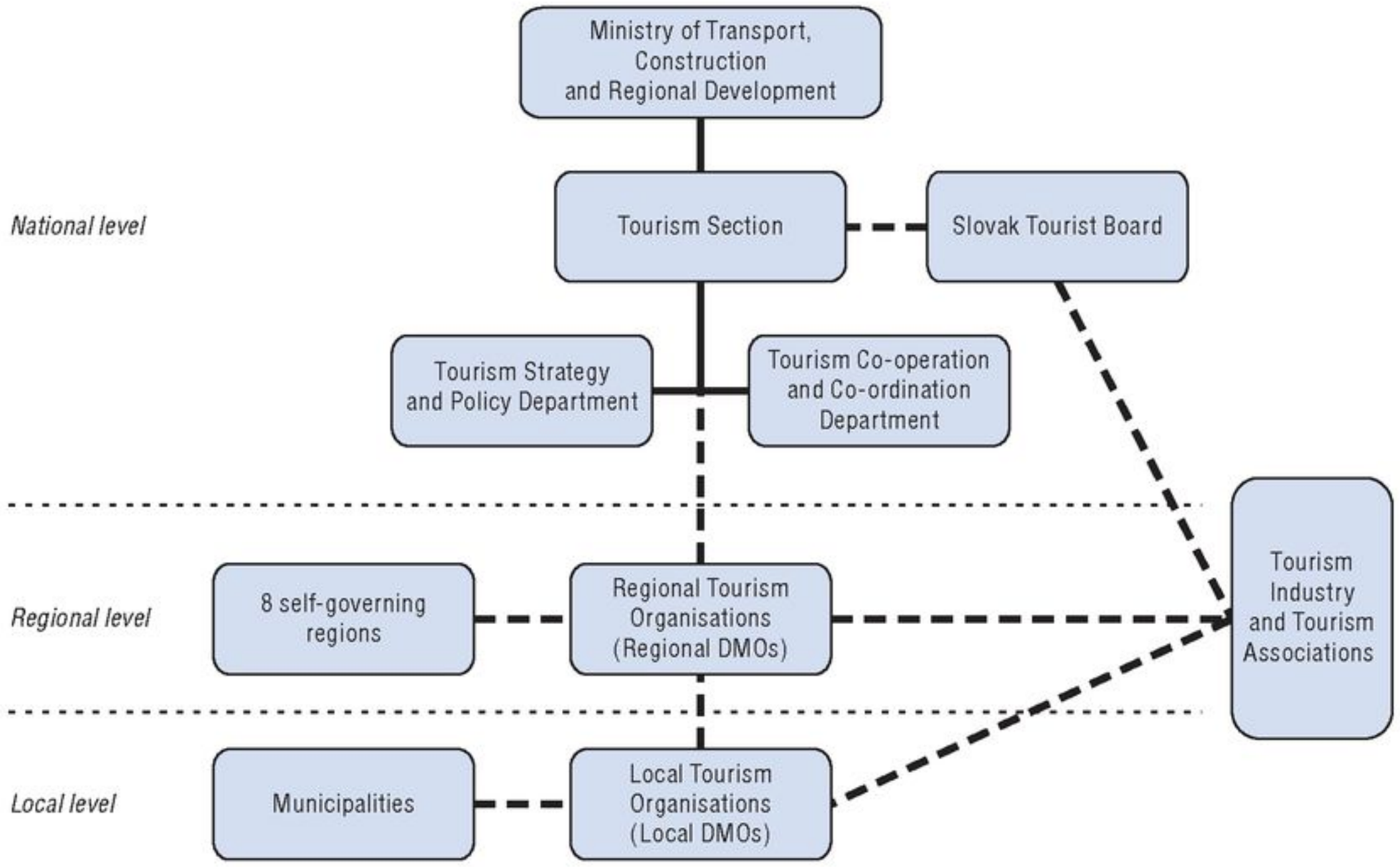
Since 1 November 2010 responsibility for tourism has rested with the Ministry of Transport, Construction and Regional Development (Figure 1).

The tourism section of the ministry is divided into two departments – the Tourism Strategy and Policy Department and the Tourism Co-operation and Co-ordination Department with responsibilities including: creation of conditions for the development of tourism; formulation, implementation and monitoring of policy; preparation of legislative regulations concerning tourism; provision of comprehensive statistical data on the development of tourism; and representing the country's interests in international tourism organisations.

The Slovak Tourist Board (STB) is a government agency funded from the state budget and responsible for promoting and marketing the Slovak Republic as a tourism destination. It markets tourism at the national level, provides information on travel opportunities in the Slovak Republic, promotes a positive image of the country as a tourism destination abroad, supports the sale of tourism products, and implements the EU Structural Funds in the tourism industry. The STB has eight national branch offices and six foreign offices – located in the Czech Republic, Germany, Poland, Austria, the Russian Federation and Hungary.

At the regional level, tourism responsibilities were devolved in 2001 to eight self-governing bodies in the regional governments – Bratislava, Trnava, Nitra, Trenčín, Žilina, Banská Bystrica, Prešov and Košice – and municipalities. Local governments in municipalities and towns also play an important role in the development of tourism in

Figure 1. **Slovak Republic: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Transport, Construction and Regional Development, 2014.

their areas. Tourism associations as professional entities also contribute at local and regional levels, primarily in the fields of quality improvement, expanding the range of tourism products and services, professional training, the application of quality standards, and the communication of best practices.

By adopting the amendment to the Act on Support of Tourism in October 2011, the ministry is seeking to build a system of destination management organisations (DMOs), whereby local and regional tourism organisations are created on the basis of voluntary public-private partnerships (PPPs), with financial support from the government. In 2012, 29 local and 2 regional tourism organisations were created, increasing to 34 local and 4 regional organisations in 2013.

The Slovak Convention Bureau (SCB) was established in 2010 as a non-profit organisation to facilitate public-private partnership opportunities between the STB and industry. The SCB promotes the country as a congress destination.

Tourism budgets

In 2012 the ministerial budget for tourism was EUR 3.32 million, of which EUR 28 500 represented the administrative budget of the tourism section and EUR 3.29 million were distributed in the form of subsidies to the regional and local tourism organisations. In addition, the budget of the Slovak Tourist Board (STB) was EUR 3.86 million.

The Slovak Republic has access to EU Structural Funds through the National Strategic Reference Framework 2007-13. During this programming period, it was able to use funds totalling EUR 172.6 million for the support of business activities in tourism, the development of tourism information services, and the presentation of the regions and the country within the Operational Programme – Competitiveness and Economic Growth.

Tourism-related policies and programmes

The key challenge in the field of tourism in the Slovak Republic is the implementation of a destination management approach to tourism development, in compliance with the Tourism Support Act.

An amendment to the Act on Investment Aid No. 561/2007 Coll. came into force on 1 August 2011. This amendment entitles the tourism section of the Ministry of Transport, Construction and Regional Development to provide investment assistance to tourism projects.

In October 2011, Parliament approved an amendment to the Act No. 91/2010 Coll. in Support of Tourism. The act regulates tourism support, the rights and obligations of natural and legal persons operating in the tourism sector, the drafting of policy documents, and tourism development funding. It is the first systemic, legislative framework for the creation and operation of local and regional tourism organisations.

The aim is to boost co-operation and partnership in the tourism sector by creating local and regional tourism organisations, which are responsible for the creation and development of tourism within their defined territories. The funding of these organisations consists of membership fees and matching subsidies from the state budget.

In its 2012-16 Manifesto, the government is committed to fostering the competitiveness of tourism and better using its potential to eliminate regional disparities and create new jobs. To achieve this goal, it will be necessary to:

- Reform the institutionalisation of the management and co-ordination of activities related to the development of tourism at all levels.
- Develop a new strategy to revive tourism, increase quality and competitiveness.
- Foster a better use of the tourism potential of the Slovak Republic.
- Improve effectiveness and transparency in the use of public resources for the support of tourism, including a more effective use of EU funds.
- Provide programmes to foster the development of air transport (including airports and airlines) as an essential component of the tourism industry.

To this end, the government of the Slovak Republic approved in July 2013 the Tourism Development Strategy until 2020. The strategy focuses on two key areas: the quality of the tourism offer; and the presentation and promotion of the Slovak Republic as a tourism destination. At the same time, the Slovak Tourist Board has drawn up a new marketing strategy for this period.

On 7 May 2013, the government approved a national strategy for the development of cycling transportation and cycling tourism in the Slovak Republic. Promotion of cycling is now, therefore, one of the priorities of the ministry, as it is a healthy and environmentally friendly means of transport, which supports the development of tourism and can contribute to reducing traffic congestion in towns.

The strategy will promote cycling as an important segment of tourism with great potential to support the sustainable development of rural areas. The strategy has set a target for cycling to achieve a 10% share of total traffic by 2020.

In June 2013, the ministry signed an agreement on co-operation with the Statistics Office of the Slovak Republic to improve statistics relating to inbound tourism and to establish Tourism Satellite Accounts (TSAs). The ministry has also financially supported the Statistics Office in this work.

Statistical profile

Table 1. **Slovak Republic: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	12 781	10 650	10 433	11 928 p	..
Overnight visitors (tourists)	Thousand	6 727	5 490	5 382	5 912 p	..
Same-day visitors (excursionists)	Thousand	6 054	5 160	5 051	6 016 p	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	29 324	24 458	19 484	21 401 p	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts	Million EUR	1 698	1 708	1 605	..	..

Source: Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988867

Table 2. **Slovak Republic: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	7 953	5 676	5 723	7 785	8 272
Overnight visitors (tourists)[1]	Thousand	1 767	1 298	1 327	1 460	1 528
Same-day visitors (excursionists)[2]	Thousand	6 186	4 378	4 396	6 325 p	6 744 p
Top markets						
Czech Republic	Thousand	537	425	433	477	491
Poland	Thousand	308	165	162	172	164
Germany	Thousand	165	134	132	133	136
Austria	Thousand	62	50	52	59	66
Hungary	Thousand	90	56	51	59	60
Nights in all means of accommodation	Thousand	5 261	3 769	3 807	4 039	4 101
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million EUR	2 059	1 820	1 768	1 806	1 846
International travel receipts[3]	Million EUR	1 763	1 675	1 685	1 745	1 789
International passenger transport receipts	Million EUR	296	145	83	61	57

1. Accommodation establishments (collective and private).
2. Excludes transit.
3. Includes same-day visitor receipts.

Source: Statistical Office, National Bank.

StatLink http://dx.doi.org/10.1787/888932988886

Table 3. **Slovak Republic: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	6 500	5 821	4 949	5 939 p	..
Overnight visitors (tourists)	Thousand	4 114	3 638	3 066	3 583 p	..
Same-day visitors (excursionists)	Thousand	2 386	2 183	1 883	2 356 p	..
Total international expenditure	Million EUR	1 773	1 680	1 678	1 809	1 832
International travel expenditure[1]	Million EUR	1 467	1 504	1 471	1 567	1 681
International passenger transport expenditure	Million EUR	306	176	207	242	151

1. Excludes same-day visitor expenditure.

Source: Statistical Office, Tourism Satellite Account and National Bank.

StatLink http://dx.doi.org/10.1787/888932988905

Table 4. **Slovak Republic: Enterprises in tourism**

Number of enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	28 553	26 832	27 365	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	2 734	2 961	2 995	..	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	15 430	13 619	13 676	..	..
Passenger transport	3 368	3 083	3 125	..	..
Air passenger transport	..	..	..	..	..
Railways passenger transport	..	..	..	..	..
Road passenger transport	..	..	..	..	..
Water passenger transport	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	749	764	807	..	..
Travel agencies and other reservation services industry	1 154	1 254	1 406	..	..
Cultural industry	1 379	1 395	1 228	..	..
Sports and recreation industry	3 739	3 756	4 128	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988924

Table 5. **Slovak Republic: Employment in tourism**

Number of jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)[1]	88 892	100 684	94 956	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	14 225	11 797	11 004	..	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	31 169	45 380	40 277	..	..
Passenger transport	20 979	19 974	20 953	..	..
Air passenger transport	951	115	238	..	..
Railways passenger transport	4 955	4 975	5 006	..	..
Road passenger transport	14 992	14 818	15 649	..	..
Water passenger transport	81	66	60	..	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	1 148	1 107	1 122	..	..
Travel agencies and other reservation services industry	2 161	2 757	2 728	..	..
Cultural industry	8 183	8 742	8 654	..	..
Sports and recreation industry	11 027	10 927	10 218	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent. Excludes self-employed.

1. Tourism characteristic industries.

Source: Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988943

Table 6. **Slovak Republic: Internal tourism consumption**

Million EUR, 2008

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	1 674	1 939	3 613
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	336	326	662
Food and beverage serving services	245	389	634
Passenger transport services	546	308	854
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	78	5	83
Cultural services	225	116	341
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	244	795	1 039
Country-specific tourism characteristic services	..	..	..
Other consumption products	..	..	..
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

Source: Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988962

Table 7. **Slovak Republic: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	2.8	2.8	2.6	..	..
Total tourism employment (direct) as % of total employment[1]	5.0	5.5	5.3	..	..

1. Tourism characteristic employment.

Source: Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932988981

For more information

Ministry of Transport, Construction and Regional Development of the Slovak Republic	*www.mindop.sk*
Slovak Tourist Board	*www.sacr.sk*
Official Slovak National Tourism Portal	*www.slovakia.travel*
Statistical Office of the Slovak Republic	*www.statistics.sk*

Slovenia

Tourism in the economy

Slovene tourism was seriously affected by the global financial and economic crisis in 2009-10, but there were signs of recovery from the end of 2011, and 2012 turned out to be an excellent year. However, most of the tourism indicators weakened slightly in the first part of 2013.

Tourist arrivals (in all forms of accommodation) reached 3.3 million in 2012, 2.5% more than in 2011. Foreign tourists represented 65% of the total tourist arrivals count. Italy, Austria, Germany, Croatia and Serbia were the largest inbound markets, accounting for 50% of arrivals from abroad and 33% of total arrivals. In 2012, 9.5 million nights were registered, of which 61% were by foreign tourists. International travel receipts totalled EUR 2 090 million, an increase of 5.8% on 2011. Tourism exports represented 39.4% of total exports of services. In 2012 domestic tourists accounted for 1.1 million arrivals (3% fewer than in 2011) and 3.7 million nights (5% fewer). The city of Maribor was European Capital of Culture in 2012, which contributed significantly to the excellent performance of tourism in 2012.

Outbound trip volume (private and business) fell from 2.7 million in 2011 to 2.5 million in 2012, while international travel expenditure (travel imports) fell from EUR 817 million to EUR 734 million.

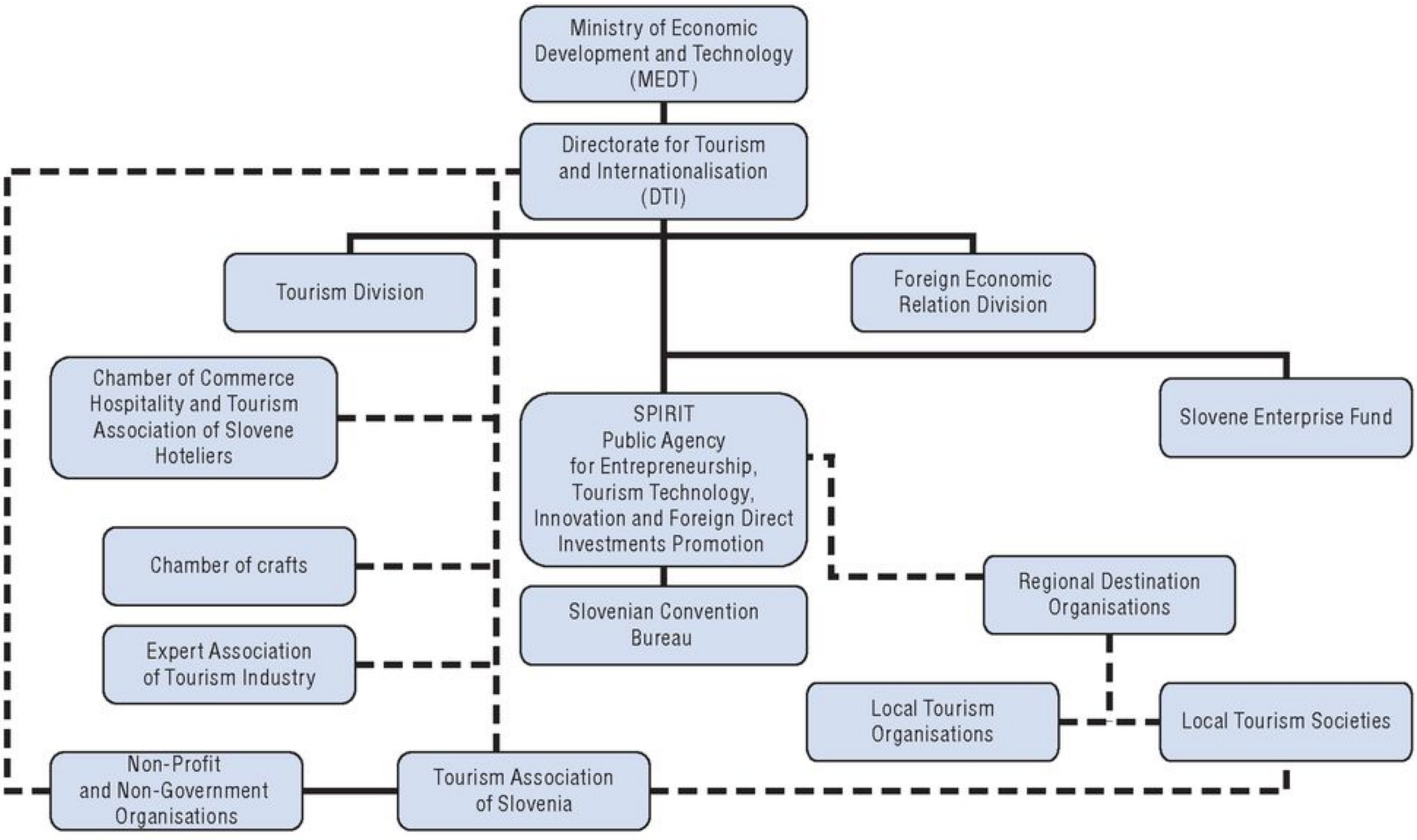
The number of enterprises in the HORECA (hotels, catering and recreation) sector rose from 9 375 in 2010 to 9 614 in 2011. Employment in the HORECA sector totalled 33 225 in 2012, 2.4% fewer employees than in 2011.

Tourism organisation and governance

National tourism policy development and implementation and strategic development are under the responsibility of the Ministry of Economic Development and Technology since the parliamentary elections in December 2011 (Figure 1). The Directorate for Tourism and Internationalisation (DTI) functions as an independent Division. Tourism, as a typical multi-sector issue, is regulated by many national laws. The national tourism legislation is also affected by European Union legislation in relation to consumer protection, internal market, customs and tax-duties, migration, etc.

The Tourism Division's main tasks and competences include: tourism policy development and implementation, tourism related legislation (consultations, implementation), regional and local tourism development; providing incentives for tourism SMEs; investment policies in tourism facilities, EU cohesion funds and national budget; SPIRIT activities and programme on tourism promotion; and international co-operation.

Figure 1. **Slovenia: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Economic Development and Technology, 2014.

On 1 January 2013, the Slovenian Tourism Board was merged with two other public agencies – the Agency for Technological Development and Innovation and the Agency for Entrepreneurship and FDI promotion – to form a new agency, the SPIRIT. The SPIRIT is a state-owned executive agency which performs all functions previously undertaken by the three agencies. Within SPIRIT, the tourism unit is now responsible for the implementation of domestic and inbound tourism policy in terms of control, direction, marketing and promotion.

Tourism budgets

The Law on Promotion of Tourism Development (Ur. l. RS No. 2/04, Article 8) is the legal basis defining the budget resources for tourism development and tourism policy implementation. The financial resources for tourism development come within the general budget of Slovenia, but according to Article 74 of the Gambling Act are funded by gambling concession fees. These concession fees (which in 2005-10 were equivalent to approximately EUR 50 million a year) are divided equally between the general budget and local community budgets for the development, management, marketing and promotion of their tourism destinations. Additional financial resources for tourism development at the local level are available from the accommodation tax collected directly from tourists.

In 2012, the national government budget for tourism was EUR 8.8 million (down from EUR 11.4 in 2011), which represented 0.11% of the total national budget in 2012 (0.14% in 2011). Of this figure, EUR 5.5 million was allocated to the Slovenian Tourism Board to cover marketing, promotion and administrative costs – a drop of 38.5% from the 2011 budget of EUR 8.9 million. For special promotions, advertising and marketing campaigns in foreign markets, private sector co-funding is sought.

For the 2007-13 programming period, the European Regional Development Fund allocated EUR 145 million for co-funded tourism projects in Slovenia, resulting in 99 private sector and NGO projects, as well as 34 public investment projects in sports and recreation facilities, cultural heritage renovation, youth hostels, and regional destination management programmes.

Tourism-related policies and programmes

A new tourism development strategy, the 2012-16 *Partnership for the sustainable development of Slovenian tourism*, was adopted in June 2012. The strategy adapts the pro-active and engaged policies of consecutive governments to the current economic and financial realities and to the rapidly changing and highly competitive nature of international tourism.

The new strategy has three objectives, with a continued focus on close co-operation between national, regional and local administrations and the private sector:

- *Increasing competitiveness* by further development and promotion of tourism destinations at the regional and local levels, improving destination management techniques, encouraging SME networking and clustering to produce efficient and competitive supply chains, improving employee qualifications and competences, encouraging innovation and diversification, and promoting investments in green infrastructure.
- *Creating a healthy business environment* by providing a favourable regulatory framework for SMEs, reducing bureaucratic obstacles, and providing appropriate financial and other incentives.
- *Taking an innovative approach* to the marketing and promotion of "Destination Slovenia", with clearly positioned and well-targeted tourism products, and an emphasis on digital technologies, e-marketing and virtual advertising and promotion campaigns.

The previous tourism strategy (2007-11) focused on the sustainable development of tourism with the mobilisation and optimisation of all available resources (industry, public and NGO), with priority for the renovation and construction of new hotel, leisure, wellness and sports facilities throughout Slovenia. There was also an emphasis on helping SMEs and "green" tourism entrepreneurship. A new slogan and tourism national brand, "I feel Slovenia", was adopted. Slovenia carries out periodic evaluations of the five-year tourism development strategies, with progress also examined each year at the Slovenian Tourism Forum.

Slovenia has participated in the European Destinations of Excellence (EDEN) project since 2008. Over this period, five destinations of excellence have been declared in Slovenia, and five hotels and resorts have been granted the EU "flower certificate".

Slovenia endeavours to encourage trade and tourism service transactions through bilateral and inter-governmental free trade agreements, and agreements on economic and development co-operation. The EU Service Directive and the Consumers' Directive have been implemented. A new Law on Tourism Development Promotion harmonised with related EU directives was planned for 2013.

The gap between demand and supply of adequately skilled staff is a serious problem in the Slovene hotel and catering industry. Registrations in tourism and hospitality schools have been falling in recent years and the motivation for making a career in tourism seems to have declined.

To improve the situation, the Slovenian tourism administration, in partnership with the Chamber of Commerce –Tourism and Catering, the Chamber of Craft and Small Business, the National Institute for Vocational Education and the Training and Employment Service of Slovenia, has organised several workshops, seminars, media campaigns and ad hoc labour exchanges in last five years. In 2010 and 2011, the Ministry of Economic Development and Technology also organised several workshops called "Contemporary styles of human resources management" dedicated to the tourism industry and tourism SMEs. The annual "We know how to do it" media campaigns for promoting professionalism in the tourism workforce have been positively received by employers and employees. Both activities are co-financed by the tourism budget.

A working group on human resources development in tourism has been established with representatives from the Ministry of Labour and Social Affairs, the Tourism Workers Trade Union, the Chamber of Commerce and the Ministry of Economic Development and Technology. The main task of the working group is the creation of a public-private system for ensuring the acquisition of practical skills and the training of students. The selected employers will provide subsidised scholarships to students and pupils who will gain practical experience in a network of so called "school hotels chain".

To fill the gap between demand and supply on the labour market, many companies previously turned to migrant workers, but restrictive legislation on migrant workers, which was adopted in 2011(as a consequence of the economic crises and unemployment in Slovenia), decreased the number of migrant workers significantly. However, there is no doubt that in a climate of renewed economic growth, the tourism industry will need an adequate number of competent and skilled foreign workers again.

Statistics and performance evaluation

The Statistical Office of the Republic of Slovenia, within its regular surveys at national and local (municipal) level, provides a variety of statistics data and indicators related to tourism, mostly indicators such as numbers of trips taken by domestic and foreign tourists, numbers of overnight stays, holiday plans and purposes, quality/price indicators, etc. It also provides for further specific indicators on request, such as estimates of total day visitors per annum or per month, or percentages of visitors indicating satisfaction with their experience.

In 2012 the Statistics Office published its first analysis of the contribution of tourism to the Slovene economy based on the recommended Tourism Satellite Account methodology. The analysis was based on 2009 statistical data.

Statistical profile

Table 1. **Slovenia: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	1 126 |	1 161	1 137	1 181	1 142
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation[2]	Thousand	3 963 |	4 077	3 909	3 924	3 733
Hotels and similar establishments	Thousand	2 175 |	2 234	2 138	2 179	2 046
Other collective establishments	Thousand	1 788 |	1 843	1 772	1 745	1 688
Domestic travel receipts		..	..	..	..	..

1. All means of accommodation.
2. Includes private accommodation.

Source: Statistical Office and Bank of Slovenia.

StatLink http://dx.doi.org/10.1787/888932989000

Table 2. **Slovenia: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	1 958 |	1 824	1 869	2 037	2 156
Same-day visitors (excursionists)		..	..	..	..	..
Top markets[2]						
Italy	Thousand	346 |	352	348	348	340
Austria	Thousand	173 |	169	164	182	198
Germany	Thousand	148 |	125	123	135	143
Croatia	Thousand	99 |	82	83	88	88
Serbia	Thousand	47 |	46	67	70	67
Nights in all means of accommodation	Thousand	5 351	4 936	4 997	5 464	5 777
Hotels and similar establishments	Thousand	4 051	3 684	3 715	4 006	4 150
Other collective establishments	Thousand	1 300	1 252	1 282	1 458	1 627
Total international receipts	Million EUR	2 001 |	1 958	2 062	2 117	2 220
International travel receipts	Million EUR	1 827 |	1 804	1 925	1 975	2 090
International passenger transport receipts	Million EUR	175 |	154	137	142	130

1. All means of accommodation, including private accommodation.
2. Hotels and similar establishments.

Source: Statistical Office and Bank of Slovenia.

StatLink http://dx.doi.org/10.1787/888932989019

Table 3. **Slovenia: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	5 490	5 575	5 340	5 073	4 465
Overnight visitors (tourists)	Thousand	2 459	2 586	2 874	2 722	2 474
Same-day visitors (excursionists)	Thousand	3 031	2 989	2 466	2 351	1 991
Total international expenditure	Million EUR	1 094	1 040	1 046	941	851
International travel expenditure	Million EUR	922	913	923	817	734
International passenger transport expenditure	Million EUR	172	128	123	124	117

Source: Statistical Office and Bank of Slovenia.

StatLink http://dx.doi.org/10.1787/888932989038

Table 4. **Slovenia: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	8 559	9 016	9 375	9 614	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	870	968	1 027	1 076	..
Hotels and similar establishments	334	363	386	400	..
Food and beverage serving industry[1]	7 095	7 399	7 670	7 822	..
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	594	649	678	716	..
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Includes registered legal or natural persons which were active during the reference year.

1. Restaurants.

Source: Statistical Office, Structural Business Statistics.

StatLink http://dx.doi.org/10.1787/888932989057

Table 5. **Slovenia: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	36 144	35 583	34 233	34 058	33 225
Tourism industries	..	..	..	..	..
Accommodation services for visitors	10 945	10 609	10 398	10 241	10 053
Hotels and similar establishments	9 720	9 398	9 177	9 052	8 899
Food and beverage serving industry[1]	23 344	23 188	22 052	22 074	21 325
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	1 855	1 786	1 783	1 743	1 847
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	39	40	41	41	41
Female (% of total tourism employment)	61	60	59	59	59

Note: Includes self-employed.

1. Includes restaurants, bars, canteens and catering.

Source: Statistical Office, Statistical Register of Employment.

StatLink http://dx.doi.org/10.1787/888932989076

Table 6. **Slovenia: Internal tourism consumption**

Million EUR, 2009

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	1 163	2 099	3 262
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	196	306	502
Food and beverage serving services	239	211	450
Passenger transport services	148	139	287
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	78	16	94
Cultural services	48	14	62
Sports and recreation services[1]	101	278	379
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	353	1 135	1 488
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.

Source: Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932989095

Table 7. **Slovenia: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	4.9	..	..	..
Total tourism employment (direct) as % of total employment	..	..	..	..	..

Source: Statistical Office, Bank of Slovenia, Ministry of the Economy, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932989114

For more information

Ministry of Economic Development and Technology	*www.mgrt.gov.si*
Slovenian Tourism Board	*www.slovenia.info*
Tourism and Hospitality Chamber of Slovenia/Association of Slovene Hoteliers	*www.gzs.si*
Chamber of Craft and Small Business of Slovenia	*www.ozs.si*
Trade Union for Tourism and Catering workers	*www.sindikat-git.si*
Tourist Association of Slovenia (TAS)	*www.turisticna-zveza.si*
The Association of Slovene Travel Agencies	*www.ztas.org*
Statistical Office of the Republic of Slovenia	*www.stat.si*

Spain

Tourism in the economy

Tourism is one of the mainstays of the Spanish economy and an outstanding driver of social development. It accounts for almost 11% of Spain's GDP and 11.8% of employment. Thanks to modest growth year on year, tourism continues to contribute substantially to offsetting the country's trade deficit. With 57.7 million foreign visitors (+2.7% over 2011) and EUR 43.3 billion in international tourism receipts (+1.2%), Spain consolidated its position in 2012 as the fourth largest destination worldwide in terms of arrivals, and the second largest in terms of receipts.

In the same year, tourism expenditure overall was nearly EUR 55.6 billion (+5.7% compared with 2011) and Spain maintained its position as the leader in the European Union ranking in terms of hotel overnight volume, with 280 million bednights recorded. The tourism unemployment rate was 17.9%, as against the national rate of 25%. Overall, trends in inbound tourism in 2012 were positive and, according to data from the Institute for Tourism Studies (IET), the trend continued in 2013.

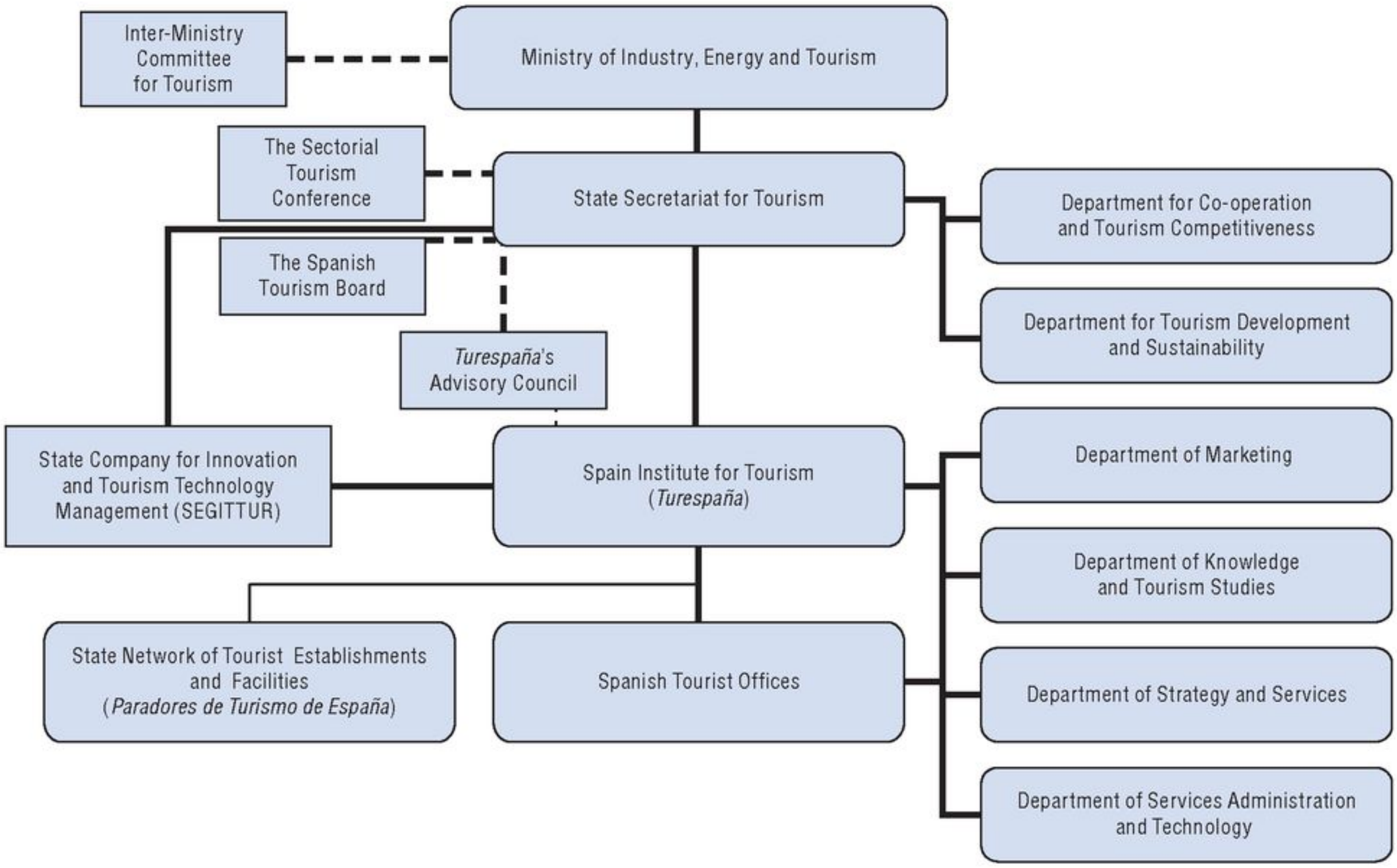
Tourism organisation and governance

Tourism comes under the Ministry of Industry, Energy and Tourism through the offices of the State Secretariat for Tourism (Figure 1). The State Secretariat is responsible for defining, developing co-ordinating and implementing tourism policy that falls within the sphere of the central government's responsibility, as well as institutional relations at national and international level.

The Spanish Tourism Institute (*Turespaña*) is the administrative unit of central government charged with promoting Spain abroad as a tourism destination. It has 33 offices worldwide, which are part of Spain's embassies and consulates. *Turespaña* operates in the following areas:

- Planning, developing and carrying out activities aimed at promoting Spain as a tourism destination in international markets.
- Supporting the marketing of Spanish tourism products abroad in co-operation with regional and local authorities and the private sector.
- Undertaking research to determine the different influences on tourism, gathering statistical information and data on the tourism sector, and creating, disseminating and co-ordinating knowledge and intelligence on tourism generated by the various administrative units.
- Establishing the strategy, plan of action and investments for new Spanish paradors (*Paradores de Turismo de España*).

Figure 1. **Spain: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Industry, Energy and Tourism, 2014.

Under the Spanish Constitution, the autonomous regions are responsible for the promotion and regulation of tourism within their own territories. The state's role is in international relations, the promotion and marketing of tourism abroad, tourism policy, and the overall regulation of tourism activity, in addition to national economic planning in which tourism is a key component.

Local entities (provinces and municipalities) manage their own tourism interests at the local level, mainly in terms of promotion and dissemination of information. One important body is the *Patronato de Turismo* (mostly in the main cities), on which the Congress Offices depend, and which in turn support the private sector in their commercial strategies to attract congresses and fairs. This distribution of powers creates a network of inter-administrative relations and various instruments of co-operation in tourism matters. Co-operation is key to ensuring maximum operational effectiveness.

The *Paradores de Turismo de España* is a state company under the control of the Spanish Tourism Institute, whose principal function is the management and operation of state-owned properties – mostly historic buildings that have been purpose-adapted as hotels. The concept has proved enormously successful in recovering and conserving Spain's historical heritage. There are currently 93 paradors in operation.

Four other tourism-related bodies should be mentioned:

- The Inter-Ministerial Committee for Tourism (*Comisión Interministerial de Turismo*) is a collegiate, advisory and executive co-ordination body whose members represent those national ministries that have responsibility for tourism-related matters.

- The Sectoral Tourism Conference (*Conferencia Sectorial de Turismo*) is the collegiate, advisory and executive co-ordination body, which brings together public representatives from central government and the autonomous regions with tourism responsibilities.
- The Spanish Tourism Board (*Consejo Español de Turismo* – CONESTUR) is an advisory body, which brings together all the territorial tourism administrations (state, regions and provinces/cities) and the private sector (i.e. chambers of trade, the National Employers' Association (CEOE), professional associations, trade unions and a wide spectrum of tourism professionals).
- *Turespaña*'s Advisory Council (*Consejo Asesor de Turespaña*) is an advisory board established in 2013 to enhance collaboration with the private sector. It comprises eleven members, five of whom come from the private sector.

Tourism budgets

Under the Constitution, the autonomous regions operate autonomously and rely on their own budgets, so they do not directly affect the state budget or national taxation.

At the national level, the current (2013) budget for the State Secretariat for Tourism is EUR 394 million (compared with EUR 518 million in 2012), the budget for *Turespaña* is EUR 83 million (EUR 97.8 million in 2012), and the budget for tourism promotion is EUR 43 million (EUR 53.6 million).

The main sources of funding for *Turespaña* are the paradors (EUR 9 million), commercial transactions (EUR 4.8 million), financial support (in the form of refunds) from the Spanish tourist offices abroad, and the ministry (EUR 69 million).

Tourism-related policies and programmes

The current National Tourism Plan (2012-15), the *Plan Nacional e Integral de Turismo* (PNIT), is managed through the Secretaría de Estado de Turismo. It was designed as a set of measures to boost the competitiveness of Spanish tourism enterprises and destinations, renew Spain's world tourism leadership for the coming decades, and contribute towards the generation of wealth, employment and well-being for the nation.

The PNIT was developed in response to the needs of the tourism sector, namely:

- Leadership, in terms of bringing together all stakeholders and resources in a common endeavour.
- Public-private collaboration, ensuring alignment in policy development and decision-making, as well as the funding of tourism promotion.
- Across-the-board policies and strategies, involving all government departments and agencies at local, regional, national and European level.
- An institutional structure and framework to boost the competitiveness of tourism enterprises, harmonising legislation across the whole national territory.
- A country- and sector-wide tourism strategy and policies based on an innovative vision of Spain as a tourism destination.

The seven key objectives of the PNIT are to: boost tourism and the profitability of the sector; generate quality employment; encourage market unity; improve Spain's international positioning; enhance the cohesion and notoriety of "Brand Spain"; encourage

public-private co-responsibility; and reduce tourism seasonality. In line with these goals, the PNIT focuses on three key measures: promote knowledge, entrepreneurship and training; improve Spain's tourism offer; and diversify demand.

This new strategy requires innovation, new marketing and business models; the sustainable management of destinations; new forms of communication; and an emphasis on customer welfare in the broadest sense, with special attention to health and the environment.

Brand Spain acts as a lever to improve the overall brand image of the country – not just as a tourism destination – and to enhance awareness and positive perceptions. Co-ordination and co-operation between the main players in Spain's tourism industry, as well as with all other stakeholders, are key to building and promoting *Brand Spain* for the benefit of the industry, government and local communities. The tourism sector plays an important role in this initiative. A new marketing strategy was adopted in 2012, providing a methodology for prioritising investment by individual markets, products and segments, as well as for pursuing differentiated positioning in the various segments targeted.

Reducing seasonality: The negative effect of seasonality on Spain's tourism performance is reflected in the use of tourism infrastructure, the fast turnover of staff, and the declining service quality. This requires urgent measures to incentivise low-season demand for travel in and to Spain. AENA (*Aeropuertos Nacionales y Navegación Aérea*), the state body responsible for airports, has been tasked with developing a new, flexible scheme for airport landing and other charges, based on the number of travellers and the capacity of each airport it manages.

Visa facilitation: Given the strong growth in demand for tourist visas from emerging markets, as well as their future growth potential, the Spanish government is looking at ways of simplifying visa processing and ensuring faster delivery of visas. The aim is to optimise visa services, enhance tourism demand from markets that require visas, reduce bureaucracy, and cut costs.

New legal and fiscal measures are being considered to improve the tourism operating environment – especially in small towns that attract unsustainable numbers of tourists at peak times of the year – to avoid the commoditisation of tourism products, and to help Spanish businesses and destinations reshape and adapt their tourism offer to meet the needs of new, niche markets and segments.

In addition, in a move to improve the competitiveness of Spain's tourism products, a uniform system of classification and categorisation of hotels, rural establishments and camping sites is being developed. Regional governments will be encouraged to adopt the homogenous rating system for the benefit of the country's tourism overall.

Other measures include leveraging the cultural wine-making and gastronomic heritage of Spain, which is a major attraction for tourists, and which helps to differentiate Spain's tourism offer from that of its competitors. The aim is to increase awareness of the local cuisine and wines of different regions and develop appropriate tour products to attract new business.

In an effort to stimulate the development of innovative tourism projects by young entrepreneurs, credit lines are being opened by government, facilitating their access to financing at better-than-market rates. In addition, the necessary tools will be made available to enterprises and entrepreneurs to help them identify new opportunities and draw up their business plans.

However, the tourism sector is influenced by decisions and actions undertaken across all government departments, e.g. with regard to visas, airport fees, land-use planning, historical and cultural heritage. Yet, traditionally, legislative initiatives have shown little sensitivity regarding their repercussions for tourism. For this reason, a new legal requirement has been proposed to ensure that all regulatory proposals – whether from the EU, the Spanish national government, regional or local government – include an analysis of their potential impact on the tourism sector.

Existing surveys on national statistics, etc. are being reviewed and re-oriented in line with the needs of the industry in order to strengthen IET's leadership position in the field and align its position more closely with that of *Turespaña*, as well as reducing costs and responding to pressures from the regional observatories.

Statistical profile

Table 1. **Spain: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	157 615	154 995	145 477	147 408	146 554
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	681 694	674 735	636 415	649 479	642 337
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Institute of Tourism Studies (IET).

StatLink http://dx.doi.org/10.1787/888932989133

Table 2. **Spain: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	97 670	91 899	93 744	99 187	99 195
Overnight visitors (tourists)[1]	Thousand	57 192	52 178	52 677	56 177	57 701
Same-day visitors (excursionists)	Thousand	40 478	39 722	41 067	43 010	41 495
Top markets						
United Kingdom	Thousand	15 775	13 297	12 440	13 615	13 654
Germany	Thousand	10 063	8 935	8 814	8 975	9 336
France	Thousand	8 149	7 955	8 125	8 375	8 969
Italy	Thousand	3 354	3 188	3 490	3 765	3 572
Netherlands	Thousand	2 480	2 089	2 276	2 772	2 549
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million EUR	47 646	42 718	44 797	48 477	49 190
International travel receipts	Million EUR	41 901	38 125	39 621	43 026	43 306
International passenger transport receipts	Million EUR	5 745	4 593	5 176	5 451	5 884

1. Number of tourists at border.

Source: Institute of Tourism Studies (IET) and Bank of Spain.

StatLink http://dx.doi.org/10.1787/888932989152

Table 3. **Spain: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	11 229	12 017	12 379	13 347	12 185
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million EUR	18 467	16 294	17 162	16 955	16 958
International travel expenditure	Million EUR	13 834	12 086	12 663	12 349	11 911
International passenger transport expenditure	Million EUR	4 633	4 208	4 499	4 606	5 047

Source: Institute of Tourism Studies (IET) and Bank of Spain.

StatLink http://dx.doi.org/10.1787/888932989171

Table 4. **Spain: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	430 560 |	433 634	426 977	426 993	425 719
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	22 603 |	23 079	22 924	23 288	23 393
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[2]	266 615 |	267 597	266 690	264 146	262 420
Passenger transport[3]	86 231 |	85 731	81 618	83 345	82 997
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	10 970 |	11 028	10 895	10 992	11 184
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	44 141 |	46 199	44 850	45 222	45 725
Other industries	..	..	..	..	..

Note: Break in series. Since 2008, NACE Rev. 2 classification.

1. Includes hotels, campsites and other provision of short stay accommodation.
2. Includes restaurants, bars and canteens.
3. Break in series. Since 2008, excludes freight.

Source: National Institute for Statistics.

StatLink http://dx.doi.org/10.1787/888932989190

Table 5. **Spain: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	2 193 514 |	2 143 119	2 120 404	2 132 034	2 039 255
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	1 452 534 |	1 421 182	1 370 266	1 391 942	1 322 138
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..
Passenger transport[2, 3]	332 380 |	329 247	331 056	321 592	303 433
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[4]	408 600 |	392 689	419 081	418 503	413 683
Gender breakdown					
Male (% of total tourism employment)	52	53	54	54	55
Female (% of total tourism employment)	48	47	47	46	45

Note: Break in series. Since 2008, NACE Rev. 2 classification.

1. Hotels and restaurants.
2. Break in series. Since 2008, excludes freight.
3. Includes travel agencies and tour operators.
4. Other services.

Source: Labour Force Survey (EPA).

StatLink http://dx.doi.org/10.1787/888932989209

Table 6. **Spain: Internal tourism consumption**

Million EUR, 2008

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	53 923	51 736	120 889
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	16 513	12 464	32 445
Food and beverage serving services	14 506	13 529	28 764
Passenger transport services	6 656	7 107	20 013
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	3 384	418	6 043
Cultural services[1]	1 557	1 272	3 748
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	11 307	16 946	29 876
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.

Source: National Institute for Statistics, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932989228

For more information

Spain Ministry for Industry, Energy and Tourism	*www.minetur.gob.es*
Spain Institute for Tourism – *Turespaña*	*www.tourspain.es*
Spain official tourism portal	*www.spain.info*
Spanish Institute for Tourism Studies	*www.iet.tourspain.es*
Spanish National Institute for Statistics	*www.ine.es*

Sweden

Tourism in the economy

Sweden's tourism has been growing steadily over the past ten years and is today an important sector for the growth of enterprise and jobs, as well as the expansion of local economies in the country. The Swedish Agency for Economic and Regional Growth (*Tillväxtverket*) reported an increase of 7.5% in tourism's export value in 2012, measured as foreign visitors' consumption in Sweden, to SEK 106.5 billion – almost 85% more than iron and steel exports and almost three times more than the value of Swedish car exports. This represented a growth of 162 % over the last 13 years.

Total turnover for tourism in Sweden in 2012 rose by 4.8% to almost SEK 275 billion. Employment and export value also increased. Approximately 45% of the total turnover was attributed to Swedish leisure travellers, while about 17% was generated by Swedish business travellers, and the balance of 38% came from foreign visitors.

The tourism industry's ability to boost employment is a key factor in the national economy, especially its ability to create jobs for young people. While employment in many traditional primary industries in Sweden has declined, tourism has generated 37 100 new jobs since 2 000. There were some 168 000 jobs in the tourism industry in 2012.

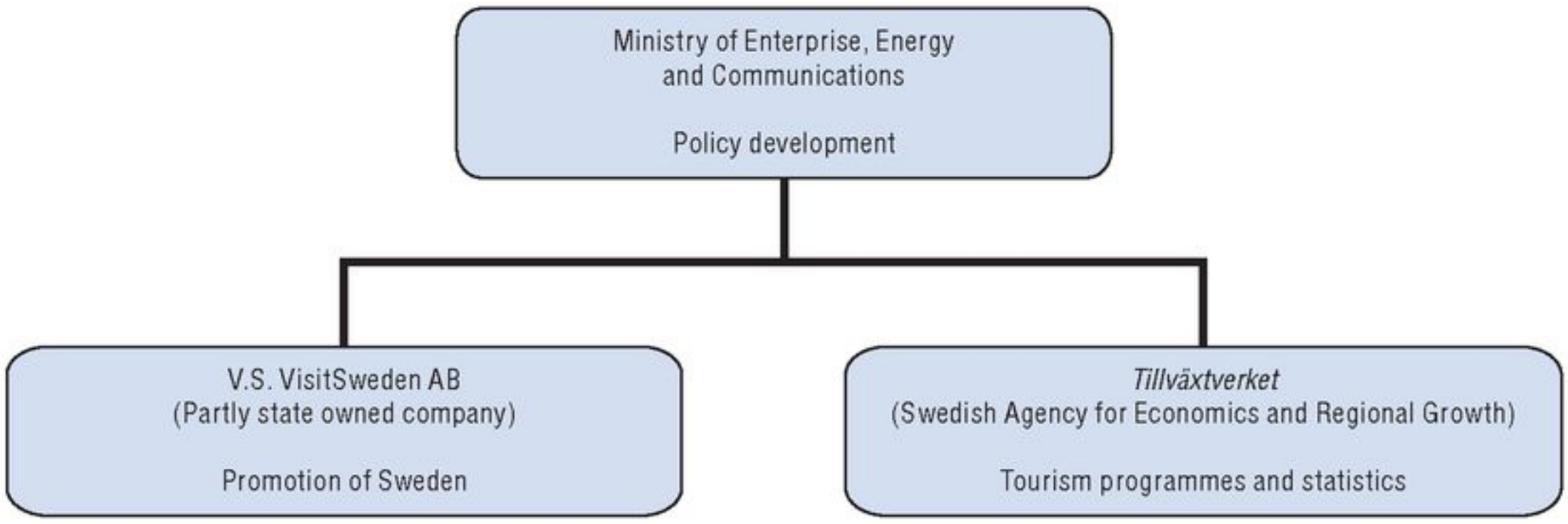
Provisional data for 2012 puts the growth of international arrivals at 3.9%, to 15.98 million, according to *Tillväxtverket*, compared to 15.4 million in 2011. Of these, 10.9 million (68%) were overnight stays of a minimum one night (+10%). International tourism receipts were estimated at USD 12 billion for 2012 – up 17% in local currency terms over 2011, with the first few months of 2013 recording a further 2.6% rise.

Tourism organisation and governance

The current organisational structure of Sweden's tourism at national level was determined by an act of parliament in 2005. Two organisations, the government agency *Tillväxtverket* (the Swedish Agency for Economic and Regional Growth) and the partly state owned company VisitSweden AB, are responsible for tourism at the national level (Figure 1).

Tillväxtverket focuses on tourism industry issues, and develops activities to promote tourism initiatives and entrepreneurship. The agency is also responsible for official tourism statistics and the production and dissemination of knowledge about the development of tourism and its effects on the Swedish economy. *Tillväxtverket* has been tasked with the responsibility of co-operation at the national level between different governments agencies involved either directly or indirectly in tourism. *Tillväxtverket* has a regional network, with offices across the country handling issues related to structural funds.

Figure 1. **Sweden: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Enterprise, Energy and Communications, 2014.

VisitSweden (formerly the Swedish Travel and Tourism Council) is a company owned jointly by the government and the Swedish tourism industry, and is responsible for marketing Sweden as a tourism destination abroad. VisitSweden AB has 12 offices in prioritised international markets.

In addition, there are tourism bodies at both regional and local levels, which are managed by the regions and local communities, respectively. There are no formal links between the different administrative levels.

Tourism budget

The budget for tourism is integrated within the general budget for *Tillväxtverket*, and has for the last few years been stable at around SEK 50 million, of which some 25% is used for the purchase of statistical data and surveys. The government funding for VisitSweden AB is about SEK 120 million, which is matched by a similar contribution from the industry, mainly in the form of partnership activities.

There are no specific tourism taxes and funding therefore comes mainly from general government budgets. From time to time, however, specific initiatives are financed by the government, in addition to its regular contribution to tourism.

There are no specific funds for tourism set up by the government, with the exception of a foundation established to promote knowledge and development within the tourism sector. The foundation finances scholarships, and an award of SEK 100 000 each year (Stora Turismpriset) to tourism professionals who have developed innovative, high-quality, sustainable products and services.

The industry and the labour organisations set up a fund in 2009, with a yearly contribution of SEK 8 million to support projects in research and innovation.

Tourism-related policies and programmes

The aim of the Swedish government's tourism policy is that Sweden should be a highly attractive tourism destination with competitive long-term tourism, contributing to sustainable growth and increased employment throughout the country. In order to achieve these goals, there is a strong need for co-operation between the different tourism stakeholders in Sweden.

To increase the competiveness of Swedish destinations and small and medium-sized enterprises (SMEs) in tourism, the government allocated SEK 60 million in 2012 to a programme for sustainable destination development. *Tillväxtverket* is responsible for the

programme and, in close co-operation with VisitSweden, has selected five pilot destinations that are perceived to have strong potential to attract international tourism. The programme includes activities related to increasing competitiveness among SMEs within destinations, i.e. business development activities, quality assessment, sustainable development, etc. An important objective is to disseminate the knowledge and tools that are developed within the programme to the whole tourism sector. The government also reduced VAT on restaurants and catering services in 2012 to stimulate employment (Box 1).

Box 1. **Reduction in VAT on restaurants and catering services**

With the primary goal of stimulating employment, VAT on restaurants and catering services in Sweden was reduced from 25% to 12% in January 2012. Several government agencies have been commissioned to evaluate the impact of this reform on consumer prices, employment, business and administration.

The National Institute of Economic Research (*Konjunkturinstitutet*) issued a preliminary report in June 2012 on the effects of the reform on consumer prices in restaurants. According to its findings, prices fell by 3% between December 2011 and April 2012. This suggests that the reform has been positive, at least in the short term.

Based on an initiative from the Västra Götaland region, *Tillväxtverket* has contributed to the development of a national quality and sustainability assessment system for entrepreneurs and activities within the tourism sector. The system, which now is established at national level, is called "Swedish Welcome" and will be operational sometime during 2014. The initiative is now being financed mainly by *Tillväxtverket*.

Within the industry, a common tourism strategy was developed in the summer of 2010. The strategy has been very well received by the industry and has resulted in several similarly focused regional strategies.

Statistics and economic evaluation

Tillväxtverket is tasked with the responsibility of providing official statistics within the field of tourism. The statistics include trends data on accommodation, the national Tourism Satellite Account (TSA), a border survey among departing foreign visitors (IBIS), and statistics covering overnights in guest marinas and visitor numbers at attractions. *Tillväxtverket* also commissions a survey on domestic and international travel by Swedes (TDB).

Statistical profile

Table 1. **Sweden: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation[1]	Thousand	38 133	38 681	39 603	39 743	39 916
Hotels and similar establishments[1]	Thousand	24 813	24 658	25 795	26 129	26 587
Other collective establishments[1]	Thousand	13 320	14 023	13 808	13 614	13 329
Domestic travel receipts		..	..	..	..	..

1. Commercial accommodation.

Source: Swedish Agency for Economic and Regional Growth.

StatLink http://dx.doi.org/10.1787/888932989247

Table 2. **Sweden: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	..	..	..	15 381 p	15 981 p
Overnight visitors (tourists)[1]	Thousand	..	..	..	9 959 p	10 914 p
Same-day visitors (excursionists)[1]	Thousand	..	..	..	5 421 p	5 067 p
Top markets						
United Kingdom	Thousand	..	..	..	5 240 p	6 863 p
Denmark	Thousand	..	..	..	1 880 p	2 156 p
Germany	Thousand	..	..	..	1 518 p	1 801 p
Finland	Thousand	..	..	..	1 313 p	1 327 p
Norway	Thousand	..	..	..	1 291 p	1 205 p
Nights in all means of accommodation[2]	Thousand	11 964	12 330	12 803	12 880	12 774
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million SEK	81 500	88 900	91 400 p	99 100 p	106 500 p
International travel receipts	Million SEK	73 900	78 500	79 900 p	89 400 p	104 500 p
International passenger transport receipts	Million SEK	7 600	10 400	11 500 p	9 700 p	2 000 p

1. Based on border survey.
2. Commercial accommodation.

Source: Swedish Agency for Economic and Regional Growth, IBIS 2012.

StatLink http://dx.doi.org/10.1787/888932989266

Table 3. **Sweden: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	13 291	11 699	13 042	14 651	15 548
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million SEK	97 200	91 200	95 600	102 600	109 100
International passenger transport expenditure		..	..	..	..	..

Source: Swedish Agency for Economic and Regional Growth.

StatLink http://dx.doi.org/10.1787/888932989285

Table 4. **Sweden: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	2 022	2 028	2 051	1 998	2 003
Food and beverage serving industry[2]	18 348	18 987	18 297	18 687	19 050
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	..	..	..	..	..

1. Hotels.
2. Restaurants.

Source: Swedish Agency for Economic and Regional Growth.

StatLink http://dx.doi.org/10.1787/888932989304

Table 5. **Sweden: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	131 359	139 820	132 819 p	137 956 p	145 225 p
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	55 016	59 057	56 501 p	58 882 p	62 549 p
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..
Passenger transport	17 340	17 656	18 560 p	18 114 p	18 357 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	10 977	9 309	9 564 p	9 827 p	10 476 p
Cultural industry[2]	11 209	12 497	11 202 p	11 737 p	13 245 p
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	30 235	35 524	31 705 p	33 033 p	33 699 p
Other country-specific tourism industries	..	..	..	..	..
Other industries	6 582	5 777	5 287 p	6 363 p	6 898 p
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent.
1. Hotels and restaurants.
2. Includes sports and recreation.

Source: Swedish Agency for Economic and Regional Growth.

StatLink http://dx.doi.org/10.1787/888932989323

Table 6. **Sweden: Internal tourism consumption**

Billion SEK, 2012

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	169 p	107 p	275 p
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	41 p	6 p	47 p
Food and beverage serving services	18 p	19 p	38 p
Passenger transport services	..	..	..
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	30 p	15 p	46 p
Transport equipment rental services	..	..	..
Travel agencies and other reservation services	15 p	0 p	15 p
Cultural services[1]	10 p	7 p	17 p
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	49 p	65 p	114 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation.

Source: Swedish Agency for Economic and Regional Growth, Statistics Sweden.

StatLink http://dx.doi.org/10.1787/888932989342

Table 7. **Sweden: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	2.8	3.1	2.9 p	2.9 p	3.0 p
Total tourism employment (direct) as % of total employment	..	..	..	..	..

Source: Swedish Agency for Economic and Regional Growth, Statistics Sweden.

StatLink http://dx.doi.org/10.1787/888932989361

For more information

Ministry of Enterprise, Energy and Communications	*www.sweden.gov.se*
Swedish Agency for Economic and Regional Growth	*www.tillvaxtverket.se*
VisitSweden	*www.visitsweden.com*
Statistics Sweden	*www.scb.se*

Switzerland

Tourism in the economy

Tourism is an important pillar of the Swiss economy. In 2012, around 146 000 people worked in the tourism industry (full-time equivalents), corresponding to 4.0% of the overall economy, and tourism contributed 2.7% of Swiss GDP.

A total of some 34.8 million tourist nights were registered in Switzerland in 2012, representing a decline of more than 7% in the four years from 2008. The decline was attributed to the global economic and financial crisis, which hit both domestic tourism and some of the country's leading international source markets.

Nevertheless, the growth of international arrivals shows that Switzerland remains a popular tourism destination for travellers from around the world. Some 8.6 million foreign tourist arrivals were recorded in 2012, up 0.4% over 2011's level, falling just short of the 2010 peak, but growth picked up through the first half of 2013. Although the number of German tourists has fallen sharply in recent years, Germany still remains by far the most important market for Swiss tourism, generating 1.9 million arrivals in 2012.

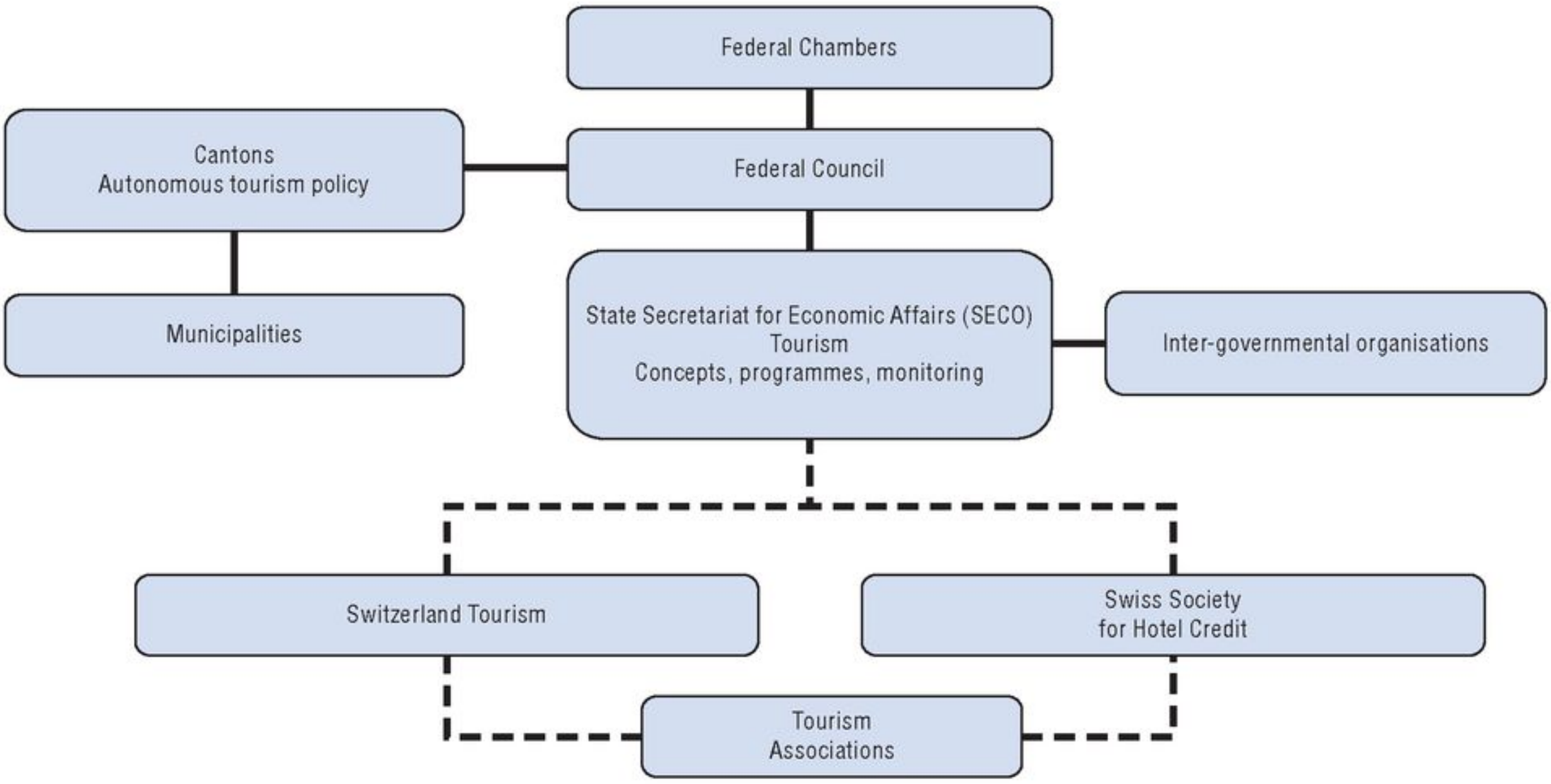
Tourism organisation and governance

The State Secretariat for Economic Affairs (SECO), part of the Federal Department of Economic Affairs, Education and Research (EAER), is responsible for implementing Swiss national tourism policy, which is shaped by many different policy bodies at national and regional levels. SECO is also responsible for the Federal Act on the Promotion of Innovation and Co-operation in Tourism (Innotour).

The Swiss Confederation has tasked Switzerland Tourism and the Swiss Hotel Loan Company (SGH) with the implementation of important tourism-related measures. Switzerland Tourism is responsible for the promotion of Switzerland and all tourism marketing activities. SGH grants subordinated loans to accommodation businesses in tourism regions on advantageous terms. In addition, the company operates a consultancy department, offering fee-paying consultancy services to the hospitality sector. Various other industry and professional associations in the economic sector also have an influence on national tourism policy, as shown in the following diagram (Figure 1).

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

Figure 1. **Switzerland: Organisational chart of tourism bodies**



Source: OECD, adapted from the State Secretariat for Economic Affairs (SECO), 2014.

Tourism budget

The Confederation supports the Swiss Society for Hotel Credit (SGH) by providing it with a non-interest-bearing loan facility of up to CHF 136 million. Switzerland Tourism's budget is partially funded by the Confederation – and the promotion of innovation, co-operation and knowledge creation in tourism (Innotour) is entirely funded by it, with the exact amount of the Confederation's contributions determined every four years by Parliament.

From 2008 to 2012, the Confederation spent CHF 402.3 million on supporting tourism. The total included a CHF 100 million grant to SGH, given as a precautionary measure in the form of an additional loan with a repayment term until the end of 2015. SGH had drawn around CHF 17 million from this additional loan by the end of 2012. Over the five-year period 2008 to 2012, Switzerland Tourism's funding included the regular Confederation payment of CHF 242.4 million, as well as CHF 32.3 million for various ad hoc tourism programmes to offset the negative effects of the economic downturn. The 2013 budget figures include the regular Confederation payment of CHF 52.2 million and a further CHF 3.7 million for ad hoc tourism marketing programmes undertaken by Switzerland Tourism.

Tourism-related policy and programmes

The growth strategy for Switzerland as a tourism destination passed by the Federal Council in 2010 has been implemented since 2012 on the basis of the first implementation programme for the years 2012 to 2015. The revised Innotour Act also became effective at the same time. This amended act added a third focus of support for the Swiss tourism industry – that of knowledge building (as well as knowledge sharing and dissemination) – to the two main focal points of the strategy, innovation and co-operation. Innotour is a support tool that is valued by the industry, and one that is used regularly to support innovation and investment activity.

In December 2012, the Federal Council was tasked by Parliament with issuing a report on the structural situation of Swiss tourism and its future tourism strategy. The report, which was approved by the Federal Council on 26 June 2013, demonstrates how seriously Swiss tourism was affected by the economic crisis of 2009 and its aftermath, as well as by the subsequent strength of the Swiss franc. Overnight volume in Swiss hotels fell by more than 7% between 2008 and 2012.

In an effort to curb the negative effects of the crisis, the Confederation implemented a number of different measures. These included the provision of CHF 36 million in funding for three ad hoc tourism marketing programmes carried out by Switzerland Tourism. In addition, SGH's budget was significantly increased thanks to an additional CHF 100 million loan granted by the Confederation as a precautionary measure. SGH also undertook cost-cutting measures in 2012 and 2013 to address the economic challenges.

An analysis of the performance of the Swiss tourism industry nevertheless shows that short- and medium-term demand is recovering and, as indicated in its tourism report, the Federal Council has endorsed the growth strategy for Switzerland as a tourism destination in light of the economic and operating environment. In addition to having a number of great strengths, Swiss tourism suffers from some serious structural weaknesses – both at a business and a destination level. It is also handicapped by its poor competitiveness in terms of prices, even during periods when the Swiss franc is not as strong as it is now. This is primarily due to Switzerland's high labour and manufacturing costs.

On 11 March 2012, the Swiss people and the cantons approved the popular initiative "Putting an end to the limitless construction of second homes" – known as the "Second Home Initiative" (Box 1).

Box 1. **Switzerland's Second Home Initiative**

Its approval means that, in future, municipalities in which more than 20% of all residences are second homes, may not build any new ones. This particularly affects municipalities in the Swiss Alps.

Since the growth strategy was approved in 2010, the Swiss tourism industry has had to face a new challenge – that posed by the Second Home initiative. This initiative is expected to exacerbate the existing structural weaknesses and accelerate structural change. The main issue at stake is that the hotel construction sector can no longer be cross subsidised through the sale of second homes to the same extent as before. This means that hotel projects in the Swiss Alps are increasingly short of financing which, in turn, makes it more difficult to implement new construction or reconstruction/upgrading projects.

In addition to accelerating structural change, the Second Home initiative is also likely to increase uncertainty within the industry, particularly during a period of transformation that will likely last until around the end of the decade. This in turn will increase pressure on the tourism industry and will require new measures and initiatives to address the different concerns.

The report on the structural situation of Swiss tourism showed that the Confederation's current tourism policy is able to provide appropriate and effective support for the tourism industry in tackling its structural challenges – in line with its longer-term policy. Its primary goal will continue to be the improvement and enhancement of conditions for Switzerland's tourism industry stakeholders.

The Federal Council plans to help cushion the effects of accelerated structural change within the Swiss tourism industry, triggered by the Second Home initiative, with the implementation of a stimulus programme from 2016 to 2019. It also plans to optimise accommodation subsidies to help the hospitality sector adapt to the changing environment. The focus will be on updating and modernising the execution policies, which are partially out of date. Furthermore, the plan is to extend SGH's additional loan term from 2015 to the end of 2019 so as to prevent an investment backlog in the accommodation sector during this period of uncertainty. Another objective of the optimisation measures regarding the accommodation sector is to improve the link between SGH and the Confederation's New Regional Policy (NRP), i.e. to ensure that the core competences of both support instruments are maximised.

The stimulus programme in 2016-19 will be used to top up the funds needed for the NRP. The amount of loans granted for subsidising new, replacement and regeneration investments will be increased by a total of CHF 200 million over the period. Funding for Innotour will also be increased by CHF 10 million, to a total of CHF 30 million over the period 2016-19. This will give added scope for new projects to support and cushion the industry from the effects of the Second Home initiative without the need to withdraw funding from other projects. Plans are also under way to increase SECO's activities in the field of knowledge building and dissemination in the context of the 2016-19 stimulus programme.

The Department of Economic Affairs, Education and Research (EAER), which is responsible for subsidies in the tourism sector, is currently optimising the execution policies with regard to accommodation subvention. Furthermore, it is developing the measures to be implemented as part of the stimulus programme 2016-19, which will be submitted to Parliament for approval in 2015, together with details of the proposed extension to the additional loan granted to SGH.

Statistical profile

Table 1. **Switzerland: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	7 389	7 271	7 574	7 695	7 732
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments	Thousand	15 825	15 424	15 765	15 752	15 690
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Hotels and similar establishments.

Source: Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932989380

Table 2. **Switzerland: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	8 608	8 294	8 628	8 534	8 566
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Germany	Thousand	2 344	2 294	2 238	2 039	1 871
United States	Thousand	652	610	680	669	687
France	Thousand	671	686	701	681	669
United Kingdom	Thousand	826	691	732	682	659
Italy	Thousand	553	547	521	483	489
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments	Thousand	21 508	20 164	20 443	19 734	19 076
Other collective establishments		..	..	..	..	..
Total international receipts[2]	Million CHF	18 962	18 113	18 339	18 206	..
International travel receipts[2]	Million CHF	15 598	15 377	15 356	15 185	14 983 p
International passenger transport receipts	Million CHF	3 364	2 736	2 983	3 021	..

1. Hotels and similar establishments.
2. Includes non-tourism elements.

Source: Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932989399

Table 3. **Switzerland: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure[1]	Million CHF	14 412	14 140	14 088	14 603	..
International travel expenditure[1]	Million CHF	11 782	11 847	11 644	12 128	12 942 p
International passenger transport expenditure	Million CHF	2 630	2 293	2 444	2 475	..

1. Includes non-tourism elements.

Source: Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932989418

Table 4. **Switzerland: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	5 582	5 533	5 477	5 396	5 257
Food and beverage serving industry	21 241	..	..	..	..
Passenger transport	3 601	..	..	..	..
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	2 342	..	..	..	..
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932989437

Table 5. **Switzerland: Employment in tourism**

Number of jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)	149 389	146 147	145 558	144 654	146 259 p
Tourism industries	..	..	..	..	..
Accommodation services for visitors	39 842	38 639	38 227	36 905	36 936 p
Hotels and similar establishments	36 285	35 189	34 814	33 610	33 639 p
Food and beverage serving industry	39 025	37 646	37 225	35 939	35 949 p
Passenger transport	16 200	15 838	15 812	16 536	17 445 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	12 097	11 930	11 821	12 360	12 688 p
Cultural industry	1 910	1 905	1 902	1 935	1 931 p
Sports and recreation industry[1]	3 724	3 684	3 663	3 667	3 691 p
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries[2]	34 480	34 448	34 782	35 134	35 408 p
Other industries	2 110	2 059	2 126	2 178	2 210 p
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Full-time equivalent.

1. Recreation and other entertainment services.
2. Includes other connected tourism goods.

Source: Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932989456

Table 6. **Switzerland: Internal tourism consumption**

Million CHF, 2008

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	20 872	15 578	36 450
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	2 298	3 354	5 652
Food and beverage serving services	2 726	2 362	5 088
Passenger transport services	4 287	3 568	7 855
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	2 441	61	2 502
Cultural services	145	146	291
Sports and recreation services[1]	530	457	987
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	338	119	457
Other consumption products	8 107	5 510	13 617
Tourism connected products	2 774	2 200	4 974
Non-tourism related consumption products	5 333	3 310	8 643
Non-consumption products	..	..	..

1. Recreation and other entertainment services.

Source: Secretariat of State for the Economy, Federal Statistical Office, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932989475

Table 7. **Switzerland: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP[1]	2.9	2.8	2.7	2.7	2.7 p
Total tourism employment (direct) as % of total employment	4.2	4.2	4.1	4.1	4.0 p

1. Tourism GVA (direct) as % of total GDP.

Source: Secretariat of State for the Economy, Federal Statistical Office.

StatLink http://dx.doi.org/10.1787/888932989494

For more information

State Secretariat for Economic Affairs	*www.seco.admin.ch*
Switzerland National Tourist Office	*www.myswitzerland.com*
Swiss Society for Hotel Credit	*www.sgh.ch*
Swiss Statistics	*www.bfs.admin.ch*

Turkey

Tourism in the economy

Tourism is one of the most dynamic and fastest-growing sectors in Turkey's economy. In 2012, tourism receipts accounted for some 2.8% of GDP. The total contribution (direct, indirect and induced) is estimated to have been 3.7% in 2012.

In 2012, Turkey attracted 35.7 million international tourist arrivals, a 3.0% increase over 2011. Preliminary indications for 2013 (January to September) point to an even stronger 7% rise. International tourism receipts rose by 3.2% in 2012, to USD 29 billion, and there was a further 13% increase from January to September 2013 (compared with the first 9 months of the previous year). Turkey's leading source markets are Germany, the Russian Federation, the United Kingdom, Bulgaria and Georgia.

Domestic tourism, however, has not performed as well as inbound tourism. Domestic trips have declined since the market's peak in 2010. In 2012, domestic trips of overnight visitors fell by 1.4% to 64.9 million, with domestic overnight volume stagnating at 556 million. The number of departures of Turkish citizens on outbound trips was estimated at 6.3 million in 2012.

Tourism organisation and governance

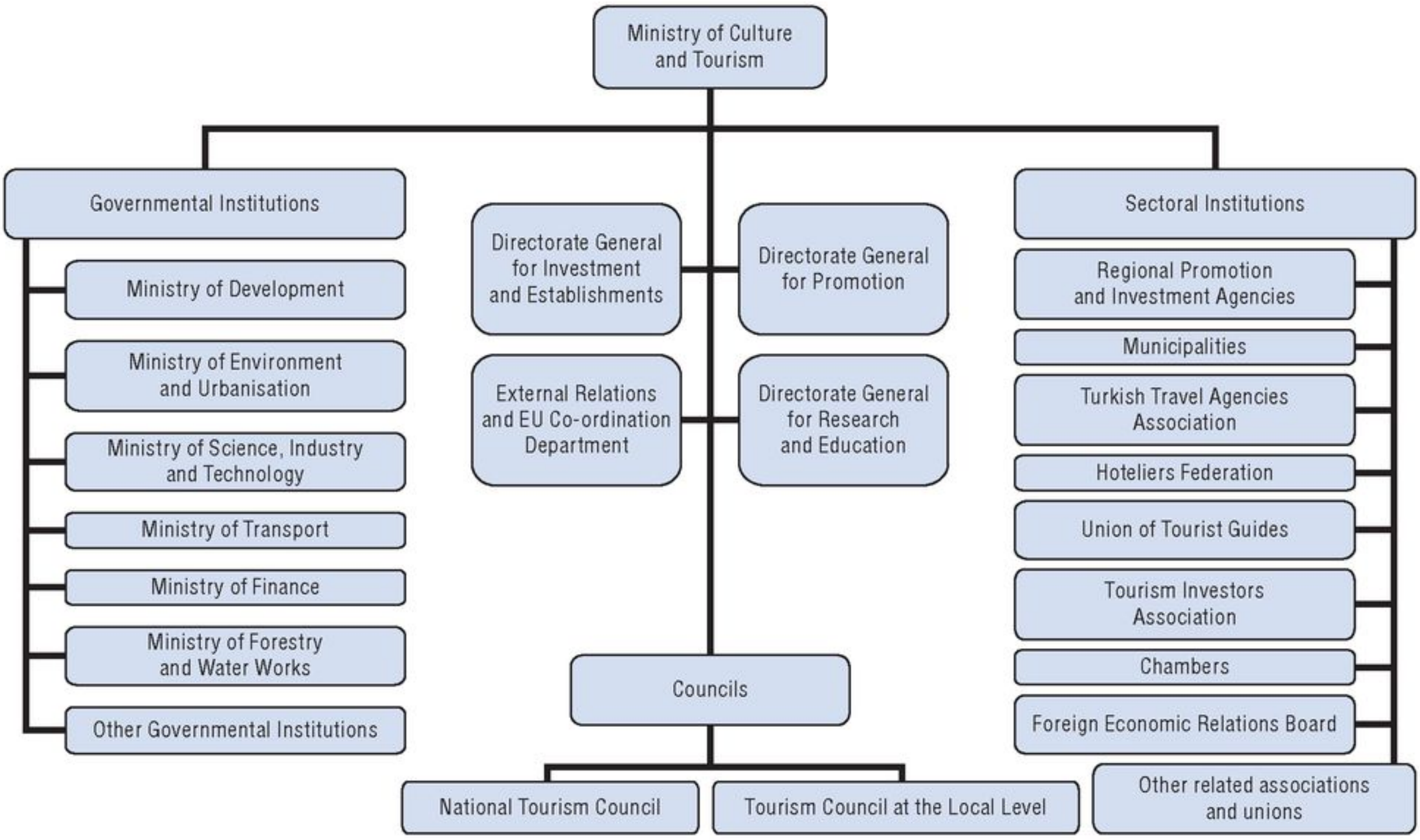
For over four decades, Turkey has implemented five-year development plans prepared by the Ministry of Development. The ministry sets out basic policy decisions for the tourism sector and allocates the necessary budget for implementation. It is also responsible for the co-ordination of national and regional development at the highest level.

The Ministry of Culture and Tourism (Figure 1) is responsible for:

- Culture and tourism preservation and development regions, tourism centres and historical and natural sites where special measures of protection and preservation are enforced.
- Providing infrastructure and public services in accordance with the annual implementation programmes.
- Elaborating and approving land-use plans in declared tourism areas and centres.
- Promoting the country abroad.
- Carrying out research and generating statistical data.
- Co-ordinating the intervention in tourism of other government bodies, local administrations, professional associations, unions and non-governmental organisations.

The Ministry of Culture and Tourism, the Ministry of Environment and Urbanisation, and the Ministry of Forestry and Water Works are responsible for the co-ordination of land-use plans, as well as environmental impact assessments (EIAs) to ensure that all

Figure 1. **Turkey: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Culture and Tourism, 2014.

infrastructure development in the country is in harmony with the environment. The three ministries all have provincial offices, which work under the co-ordination and authority of the provincial governor. They are responsible for the implementation of investments and reinforcement of the legal framework.

The Turkish Tourism Council was established in June 2012, with membership comprising representatives from the Association of Turkish Travel Agencies; Turkish Hoteliers Federations; Touristic Hotels and Investors; Federation of Turkish Tourist Guide Associations; Turkish Tourism Investors Association; Marine Tourism Association; and the Turkish Private Aviation Enterprises Association.

Tourism budgets

The Ministry of Culture and Tourism's marketing and promotions budget for tourism is approximately USD 100 million annually. This is spent largely on advertising, attendance at trade fairs, organising travel trade workshops and seminars.

Marketing and promotions is one of five main components of the ministry's budget, the others being investment and establishments, monuments and museums, the state opera and ballet, and state theatres.

The main source of funding for tourism infrastructure needs (both transport and technical infrastructure) is the general budget. In addition to various programmes of the Ministry of Culture and Tourism, the construction of tourism roads is carried out by the General Directorate of State Highways; marinas and small craft harbours by the General

Directorate of Ports and Airports; and marine meteorological stations by the General Directorate of State Meteorological Works. Other ministries and government agencies also invest in tourism-related projects.

Investment in accommodation facilities and other tourism-related services is made by the private sector, although the government offers various forms of support to eligible projects, notably those enhancing regional competitiveness. Performance evaluation in the tourism sector is carried out by the General Directorate of Investment and Establishments, while evaluating the performance of public spending is the responsibility of public institutions such as the Ministry of Finance and Turkish Court of Accounts.

Tourism-related policies and programmes

Turkey's current national tourism policy focuses on:

- Increasing demand from traditional and emerging growth markets, notably the BRIC countries.
- Increasing the share of high-income group visitors.
- Increasing per capita tourism expenditure and length of stay.
- Expanding the demand for tourism in off-peak periods.
- Increasing demand for specialised tourism segments, such as cultural and sports tourism, conference and incentives, and health/wellness tourism.
- Promoting a balanced distribution of tourism across Turkey's different regions, as well as ensuring balanced development.

In order to raise awareness of tourism's economic and social impacts and generate increased buy-in from local communities and businesses, an important priority is also to promote tourism across different platforms in Turkey.

The tourism sector is currently undergoing major reform to improve the sector's efficiency and competitiveness, develop regional tourism brands, and prioritise sustainable tourism development with the development of policies and strategies to protect the environment.

The Ministry of Culture and Tourism is also making efforts to align tourism development with the social and economic objectives of central government, to strengthen international co-operation, and harmonise sectoral development policies and targets with those of national development schemes.

In line with the objectives of the 10th National Development Plan (covering the period 2014-18),the Ministry commissioned a Tourism Strategy for Turkey to 2023, which has resulted in a roadmap for the future development of tourism. The study proposed a variety of long-term measures related to planning, investment, organisation, domestic tourism development, research, transportation and infrastructure, education and city level branding – to name but a few. There is a significant potential for tourism growth, especially combining Turkey's historical, natural and cultural heritage with health tourism, MICE tourism, winter tourism, cruise tourism and cultural tourism opportunities.

The strategy, together with its associated action plan for 2013, recommends integrated development, as well as the sustainable use of natural, cultural, historical and geographic resources, in order to enhance the attractiveness of different regions and to facilitate the development of alternative tourism types and products to mass-market sun and beach products.

The new strategy is considered particularly important because, in the past, a lack of controlled development has stimulated low-yield mass tourism activity, and with it an unsustainable concentration of hotels and other accommodation along the Mediterranean and Aegean coastal areas, as well as other infrastructure and environmental problems.

In addition to national level marketing and promotions, the strategy proposes increasing promotions at regional and local levels. Promotional efforts will primarily involve public relations activities, ensure close co-operation between government and the private sector, and focus on new communication technologies and Turkey's brand image. The goal is to raise awareness of Turkey's diversity, both in terms of its attractions and the opportunities it offers for different kinds of tourism experiences.

Statistical profile

Table 1. **Turkey: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	..	100 460	111 501	..	..
Overnight visitors (tourists)	Thousand	..	60 888	68 373	65 854	64 922
Same-day visitors (excursionists)	Thousand	..	39 572	43 128	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	..	510 961	555 145	558 270	556 803
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts	Million TRY	..	14 515	16 647	15 641	16 725

Source: Turkish Statistical Institute (TURKSTAT), Household Domestic Tourism Survey.

StatLink http://dx.doi.org/10.1787/888932989513

Table 2. **Turkey: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	31 138	31 760	32 997	36 769	37 715
Overnight visitors (tourists)	Thousand	29 792	30 187	31 364	34 654	35 698
Same-day visitors (excursionists)	Thousand	1 346	1 573	1 633	2 115	2 017
Top markets						
Germany	Thousand	4 416	4 488	4 385	4 826	5 029
Russian Federation	Thousand	2 879	2 695	3 107	3 468	3 600
United Kingdom	Thousand	2 170	2 427	2 674	2 582	2 457
Bulgaria	Thousand	1 255	1 407	1 434	1 492	1 492
Georgia	Thousand	830	995	1 112	1 153	1 405
Nights in all means of accommodation	Thousand	56 918	59 987	74 326	78 889	90 822
Hotels and similar establishments	Thousand	56 129	59 032	73 103	77 394	88 956
Other collective establishments	Thousand	789	955	1 223	1 495	1 866
Total international receipts	Million USD	25 415	25 065	24 931	28 116	29 007
International travel receipts	Million USD	23 712	23 247	22 804	25 264	25 505
International passenger transport receipts	Million USD	1 703	1 818	2 127	2 852	3 502

Source: Ministry of Culture and Tourism, Turkish Statistical Institute (TURKSTAT), Departing Visitors Survey.

StatLink http://dx.doi.org/10.1787/888932989532

Table 3. **Turkey: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	4 893	5 561	6 557	6 282	5 803
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million USD	4 266	5 090	5 875	5 532	4 593
International travel expenditure		..	..	..	..	..
International passenger transport expenditure	Million USD	292	395	556	512	379

Source: Turkish Statistical Institute (TURKSTAT), Tourism Statistics Survey.

StatLink http://dx.doi.org/10.1787/888932989551

Table 4. **Turkey: Enterprises in tourism**

Thousand establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	3 345	3 386	3 531	3 712	3 838
Accommodation services for visitors[1]	3 141	3 168	3 297	3 458	3 572
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	1	1	1	1	1
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	6	6	6	6	7
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries[2]	197	211	227	247	258
Other industries	..	..	..	..	..

1. Includes hotels, motels, holiday villages, thermal hotels, thermal holiday villages, boarding houses, campsites, inns, apart-hotels, golf facilities with accommodation, tourism complex, boutique hotel, boutique holiday villa, mountain house, ranch/village house, mountain pasture house and hostels.
2. Includes special licenced establishments, training and practice establishments and B-type holiday sites.

Source: Ministry of Culture and Tourism.

StatLink http://dx.doi.org/10.1787/888932989570

For more information

Ministry of Culture and Tourism	*www.kultur.gov.tr*
Turkey Tourism Portal	*www.goturkey.com*

United Kingdom

Tourism in the economy

Tourism is a major part of the United Kingdom economy. In 2011, tourism directly contributed a gross value added (GVA) of over GBP 50 billion to the UK economy (4%). Further economic analysis by Deloitte suggests that if indirect economic effects are also included, GVA could be as high as GBP 115 billion (9%). Tourism also makes a substantial contribution to employment in the UK, with 2.7 million employees working in tourism-associated industries in 2011, or 9% of all employee jobs, with a further 0.5 million self-employed. An estimated 1.7 million of this employment is directly related to tourism.

In 2012, the UK welcomed 31 million visitors from across the world (a 1% increase over 2011), making 2012 the best year for overseas visits since the onset of the global recession in 2008. Overseas visitors spent GBP 18.6 billion in the UK in 2012, 4% more than in 2011 and a record in nominal terms. The average overseas visitor spent GBP 600 in the country. Total international passenger transport receipts for the year stood at GBP 6.1 billion. Some 685 000 visits were primarily related to the London Olympic and Paralympic Games. These visitors spent GBP 925 million in total.

Around 38% of overseas visitors in 2012 travelled to the UK for a holiday, 24% for business and 29% to visit friends and relatives. France continued to dominate the visitor arrivals tables in terms of source markets. A record 3.8 million French visitors crossed the Channel in 2012, generating a huge 30% rise in spending (to GBP 1.5 billion). Germany, Ireland, the Netherlands and Spain completed the top five ranking for visitor markets.

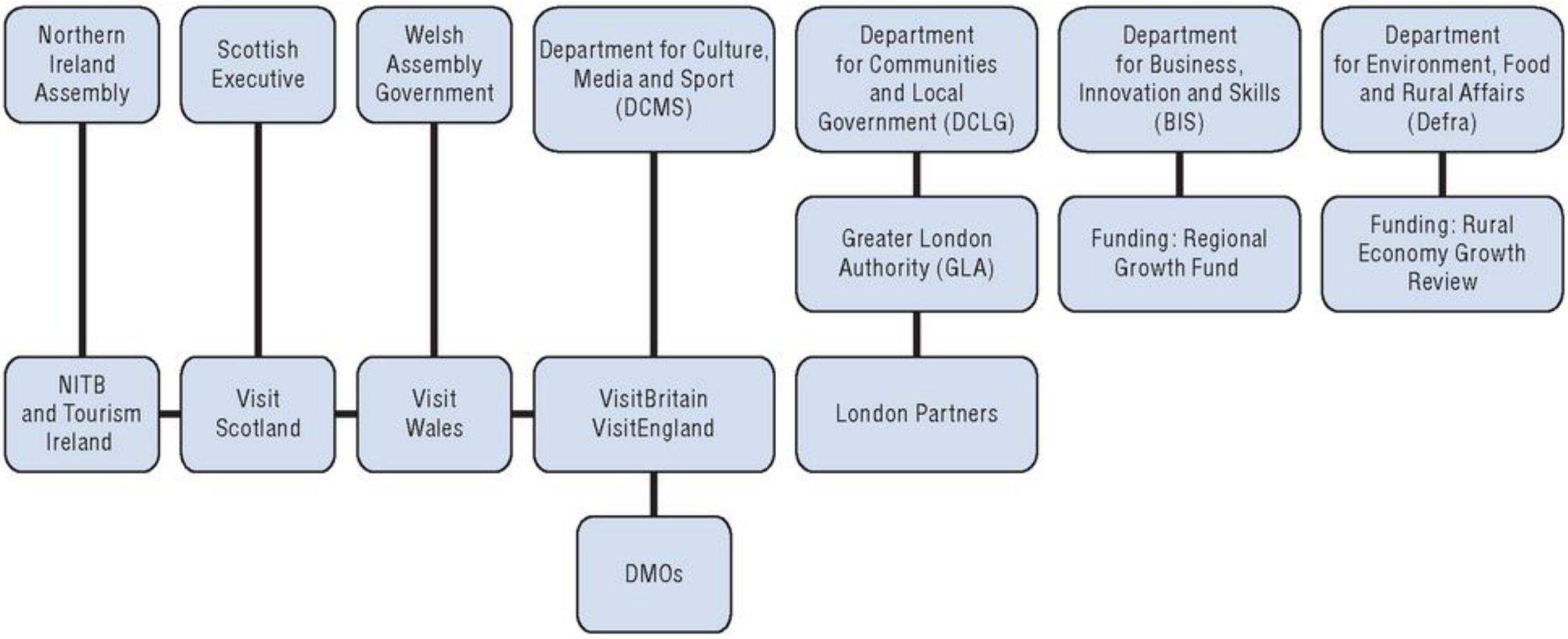
Outbound travel from the UK in 2012 fell slightly from 2011 levels – to 56.5 million trips from 56.8 million, itself a significant fall from 2008's 69 million. Spending abroad was GBP 32.6 billion.

Following a 9% growth in 2011, domestic tourism remained stable in 2012, with 126 million overnight trips (-1% over 2011) and 388 million nights (no change). Expenditure grew by 6% to GBP 24 billion, after having recorded a 14% increase the previous year.

Tourism organisation and governance

The Department for Culture, Media and Sport (DCMS) is the sponsoring government department for tourism (Figure 1). Tourism is a devolved matter in Scotland, Wales, Northern Ireland and Greater London, but DCMS retains responsibility for tourism in England outside London and for promoting Great Britain overseas.

Figure 1. **United Kingdom: Organisational chart of tourism bodies**



Source: OECD, adapted from the Department for Culture, Media and Sport, 2014.

VisitBritain is the national tourism agency, a non-departmental public body, funded by the DCMS, responsible for promoting the UK worldwide and developing its visitor economy. Its mission is to grow the value of inbound tourism to the country, working with a wide range of partners in both the UK and overseas. VisitBritain has a statutory advisory function to advise government on matters affecting tourism.

Following the British Tourism Framework Review in 2009, the British Tourist Authority (BTA), established VisitEngland – an unfunded advisory non-departmental public body. VisitEngland undertakes its role as "The British Tourist Authority trading as VisitEngland".

In Scotland, VisitScotland is a non-departmental public body responsible to Scottish Ministers. Its main role is to market Scotland in Great Britain and overseas, encourage the highest quality standards within the industry, and operate an event strategy to support tourism. Enterprise Agencies, also responsible to Scottish Ministers, provide business support and investment to encourage growth within the tourism sector.

In Wales, the responsibility for promoting and developing tourism now lies with the Welsh government, and these functions are carried out by its tourism division, Visit Wales, which sits within the portfolio of the Department for Economy, Science and Transport. Visit Wales is responsible for formulating tourism policy, encouraging investment in, and improving the quality of the visitor experience, in Wales. Visit Wales is also responsible for marketing Wales within the UK and internationally.

International promotion of the island of Ireland (including Northern Ireland) is the responsibility of Tourism Ireland, with the Northern Ireland Tourist Board (NITB) working in strategic partnership with Tourism Ireland. VisitBritain and NITB work together to promote Northern Ireland in international markets.

Tourism budgets

Core funding from DCMS to the British Tourist Authority over the fiscal years 2011/12 to 2014/15,* is GBP 128.6 million. Of this, GBP 94 million is allocated to VisitBritain and GBP 33 million to VisitEngland. This includes funding for VisitBritain's core international marketing and public relations activity, in both leading and emerging markets – provided on the basis that it is match-funded by the private sector –, and funding for VisitEngland's investment in and support for destination organisations, local businesses, local authorities and enterprise partnerships involved in tourism.

England has no formal regional tourism structure. VisitEngland therefore works with destinations directly. It does this through the Destination Management Forum, recognising destinations that have both a management and promotional function, but it also works directly with other destination organisations on an ad hoc basis and through its corporate communications, promotional activity, partnerships team and enterprise support. Other examples of public funding support for UK tourism include the Regional Growth Fund and "GREAT" campaign. VisitEngland successfully bid for GBP 19.8 million from the Regional Growth Fund. VisitBritain has received GBP 46.5 million for GREAT marketing activity, and VisitEngland has received GBP 6 million for GREAT activity.

Tourism-related policies and programmes

In 2011, DCMS published a document entitled government tourism policy, setting out the government's strategy to help the tourism industry maximise its potential for growth. The strategy highlights three key goals:

- Fund the most ambitious international marketing campaign ever in the years following 2012.
- Increase the proportion of UK residents who holiday in the UK to match those who holiday abroad.
- Improve the sector's productivity to become one of the five most efficient and competitive visitor economies in the world.

The global showcasing of the UK in 2012 has done wonders for Britain's image around the world, particularly in new tourism growth markets. The challenge for the UK now is to make sure that the millions who watched the UK on their screens come to experience it first-hand.

In 2013/14 VisitBritain entered the third year of its match-funded 100 million "GREAT Britain You're Invited" programme. VisitBritain's marketing uses the key triggers for travel to the UK – culture, heritage and countryside – supported by shopping, food, sport, adventure and music. The programme has three simple aims:

- Build awareness of the UK's attractiveness as a tourism destination among those who have not yet visited the country.
- Encourage repeat visitation.
- Provide a series of opportunities and incentives to visit the UK now, working in partnership with the private sector.

* The United Kingdom's fiscal year starts on 1 April and ends on 31 March.

In April 2013, VisitBritain launched a growth strategy for inbound tourism to the UK from 2012 to 2020, entitled "Delivering a Golden Legacy". It called for the travel industry and government to unite behind a long-term ambition for growth that would see the UK welcome 40 million overseas visitors by 2020, spending GBP 31.5 billion and supporting an additional 200 000 jobs across the UK.

The growth strategy is built around four key objectives:

- Building on the UK's improved international image by playing to its strengths, such as heritage, traditional and contemporary culture.
- Increasing engagement with the travel trade to ensure that the UK is successfully packaged and sold.
- Broadening the UK's strong product offering so that it continues to meet the expectations of visitors.
- Making it easier to reach the country by addressing limiting factors such as aviation capacity and the current visa process.

Other work to improve the sector's productivity includes helping the industry to improve staff and management skills, cutting red tape and improving welcome.

Wales, Scotland and Northern Ireland

In Wales, the government launched its strategy for promoting and developing tourism, "Partnership for Growth: The Welsh Government Strategy for Tourism 2013-2020", on 17 June 2013. The new strategy focuses on five key areas: promoting the brand; product development; people development; profitable performance; and place building.

The strategy identifies a product-led approach to developing and marketing tourism in Wales. There will be a focus on more luxury and branded hotels; more well-being facilities such as spas; more heritage hotels that use historic and distinctive buildings; more year-round attractions, activities and cultural experiences; and more innovative, unusual and distinctive products.

In Scotland, the Year of Natural Scotland 2013 – the final of four focus years – highlights Scotland's great natural assets. The aim of Year of Natural Scotland 2013 is to promote Scotland's stunning natural beauty and biodiversity, and promote ways in which visitors can enjoy its beautiful landscapes, wildlife and heritage responsibly.

Homecoming Scotland 2014 will position Scotland on the international stage as a dynamic and creative nation. Celebrating the very best that Scotland has to offer, the programme of events will highlight Scotland's food and drink, its fantastic active and natural resources, and its creativity, culture and ancestral heritage.

In Northern Ireland, the success of the 2012 "Our Time, Our Place" initiative and the outstanding programme of events and celebrations – including the 100th anniversary of the maiden voyage of the Titanic in 2012 and the opening of the Titanic Museum, the 50th anniversary of the Belfast Festival at Queens, and the completion of several key projects such as the Giant's Causeway Visitor Centre – has helped transform the tourism landscape, has enhanced civic pride, and propelled Northern Ireland onto the global stage. Tourism currently contributes 4.9% of Northern Ireland's GDP and sustains over 40 000 jobs. The aim is to double tourism's contribution to the economy by 2020.

Statistical profile

Table 1. **United Kingdom: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	..	..	..	1 668 635	1 836 019
Overnight visitors (tourists)	Thousand	114 442	122 537	115 711	126 635	126 019
Same-day visitors (excursionists)[1]	Thousand	..	..	..	1 542 000	1 710 000
Trips by main purpose of visit						
Business and professional	Thousand	17 625	17 453	16 341	18 572	18 944
Holiday, leisure and recreation[2]	Thousand	93 413	102 250	96 297	104 158	102 832
Nights in all means of accommodation	Thousand	367 635	387 448	361 398	387 329	388 240
Hotels and similar establishments	Thousand	102 666	105 312	100 819	106 996	113 514
Other collective establishments[3]	Thousand	112 993	128 956	118 726	128 467	123 941
Domestic travel receipts[4]	Million GBP	20 168	20 971	19 797	22 666	23 976

Note: Excludes Northern Ireland.

1. Same-Day Visitor Surveys only took place in 2011 and 2012.
2. Includes trips classified as visiting friends and relatives (non-Holiday) as well as holiday trips.
3. Includes self-catering accommodation and hostels.
4. Overnight visitors only.

Source: Great Britain Tourism Survey, Great Britain Day Visits Survey.

StatLink http://dx.doi.org/10.1787/888932989589

Table 2. **United Kingdom: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	31 888	29 889	29 803	30 798	31 084
Overnight visitors (tourists)	Thousand	30 142	28 199	28 296	29 306	29 282
Same-day visitors (excursionists)[1]	Thousand	1 746	1 690	1 508	1 492	1 802
Top markets						
France	Thousand	3 636	3 784	3 618	3 633	3 787
Germany	Thousand	2 900	2 780	3 004	2 947	2 967
Ireland	Thousand	2 950	2 877	2 711	2 846	2 840
Netherlands	Thousand	3 070	2 948	2 629	2 574	2 453
Spain	Thousand	1 818	1 715	1 758	1 789	1 735
Nights in all means of accommodation	Thousand	245 775	229 391	227 960	234 363	230 149
Hotels and similar establishments	Thousand	61 633	60 050	65 082	66 005	65 388
Other collective establishments[2]	Thousand	41 577	42 882	40 012	42 458	40 225
Total international receipts[3]	Million GBP	24 699	24 076	26 569	28 296	29 271
International travel receipts[3]	Million GBP	19 598	19 353	20 969	21 888	23 178
International passenger transport receipts[3]	Million GBP	5 101	4 723	5 600	6 408	6 093

1. Includes "nil night" visits.
2. Includes self-catering accommodation and hostels.
3. Balance of Payments Exports Data: Includes expenditure by non-tourists and fares to UK carriers on journeys between two non-UK locations.

Source: Office for National Statistics; International Passenger Survey, 2004-12; Balance of Payments data (Pink Book).

StatLink http://dx.doi.org/10.1787/888932989608

Table 3. **United Kingdom: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	69 011	58 614	55 562	56 836	56 538
Overnight visitors (tourists)	Thousand	66 850	56 750	53 759	54 946	54 604
Same-day visitors (excursionists)	Thousand	2 161	1 864	1 803	1 890	1 934
Total international expenditure[1]	Million GBP	44 937	39 524	40 225	40 686	41 893
International travel expenditure[1]	Million GBP	37 256	32 188	32 360	31 830	32 585
International passenger transport expenditure[1]	Million GBP	7 681	7 336	7 865	8 856	9 308

1. Balance of Payments Exports Data: Includes expenditure by non-tourists but excludes some elements of tourism expenditure included in the International Passenger Survey expenditure data.

Source: Office for National Statistics; International Passenger Survey, 2004-12; Balance of Payments data (Pink Book).

StatLink http://dx.doi.org/10.1787/888932989627

Table 4. **United Kingdom: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	209 308	208 438	206 697	209 657	209 860
Tourism industries	..	..	..	..	..
Accommodation services for visitors	15 726	15 157	15 075	15 161	15 205
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[1]	120 779	113 953	112 769	115 177	113 623
Passenger transport	12 641	13 603	13 025	12 986	12 692
Air passenger transport	645	746	633	592	584
Railways passenger transport	86	104	83	77	76
Road passenger transport	11 142	12 025	11 599	11 591	11 284
Water passenger transport	768	728	710	726	748
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	3 568	3 708	3 504	3 453	3 776
Travel agencies and other reservation services industry	6 804	5 642	6 363	5 519	6 667
Cultural industry	29 880	28 486	28 128	28 369	28 654
Sports and recreation industry	16 899	24 746	24 654	25 672	25 782
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries[2]	3 011	3 143	3 179	3 320	3 461
Other industries	..	..	..	..	..

1. Includes restaurants, bars and canteens.
2. Includes tourism related vehicle hire, exhibitions and conferences.

Source: Office for National Statistics, Annual Business Survey (ABS), Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932989646

Table 5. **United Kingdom: Employment in tourism**

Thousand jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)	1 713.6	1 771.8	1 549.1	1 666.9	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	353.7	422.0	330.2	384.3	..
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	510.8	499.7	420.5	458.4	..
Passenger transport	191.4	180.6	140.3	139.8	..
Air passenger transport	59.3	51.3	40.3	42.6	..
Railways passenger transport	25.9	22.9	19.6	19.3	..
Road passenger transport	104.6	105.0	78.8	76.6	..
Water passenger transport	1.6	1.4	1.6	1.3	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	2.2	2.3	5.5	1.6	..
Travel agencies and other reservation services industry	112.4	95.0	86.6	95.4	..
Cultural industry	121.0	156.9	123.9	123.9	..
Sports and recreation industry	61.9	51.8	87.7	96.3	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	0.3	0.3	0.2	0.3	..
Other industries	360.0	363.2	354.1	366.9	..
Gender breakdown					
Male (% of total tourism employment)	51.2	48.8	53.2	51.8	..
Female (% of total tourism employment)	48.8	51.2	46.8	48.2	..

Source: Tourism Satellite Account, Office for National Statistics.

StatLink http://dx.doi.org/10.1787/888932989665

Table 6. **United Kingdom: Internal tourism consumption**

Million GBP, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	103 827	20 979	124 807
Consumption products	..	..	..
Tourism characteristic products	69 497	12 458	81 955
Accommodation services for visitors	8 305	4 754	13 059
Food and beverage serving services	26 386	3 242	29 628
Passenger transport services	21 931	3 853	25 784
Air passenger transport services	15 253	2 883	18 136
Railways passenger transport services	3 728	328	4 057
Road passenger transport services	2 077	458	2 535
Water passenger transport services	873	184	1 057
Passenger transport supporting services	..	..	..
Transport equipment rental services	695	116	810
Travel agencies and other reservation services	2 983	99	3 082
Cultural services	5 528	187	5 715
Sports and recreation services	3 350	152	3 503
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services[1]	319	55	374
Other consumption products[2]	34 330	8 522	42 851
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Exhibition and conference services.
2. Includes passenger transport supporting services, personal transport costs, "special shopping", maintenance of holiday homes and all non-tourism characterstic products.

Source: Office for National Statistics, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932989684

Table 7. **United Kingdom: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	5.2 |	5.7	5.0	5.4	..

Source: Office for National Statistics, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932989703

For more information

Department for Culture, Media and Sport	*www.culture.gov.uk*
National Tourist Office for Britain	*www.visitbritain.com*
National Tourist Office for Northern Ireland	*www.discovernorthernireland.com*
Office for National Statistics	*www.ons.gov.uk*

United States

Tourism in the economy

Travel and tourism in the United States is a major contributor to the US economy, accounting for 2.8% of GDP. Travel- and tourism-related exports accounted for 25.5% of all US services exports and 7% of all goods and services exports in 2012.

According to the US Travel and Tourism Satellite Accounts (TTSA), the industry produced nearly USD 1.5 trillion in total economic output in 2012 (USD 865 billion of direct tourism output plus USD 591 billion of indirect tourism output by ancillary industries).

The travel and tourism industry is one of America's largest employers, supporting more than 7.8 million jobs in 2012, of which 1.2 million were supported by travel- and tourism-related exports.

The United States welcomed 67 million international visitors in 2012, an increase of 6.8% over 2011. The largest source markets are Canada and Mexico (accounting for 34% and 21% of total arrivals, respectively), followed by the United Kingdom, Japan and Germany.

International visitors collectively spent USD 165.6 billion on travel to, and tourism-related activities within, the United States in 2012 – an increase of nearly 9% over the previous year. In order of contribution (spending in USD), the top international markets for US travel and tourism-related exports are Canada, Japan, the United Kingdom, Mexico and Brazil.

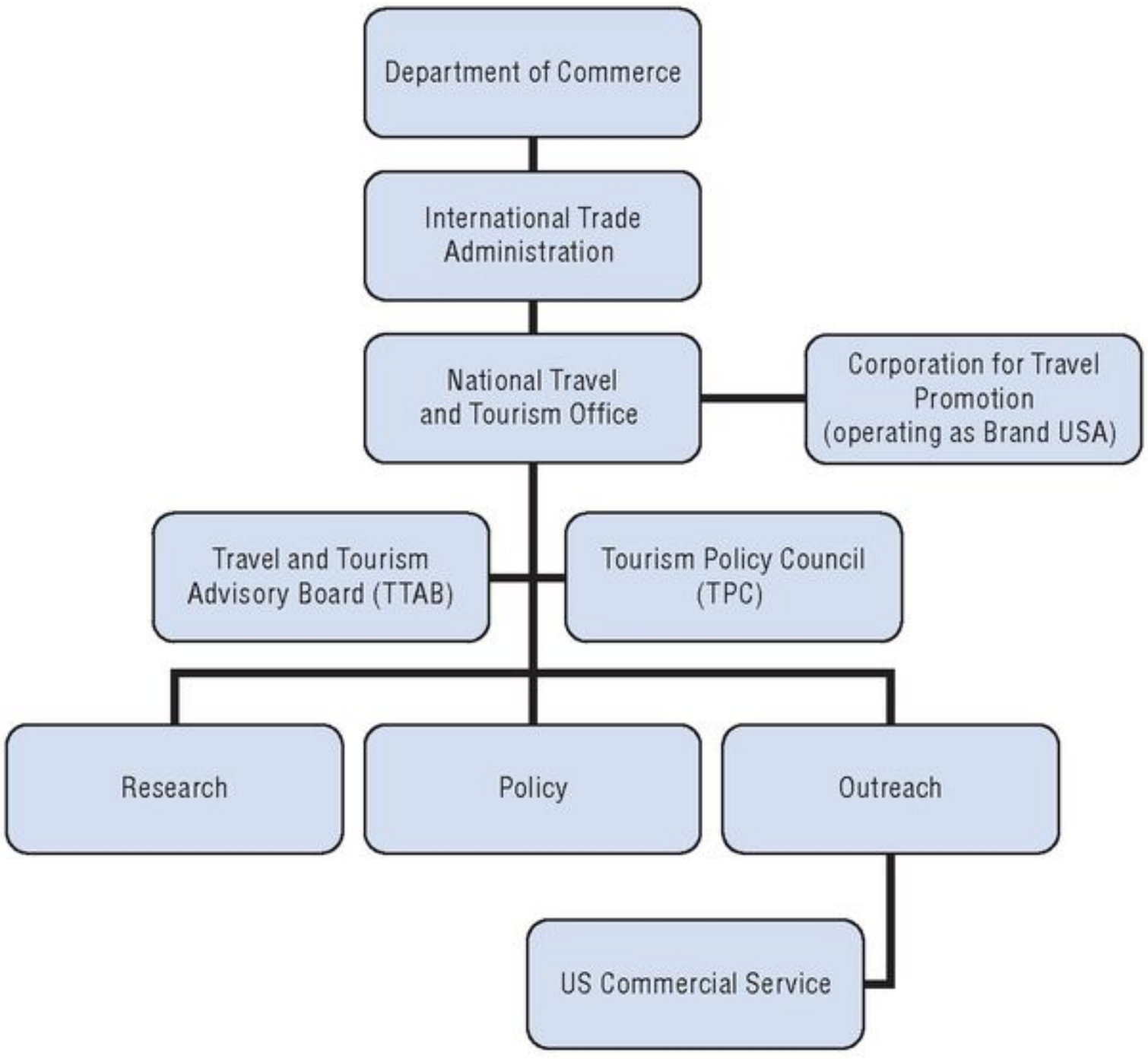
Tourism organisation and governance

The United States is highly decentralised with respect to travel and tourism. Public authorities manage travel and tourism at the national, regional, state and local levels. These include the federal government, state governments and destination marketing organisations (DMOs). At the federal level, the National Travel and Tourism Office (NTTO), within the International Trade Administration of the US Department of Commerce, serves as the central point of contact within the federal government and represents the United States in inter-governmental forums, including OECD and APEC. NTTO is the source of official tourism statistics and works to enhance the competitive position of the United States with respect to travel and tourism (Figure 1).

The Corporation for Travel Promotion (CTP), operating as Brand USA, is a non-profit corporation that promotes travel to the United States and works with the US government to communicate and improve the entry process for international visitors.

The federal government does not regulate travel and tourism as a distinct industry. However, some sectors, such as transport, are regulated at the federal level. States and local government may regulate the conduct of travel and tourism business within their

Figure 1. **United States: Organisational chart of tourism bodies**



Source: OECD, adapted from the US Department of Commerce, 2014.

jurisdictions. At the federal level, therefore, the Department of Commerce serves as a facilitator between the private sector and other federal agencies for policy co-ordination with respect to travel and tourism issues.

The process of policy deliberation at the Department of Commerce includes the US Travel and Tourism Advisory Board (TTAB) and the Tourism Policy Council (TPC). The TTAB consists of private-sector representatives from companies and organisations in the travel and tourism industry, which are appointed to provide policy input to the Secretary of Commerce.

The TPC is an inter-agency committee 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 relating to international travel and tourism, recreation and national heritage resources that involve federal agencies. The TPC reviews and responds to TTAB recommendations and provides additional insight from the public sector perspective on issues affecting travel and tourism nationally.

Tourism budgets

NTTO obtains its funds from a congressional appropriation to the Department of Commerce, which then allocates resources to NTTO. In addition, NTTO sells research reports and data to generate additional operating revenues, along with inter-agency agreements that also generate funds. NTTO's operational budget for fiscal 2011/12* was approximately USD 3.7 million from all sources.

* The United States' fiscal year starts on 1 October and ends on 30 September.

The CTP will be supported through the end of fiscal 2014/15 by a portion of the fees (USD 10 out of a total fee of USD 14) charged for the Electronic System for Travel Authorisation (ESTA), paid by international travellers coming to the United States from countries participating in the Visa Waiver Programme. Up to USD 100 million will be made available each year to the CTP from the ESTA fees based on the required matching funds. After fiscal 2014/15, the CTP will not be eligible to receive its portion of the ESTA fee unless it is re-authorised to do so by the US Congress.

Tourism-related policies and programmes

In January 2012, President Obama issued an Executive Order on travel and tourism that called for a Task Force on Travel and Competitiveness, chaired by the Secretary of Commerce and the Secretary of the Interior, and charged the task force with developing a National Travel and Tourism Strategy to be implemented through the Tourism Policy Council. The National Strategy sets an ambitious but achievable goal of increasing American jobs by attracting 100 million international visitors, who are expected to spend an estimated USD 250 billion annually, by the end of 2021. The strategy also encourages Americans to travel within the United States and its territories to see all that the country has to offer. To meet these goals, and to ensure that the United States is creating conditions for growth, the task force identified five key areas for the United States to address:

- Promoting the United States as never before.
- Enabling and enhancing travel and tourism to and within the United States.
- Providing a world-class customer service and visitor experience.
- Co-ordinating across government.
- Conducting research and measuring results.

The 6% increase in international visitors achieved in 2012 is above the average 5% compounded annual growth rate needed to meet the National Strategy's goal of welcoming 100 million visitors by 2021.

The aim of the Travel Promotion Act of 2009 is to increase international travel to the United States by improving the country's image around the world, thereby creating jobs and stimulating economic growth. The law established the Corporation for Travel Promotion, to communicate US entry policies and otherwise promote leisure, business and scholarly travel to the United States. The corporation is now doing business as Brand USA.

Brand USA is working closely with federal government partners on the communication of US visa and entry policy, as well as on the implementation of the National Travel and Tourism Strategy.

During fiscal 2011/12, the Department of State issued almost 9 million visas to qualified applicants around the world. The Department of State is working to meet the demand for visas by streamlining operations and increasing capacity, although there remain challenges in meeting demand in key markets, particularly during times of peak travel such as the summer months.

To meet growing customer demand, the Department of Homeland Security (DHS) has had programmes in place since 2006 to improve the customer service experience, including the Model Ports programme, established in 20 airports across the country. A collaborative effort among DHS and public and private sector partners produced an array of programme initiatives, such as enhancing the queuing area of primary entry, improved signage that is

easily understood by international travellers, wait-time monitoring and reporting. In addition, the Global Entry programme allows faster clearance for pre-approved, low-risk travellers on arrival, allowing resources to be redeployed to reduce waiting times at the border. TSA Pre✓™ allows selected frequent flyers and members of US Customs and Border Protection (CBP) Trusted Traveler programmes to receive expedited screening benefits.

As part of President Obama's Executive Order on travel and tourism that created the National Travel and Tourism Strategy, the President directed federal agencies to aggressively expand the nation's ability to attract and welcome visitors while maintaining the highest standards of security:

- New visa adjudicator positions in China and Brazil and new and expanded visa processing facilities mean that more than 90% of applicants worldwide are interviewed within three weeks of submitting their applications.
- Chinese Taipei was designated for the Visa Waiver Program on 2 October 2012.
- More than 1.7 million people, including over 400 000 new members in fiscal 2011/12, have access to Trusted Traveler programmes and over 7.6 million passengers received TSA Pre✓™ expedited screening.
- Federal agencies have increased their focus on customer service, more efficient processing, and better outreach materials.

Statistics and evaluation of economic impact

NTTO manages the Travel and Tourism Statistical System for the United States. The system provides national and local level data that tracks past performance, provides insights into the future, and offers key traveller characteristics data to guide marketing campaigns. Specific programmes of the system include, but are not limited to:

- *Travel and Tourism Satellite Accounts,* an economic tool that accurately measures the impact of travel and tourism industries on the US economy, providing industry comparability and job generation based on the government's national accounts system.
- *International Arrivals Database* from the Department of Homeland Security, which measures overseas travellers to the United States (excluding Canada and Mexico) by country, port of entry, type of visa and mode of transport.
- *Survey of International Air Travellers* (In-Flight Survey), a primary research programme that collects more than 30 key characteristics on international travellers to and from the United States. The programme provides the only comprehensive, comparable estimates of the states and cities visited by overseas travellers, as well as international destinations visited by US residents.
- *International Travel Receipts and Payments Data,* which provide the sole source of data for the Bureau of Economic Analysis to develop estimates of travel and passenger fare exports and imports for the United States for more than 30 countries.
- *International Air Traffic Database,* which reports monthly data based on the US Department of Homeland Security Advanced Passenger Information System (APIS) (formerly I-92) arrival/departure records, providing total non-stop air traffic arrivals and departures to and from the United States.
- *Canadian Travel to the US* programme that provides monthly arrivals from Canada and, on an annual basis, over a dozen traveller characteristics of Canadian visitors to the top 20 US states.

- *International Travel Forecast* programme, providing volumes and rates of change for all world regions and the top 40 visitor markets to the United States. The forecast is issued twice yearly and is a consensus-built estimate based on a review of key economic and other variables that impact travel to the United States.

Statistical profile

Table 1. **United States: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	1 071 260	1 008 198	1 049 470	1 075 880	1 123 700
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Longwoods International, Inc. Travel USA®, February 2013.

StatLink http://dx.doi.org/10.1787/888932989722

Table 2. **United States: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	175 632	160 359	162 269	164 672	171 630
Overnight visitors (tourists)	Thousand	57 942	54 958	60 008	62 711	66 969
Same-day visitors (excursionists)[1]	Thousand	117 690	105 401	102 261	101 961	104 661
Top markets						
Canada	Thousand	18 915	17 973	20 176	21 337	22 699
Mexico	Thousand	13 686	13 229	13 469	13 491	14 509
United Kingdom	Thousand	4 565	3 899	3 851	3 835	3 763
Japan	Thousand	3 250	2 918	3 386	3 250	3 698
Germany	Thousand	1 782	1 687	1 726	1 824	1 876
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million USD	141 380	120 290	134 450	152 315	165 574
International travel receipts	Million USD	110 423	94 187	103 463	115 552	126 214
International passenger transport receipts	Million USD	30 957	26 103	30 987	36 763	39 360

1. From Mexico and Canada.

Source: US Department of Commerce, Office of Travel and Tourism Industries, Statistics Canada, Bank of Mexico, US Department of Commerce, Bureau of Economic Analysis.

StatLink http://dx.doi.org/10.1787/888932989741

Table 3. **United States: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	63 563	61 419	60 271	58 702	60 723
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure[1]	Million USD	112 335	99 249	102 761	109 308	118 105
International travel expenditure[1]	Million USD	80 494	74 132	75 505	78 229	83 451
International passenger transport expenditure[1]	Million USD	31 841	25 117	27 256	31 079	34 654

1. Includes overnight and same-day visitor expenditure.

Source: US Department of Commerce, Office of Travel and Tourism Industries, Statistics Canada, Bank of Mexico, US Department of Commerce, Bureau of Economic Analysis.

StatLink http://dx.doi.org/10.1787/888932989760

Table 4. **United States: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	714 516	714 985	721 500	731 689	746 220
Tourism industries	..	..	..	..	..
Accommodation services for visitors	55 523	55 777	56 088	56 422	56 815
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	545 678	548 246	555 933	565 632	578 003
Passenger transport	..	..	..	..	..
Air passenger transport	6 363	6 254	6 090	5 995	5 819
Railways passenger transport	..	..	..	..	..
Road passenger transport	..	..	..	..	..
Water passenger transport	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental[1]	8 180	7 877	7 568	7 854	8 752
Travel agencies and other reservation services industry	19 942	18 832	18 056	17 668	17 573
Cultural industry[2]	5 618	5 623	5 671	5 770	5 902
Sports and recreation industry[3]	72 199	71 361	71 112	71 371	72 366
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	1 013	1 015	982	977	990
Other industries	..	..	..	..	..

1. Car rental.
2. Includes museums, historical sites, zoos and parks.
3. Amusements, gambling and recreation.

Source: US Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

StatLink http://dx.doi.org/10.1787/888932989779

Table 5. **United States: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	5 825	5 340	5 285	5 443	5 590
Tourism industries	..	..	..	..	..
Accommodation services for visitors	1 381	1 285	1 303	1 344	1 370
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	1 888	1 684	1 729	1 781	1 846
Passenger transport	1 146	1 071	1 041	1 061	1 079
Air passenger transport	482	457	451	459	462
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[1]	609	547	534	551	568
Retail trade of country-specific tourism characteristic goods[2]	561	521	469	478	487
Other country-specific tourism industries	..	..	..	..	..
Other industries	241	233	208	229	240
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: All data reflect a Bureau of Economic Analysis national income and product accounts benchmark revision (June 2013).

1. Recreation and other entertainment services.
2. Shopping.

Source: US Department of Commerce, Bureau of Economic Analysis, US Travel and Tourism Satellite Account (TTSA).

StatLink http://dx.doi.org/10.1787/888932989798

Table 6. **United States: Internal tourism consumption**

Million USD, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	720 841	151 525	872 366
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	129 112	33 207	162 319
Food and beverage serving services	101 694	25 573	127 267
Passenger transport services	..	..	..
Air passenger transport services[1]	120 121	44 599	164 720
Railways passenger transport services	1 334	147	1 481
Road passenger transport services[2]	15 067	1 847	16 914
Water passenger transport services	9 293	0	9 293
Passenger transport supporting services [3]	8 394	1 138	9 532
Transport equipment rental services[4]	33 165	671	33 836
Travel agencies and other reservation services	38 171	1 741	39 912
Cultural services[5]	13 119	1 309	14 428
Sports and recreation services[6]	59 268	11 656	70 924
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products[7]	192 102	29 637	221 739
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes domestic and international air passenger transport services.
2. Includes interurban bus transportation and charter bus transportation, urban transit systems, taxi service, scenic and sightseeing transportation services, parking lots and garages, highway tolls.
3. Automotive repair services.
4. Automotive and other vehicle rental.
5. Motion pictures and performing arts.
6. Includes spectator and participants sports, gambling and all other recreation and entertainment.
7. Includes gasoline, non-durable personal consumption expenditure (PCE) commodities other than gasoline as well as all other commodities.

Source: US Department of Commerce, Bureau of Economic Analysis, US Travel and Tourism Satellite Account (TTSA).

StatLink http://dx.doi.org/10.1787/888932989817

Table 7. **United States: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	2.6	2.7	2.8	2.7	2.8
Total tourism employment (direct) as % of total employment	..	..	..	..	..

Source: US Department of Commerce, Bureau of Economic Analysis, US Travel and Tourism Satellite Account (TTSA).

StatLink http://dx.doi.org/10.1787/888932989836

For more information

National Travel and Tourism Office	*www.travel.trade.gov*
United States Statistics and Information	*www.export.gov*

PART II

Non-member economies

Argentina

Tourism in the economy

The national government regards tourism as one of the key sectors in its new model for the country, following basic principles of sustainability and competitiveness.

Tourism in Argentina has performed very well in recent years with the exception of 2012. Arrivals grew steadily between 2005 and 2011, by an average of 6.9% a year, but slipped by 2.1% in 2012. The 5.6 million international tourists brought to Argentina an income of USD 4 732 million in 2012: international tourism receipts increased by an average of 11.9% a year from 2005 to 2011, but fell by 8.8% in 2012.

The country's tourism development is relying mainly on domestic tourism (Argentine residents travelling within the country). The Survey of Travel and Tourism Survey estimated a total of 40.5 million trips in 2006 and 64.6 million in 2012.

Argentina has a capacity of around 13 606 hotels and 5 783 travel agencies. In 2012 there were a total of 46.7 million nights spent (78.4% by residents and 21.6% by non residents) in "hotels and similar establishments".

In 2012, the tourism industries employed 1.1 million people – approximately 10% of total employment in Argentina.

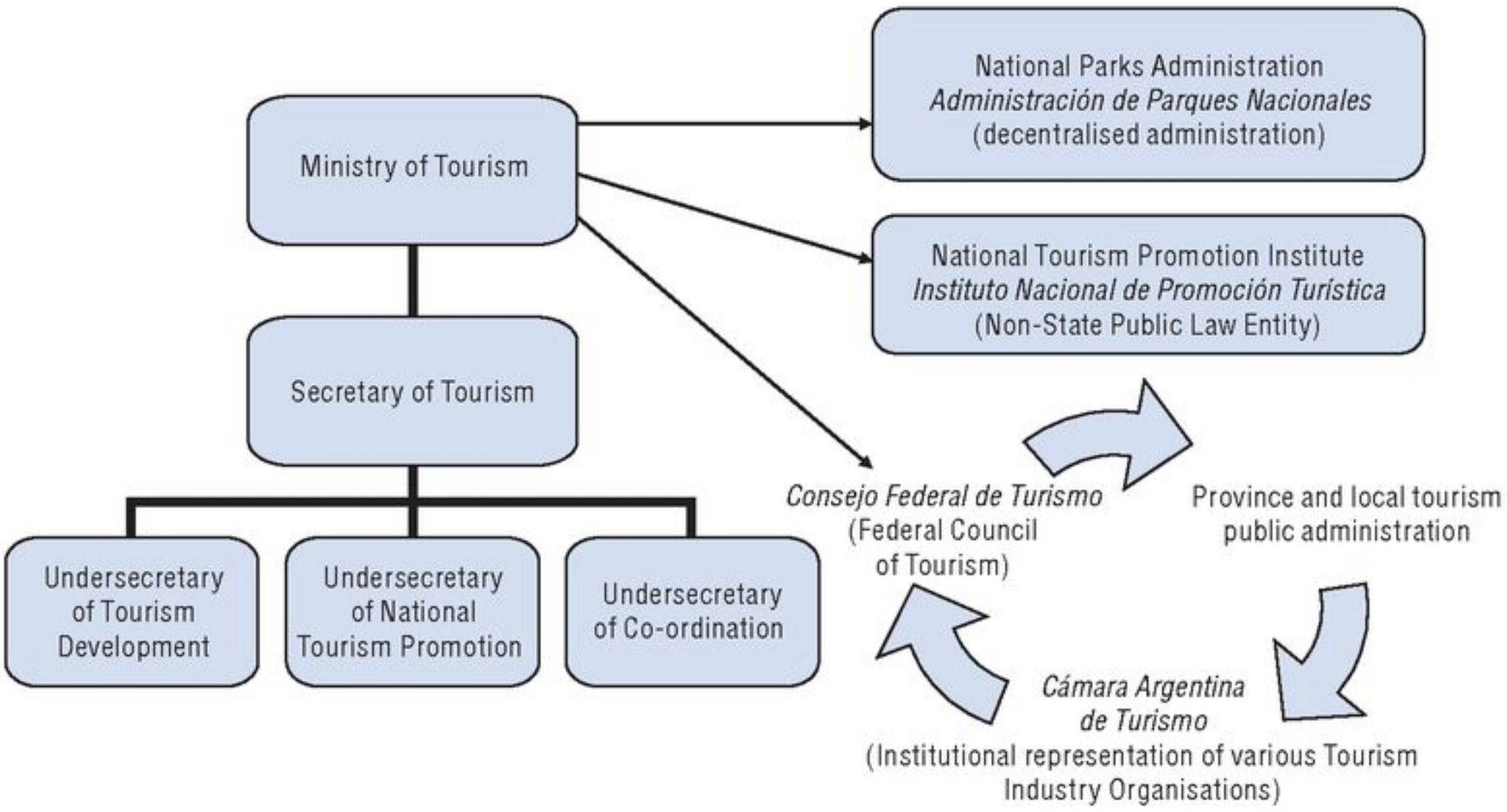
Tourism organisation and governance

Recognising the importance of tourism to the country's economic and social development, the Ministry of Tourism (MINTUR) was created in 2010 by dividing the former Ministry of Industry and Tourism into two, through Decree No. 919 in 2010. The ministry's task is to formulate the public, decentralised and participative management of tourism in order to promote economic development on competitive and sustainable principles, to create employment and to promote social inclusion (Figure 1).

Argentina has a system of public tourism bodies in each region. The Regional Tourism Organisations (*Entes Regionales de Turismo*) are articulated by a Network of Federal Co-ordination (*Red de Articulación Federal*), which consists of technical teams from each of the provinces, appointed by the provincial tourism authorities.

In 2005, the National Tourism Law No. 25.997, which covers the regulation, development and promotion of tourism, recreated the Federal Council of Tourism (*Consejo Federal de Turismo*). This is a federal advisory body whose role, through a decentralised management process, is to help identify problems and find solutions, collecting requests from states and municipalities. The council comprises a representative of the Ministry of Tourism and government officials from the tourism public sector in each province and the City of Buenos Aires. It also incorporates municipal representatives in the definition of tourism areas, corridors and circuits.

Figure 1. **Argentina: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

Law No. 25.997 also provided for the creation of the Instituto Nacional de Promoción Turistica – INPROTUR, whose mission is to assist in the promotion and development of the country's inbound tourism, defining strategies and establishing plans and projects to position Argentina in the international tourism market, and promoting destinations and products. INPROTUR also plays a key role in public/private sector co-ordination, especially with regard to the industry associations. The Institute is chaired by the Minister of Tourism and has a board composed of: five members appointed by the Ministry of Tourism; three members appointed by the Camara Argentina de Turismo (CAT); and three members appointed by the Federal Council of Tourism.

Tourism budgets

The Budget of the Ministry of Tourism in 2012 was ARS 940 million, 0.2% of the total federal budget.

Tourism-related policies and programmes

The most important legislation relating to tourism is the 2004 Law No. 25.997, which covers the promotion, development and regulation of all tourism activity. It established the necessary mechanisms for the creation, conservation, protection and utilisation of resources and national tourism attractions. It seeks to safeguard sustainable development and to improve the quality of life of the population. It also establishes the mechanisms for the participation of, and consultation between, the public and private sectors.

In 2004, the national tourism administration began the task of designing a state policy capable of developing the tourism sector nationally. The Federal Plan for Sustainable Tourism (PFETS) is a long-term strategic plan including a coherent set of programmes and policies to be implemented by the Ministry of Tourism, with the support of state and regional organisations and private partners. The programmes and projects are evaluated regularly against the plan's stated objectives.

During 2009 and 2010 a joint national and regional effort was made to build a platform to link the six "tourism regions" in Argentina: Region Norte, Buenos Aires, Litoral, Cordoba, Cuyo and Patagonia.

In 2011, the Network of Federal Coordination, co-ordinated by the Ministry of Tourism, was responsible for formulating an update of the PFETS by region to cover the period up to 2020. A Map of Opportunities (Mapa Federal de Oportunidades) was included, showing the corridors and areas for visitor use, the areas with a vocation for tourism, access points for tourism, cruise routes and trans-frontier circuits (*www.turismo.gov.ar*).

The Ministry of Tourism also has social programmes for tourism, aiming to provide the poorer segments of the population with the opportunities to take holidays. Argentina is also actively participating in international sustainable development initiatives.

A policy that has favoured tourism in Argentina is the monetary and exchange rate policy which allowed a competitive real exchange rate, widely promoting inbound tourism.

The Index of Multilateral Real Exchange Rate Tourist has operated in accordance with foreign arrivals to Argentina. This index monitors the trends in the competitiveness of tourism in Argentina as measured by the terms of trade (relative exchange rates with its main tourism partners) in tourism goods and services (*www.desarrolloturistico.gob.ar*).

Also important is the regional integration in South America, social and economic – notably in the form of the Latin American Free Trade Area (ALALC or LAFTA). This integration also strengthens Argentina's co-operation with countries whose populations can provide a source of visitors to Argentine destinations. In 2012, some 3.8 million tourists visited from neighbouring countries (68% of total international arrivals).

Statistics and performance evaluation

Argentina has been developing its Tourism Satellite Accounts since 2003.

The Ministry of Tourism is also working on the development of statistical information. The Household Survey of Travel and Tourism (*Encuesta de Viajes y Turismo de los Hogares*) is the first national survey that describes the traveller profiles and expenses incurred by resident households on travel and tourism within and outside the country. This information has helped to gauge the economic impact of domestic tourism, and in the design of policies to encourage or promote tourism.

Argentina has also been developing the System of Information and Statistics for Tourism (*Sistema de Información y Estadísticas Turísticas*), a system designed to consolidate the process of information management and knowledge about tourism for proper planning, management and decision-making in the sector towards an inclusive, equitable and federal tourism development model.

Statistical profile

Table 1. **Argentina: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	14 674	13 588	14 530	15 248	15 384
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments	Thousand	34 278	31 043	34 447	35 992	36 111
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Hotels and similar establishments.

Source: Ministry of Tourism, Hotel Occupancy Survey, Survey of Household Tourism, National Institute of Statistics and Census (INDEC).

StatLink http://dx.doi.org/10.1787/888932989855

Table 2. **Argentina: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)	Thousand	4 700	4 308	5 325	5 705	5 585
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Brazil	Thousand	874	718	1 197	1 282	1 217
Chile	Thousand	940	820	1 076	1 101	1 135
Europe	Thousand	766	722	751	739	706
Uruguay	Thousand	447	488	654	656	608
Paraguay	Thousand	391	390	432	628	602
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million USD	5 180	4 354	5 503	5 918	5 505 p
International travel receipts	Million USD	4 530	3 838	4 816	5 212	4 732 p
International passenger transport receipts	Million USD	650	516	687	706	773 p

Source: Ministry of Tourism, National Institute of Statistics and Census (INDEC).

StatLink http://dx.doi.org/10.1787/888932989874

Table 3. **Argentina: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	4 614	4 981	5 307	6 686	7 247
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million USD	5 858	5 616	6 200	7 276	8 016 p
International travel expenditure	Million USD	4 457	4 344	4 703	5 352	5 713 p
International passenger transport expenditure	Million USD	1 401	1 272	1 497	1 923	2 303

Source: Ministry of Tourism, National Institute of Statistics and Census (INDEC).

StatLink http://dx.doi.org/10.1787/888932989893

Table 4. **Argentina: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	11 474	12 227	12 758	13 516	13 606
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[2]	4 882	5 250	5 227	5 653	5 783
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Hotels.
2. Travel agencies.

Source: Ministry of Tourism, Statistical Yearbook of Tourism.

StatLink http://dx.doi.org/10.1787/888932989912

Table 5. **Argentina: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	1 005	1 006	1 047	1 078	1 104
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	49	56	49	51	58
Food and beverage serving industry	325	307	343	336	329
Passenger transport	..	..	..	..	..
Air passenger transport	..	..	..	..	..
Railways passenger transport	..	..	..	..	..
Road passenger transport	336	349	358	317	338
Water passenger transport	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	..	..	..	..	..
Travel agencies and other reservation services industry	24	28	33	31	27
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	271	265	264	343	352
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Source: Ministry of Tourism, Statistical Yearbook of Tourism, National Household Survey, National Institute of Statistics and Census (INDEC).

StatLink http://dx.doi.org/10.1787/888932989931

Table 6. **Argentina: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	9.8	9.7	9.9	10.0	10.2

Source: Ministry of Tourism, Statistical Yearbook of Tourism, National Household Survey, National Institute of Statistics and Census (INDEC).

StatLink http://dx.doi.org/10.1787/888932989950

For more information

Ministerio de Turismo	*www.turismo.gov.ar*
INPROTUR	*www.argentina.travel*
Sistema de Información y Estadísticas Turísticas – SIET	*http://siet.desarrolloturistico.gov.ar*
Statistical website of the Undersecretary of Tourism Development	*http://desarrolloturistico.gob.ar/estadistica/ultimas-cifras*

Bulgaria

Tourism in the economy

The tourism industry is an important source of economic growth for Bulgaria. In 2012, tourism directly contributed 3.8 % of GDP and generated 5.3% (2011) of employment, or 137 000 jobs. The total impact of tourism (direct and total, including indirect and induced) is estimated respectively at 13.6% and 12.5% (WTTC).

Some 8.9 million foreigners visited Bulgaria in 2012, an annual increase of 1.8%, after showing steady growth since 2010. The five main source markets are Romania, Greece, Germany, the Former Yugoslav Republic of Macedonia and the Russian Federation, together accounting for 49% of the total foreign visitor count. In 2012, international tourism receipts increased by 2.2% over 2011 to EUR 2 917 million.

Bulgaria had a capacity of 2 758 accommodation units in 2012, of which 1 936 were hotels or similar establishments. The total number of beds available for visitors was 301 140, a slight increase on the previous year.

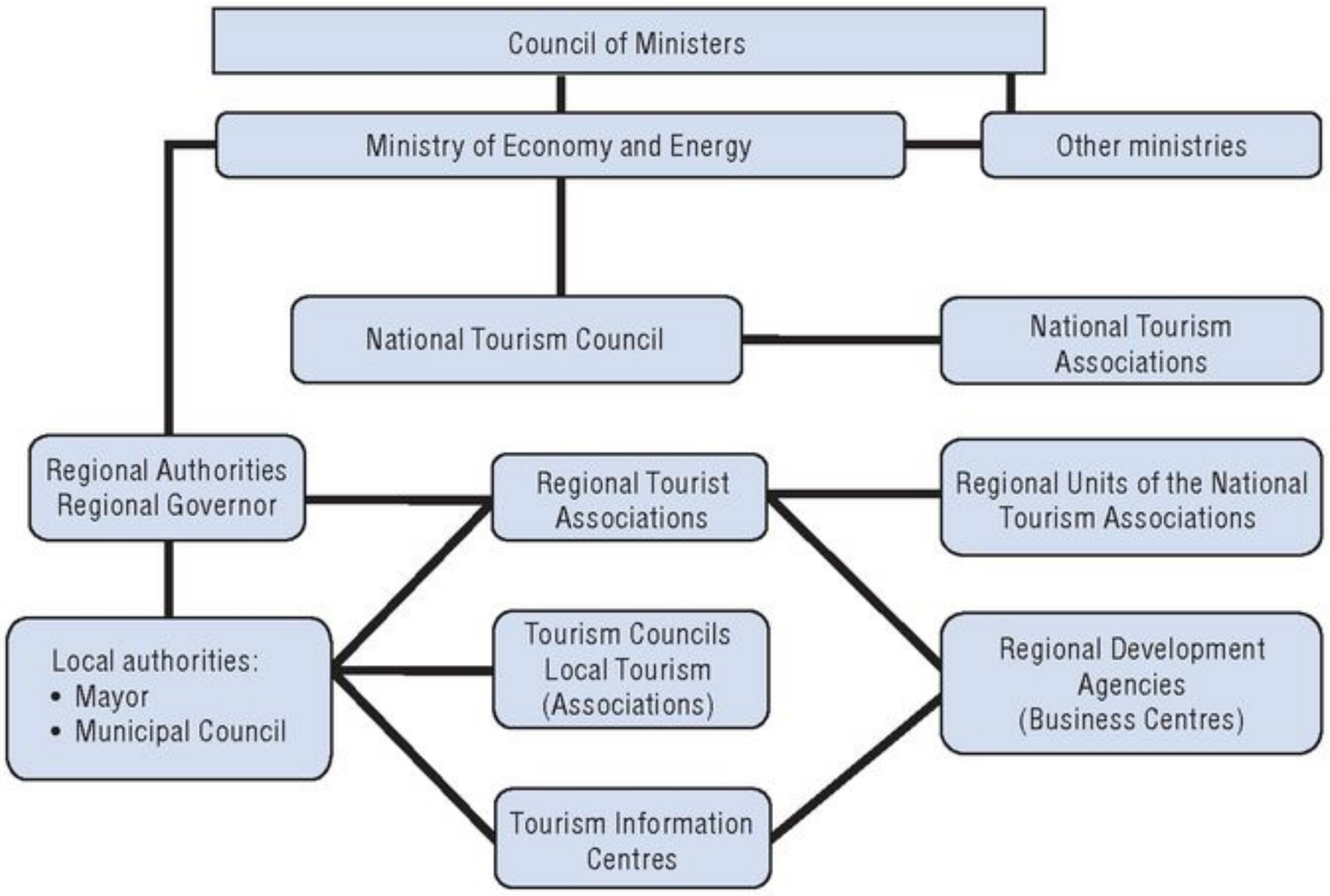
Tourism organisation and governance

The Ministry of Economy and Energy (MEE) is responsible for developing national tourism policy, for legislation, marketing and the regulation of tourism enterprises (Figure 1). The ministry's main activities cover: international relations; regulation of the tourism sector; tourism product development; providing assistance to regional, local and branch tourism organisations; national marketing and advertising; market research; and tourism market analysis.

The National Tourism Council (NTC) functions as a government consultative body under the authority of MEE, with a brief to assist in the implementation of national tourism policy. Members of the NTC comprise: representatives of tourism-related ministries and institutions; national, regional, local and branch tourism associations; associations of air, land and water transport companies; and national consumer representatives. The NTC approves the national funding for tourism marketing, including the Annual Programme for National Tourism Promotion.

There are three levels of administration involved in tourism planning and management. The regional governors implement state policy at regional level, while the municipal councils and mayors are responsible for administration at local level (Figure 1).

Figure 1. **Bulgaria: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Economy and Energy, 2014.

Tourism budgets

In 2012, the national budget for tourism managed by the MEE totalled EUR 5.6 million, or 0.53% of the total state budget. The sum of EUR 4 million was allocated for tourism marketing.

For the period 2008-12, EUR 165 million were allocated by the European Union under Priority Axis 3: "Sustainable Tourism Development" of the Operational Programme "Regional Development 2007-12"

Tourism-related policies and programmes

Bulgaria's Tourism Act regulates a number of different activities, including the:

- Certification of spas and medical, wellness and thalassotherapy (seawater) centres.
- Introduction of electronic vouchers for holidays issued by tour operators.
- Regulation of tourism-related professions such as tour guides, mountain guides and ski instructors.
- Role and activities of Tourist Information Centres.
- Setting of detailed rules for organised school trips for children.

Since 2010, the Tourism Act has been amended to bring it in line with the European Services Directive 2006/123/EU, with new amendments in March 2013. The new Tourism Act incorporates the following main changes:

- Regional tourism planning – regional tourism organisations, including local government administrations and local and regional tourism associations, are responsible for tourism management, planning and promotion: regional marketing and branding, development of regional tourism products, providing services to the tourists in the destination, co-ordination at the regional level, etc.
- New terms and conditions for tour operators' and travel agents' liability insurance.
- New terms and conditions for the provision of spa/wellness facilities, and the certification of medical, spa/wellness and thalassotherapy centres.

- The introduction of regulations for tourist guides, mountain guides and ski instructors/ teachers, including the requirement for such services to be provided through professional and branch associations.

In order to boost domestic tourism and related spending (it generated some 25% of direct tourism GDP in 2012), the Ministry of Economy, Energy and Tourism launched two communication projects in 2008 and 2012. These actions resulted in an increase in domestic trips. The overall aim was to enhance the effectiveness and efficiency of marketing and advertising at national level, focusing on three key issues: the need to diversify tourism products, to reduce seasonality and to spread the benefits of tourism more equitably across the country.

The European Regional Development Fund is the main financing instrument for sustainable tourism development in Bulgaria. Activities undertaken over the period 2008-12 include:

- Enhancement of tourist attractions and related infrastructure: EUR 128 million – The focus was on the development of new integrated and distinctive tourism products based on competitive and marketable attractions that contribute to the diversification of the national tourism product and territorial spread of tourism.
- Regional tourism product development and destination marketing: EUR 9.4 million – The focus was on destination marketing, encouraging "soft" activities. The objective was to increase the number of visitors and visitor days, to improve the seasonal and territorial distribution of tourism development in different regions and localities, based on integrated destination management and marketing, and to use different tools, techniques and systems ensuring effective tourism information and marketing.
- National tourism marketing: EUR 27 million – This operation focused on enhancing the effectiveness and impacts of national marketing efforts and related activities, market intelligence and transparency, to facilitate the diversification of tourism products and markets, as well as sustainable tourism development.

The development of cultural and historical tourism in Bulgaria is important in increasing the competitiveness of the entire sector and the effectiveness of regional tourism products through the sustainable and balanced utilisation of cultural and natural resources. In 2011, Bulgaria and Romania were nominated co-ordinators in the field of tourism and culture for the EU Strategy for the Danube Region. As a result, a communication network was set up and targets for the development of tourism and the enhancement of culture in the Danube region were defined, in order to facilitate the implementation of a stable, effective, inclusive and innovative strategy.

One of the main priorities in the National Strategy for the Sustainable Development of Tourism in Bulgaria 2009-13 is the improvement of the tourism environment in resorts and populated areas in an effort to ensure sustainable tourism development. Among the detailed actions specified, the most important are the implementation of energy-saving technologies and energy efficiency measures in the tourism industry, and greater use of solar energy technology. This includes:

- Encouraging effective innovation systems and renewable energy sources.
- Applying good practice and encouraging new investment in energy and eco-management in accommodation establishments.

- Developing programmes and measures for sustainable development related to energy saving and eco-friendly technologies in buildings and in the management of tourist sites.
- Applying eco-friendly technologies and systems and the European quality standards (EMAS, EU Eco-Label) for accommodation services.
- Using protected natural areas as a resource for the sustainable development of tourism.
- Minimising energy consumption (e.g. in air conditioning and heating systems).
- Controlling air and water quality and achieving sustainable waste management.

The tourism labour market in Bulgaria suffers from a number of problems, from obstacles to tourism employment to a shortage of labour, skills development and immigration problems, etc. In order to address these, two specific projects have been identified.

Productivity and competitiveness improvements:

- Putting into practice alternative training and education methods – whether distant, multimedia or interactive.
- Encouraging employers in tourism to invest more in professional training and to provide integrated on-the-job training programmes.
- Improving tourism training within SMEs in less populated areas.
- Using flexible forms of employment.
- Providing lifelong training programmes and developing good practice in tourism services and cluster activities.
- Reviewing the terms and conditions for green cards (employment permits) for foreign workers.

Improving the quality of training and education in the knowledge-based economy:

- Using modern communication technologies within the tourism industry.
- Improving the quality and professional qualifications of tourism industry employees at all levels, e.g. in services, marketing and management.
- Monitoring the system of training and qualification of staff and the mechanisms for sustainable partnerships between trainers and businesses.
- Synchronising procedures for issuing work permits for the staff of foreign tour operators and travel agents working in Bulgaria during the tourism season.

Statistical profile

Table 1. **Bulgaria: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)[1]	Thousand	2 799	2 443	2 328	2 623	2 862
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	6 493	5 900	5 696	6 394	6 801
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

1. Accommodation facilities.

Source: Ministry of Economy and Energy, National Statistical Institute.

StatLink http://dx.doi.org/10.1787/888932989969

Table 2. **Bulgaria: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	8 533	7 873	8 374	8 713	8 867
Overnight visitors (tourists)	Thousand	5 780	5 739	6 047	6 328	6 541
Same-day visitors (excursionists)	Thousand	2 753	2 134	2 327	2 385	2 326
Top markets						
Romania	Thousand	1 769	1 399	1 445	1 449	1 468
Greece	Thousand	881	924	1 018	1 121	1 087
Germany	Thousand	760	898	853	837	785
Russian Federation	Thousand	297	296	390	470	610
Former Yugoslav Republic of Macedonia	Thousand	323	310	410	440	424
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million USD	4 749	4 225	4 197	..	..
International travel receipts	Million USD	4 203	3 728	3 571	3 691	3 774
International passenger transport receipts	Million USD	546	497	626	..	..

Source: Ministry of Economy and Energy, National Bank, National Statistical Institute.

StatLink http://dx.doi.org/10.1787/888932989988

Table 3. **Bulgaria: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	5 727	4 993	3 676	3 803	3 758
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million USD	2 582	1 950	1 458	1 420	1 400
International travel expenditure	Million USD	2 291	1 750	1 232	1 240	1 314
International passenger transport expenditure	Million USD	291	200	226	180	86

Source: Ministry of Economy and Energy, National Bank, National Statistical Institute.

StatLink http://dx.doi.org/10.1787/888932990007

Table 4. **Bulgaria: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	5 197	5 695	5 854	6 296	5 377
Tourism industries	..	..	..	..	..
Accommodation services for visitors	3 217	3 533	3 540	3 776	2 758
Hotels and similar establishments	1 646	1 784	1 823	1 862	1 936
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	1 980	2 162	2 314	2 520	2 619
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: Ministry of Economy and Energy, National Bank, National Statistical Institute.

StatLink http://dx.doi.org/10.1787/888932990026

Table 5. **Bulgaria: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	113 760	120 602	115 705	119 695	136 967 p
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	36 138	36 670	35 456	37 279	37 960 p
Food and beverage serving industry[2]	72 740	78 941	75 378	77 577	93 344 p
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	4 882	4 991	4 871	4 839	5 663 p
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

1. Hotels.
2. Restaurants.

Source: Ministry of Economy and Energy, National Bank, National Statistical Institute.

StatLink http://dx.doi.org/10.1787/888932990045

Table 6. **Bulgaria: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	4.6	5.0	5.2	5.3	..

Source: Ministry of Economy, Energy and Tourism, National Bank, National Statistical Institute.

StatLink http://dx.doi.org/10.1787/888932990064

For more information

Official Tourism Portal of Bulgaria	*http://bulgariatravel.org/*
Ministry of Economy and Energy	*www.mi.government.bg/*

China

Tourism in the economy

Tourism has a vital role in the national economy. In 2009, the State Council issued Document 2009-41, which highlights the government's aim to nurture the tourism industry as one of the strategic pillars of the national economy. In 2012, the tourism industry directly accounted for nearly 4% of GDP, and China National Tourism Administration (CNTA) expects this to reach 4.5% in 2015. The share of international tourism receipts in exports of services was 26%.

China's inbound tourism has seen little growth since the global financial crisis in 2008-09. In 2012, the country received 132.4 million inbound visitors – an average annual increase of 0.8% since 2008 (130 million visitors). Tourism export revenues in 2012 were USD 50 billion. However, Chinese outbound tourism has been growing rapidly and, in 2012, there was a deficit on the tourism balance of trade of USD 51.9 billion.

Domestic tourism is nevertheless by far the largest market for the Chinese tourism industry. In 2012, the domestic market reached 2.96 billion visits, with a year-on-year growth rate of over 12%. The domestic market generated revenue of CNY 2270.6 billion, accounting for 87.6% of total internal market revenues from tourism.

Tourism organisation and governance

China National Tourism Administration (CNTA) is the agency in charge of tourism, reporting directly to the China State Council (Figure 1). CNTA is composed of ten internal departments, five affiliated organisations and seven subordinate associations. CNTA has

Figure 1. **China: Organisational chart of tourism bodies**

Source: OECD, adapted from the China National Tourism Administration, 2014.

18 overseas offices in 14 countries and regions. Each province and city has its own provincial or municipal tourism administration with a similar structure to that of CNTA's internal departments.

Tourism budgets

In 2012, China National Tourism Administration's total budget was CNY 240.5 million. The main sources of funding for tourism development were the central and local governments – in part comprising allocations from the Tourism Development Fund made up from the CNY 20 charge imposed on all outbound travellers. This is known as the Civil Aviation Development Fee, formerly the Airport Construction Fee.

Tourism-related policies and programmes

In 2009, the State Council issued a policy document, "Views on Accelerating the Development of the Tourism Industry", stating that the tourism industry had been earmarked to become one of the strategic pillars of the national economy, and that tourism would directly and indirectly contribute some 8% of GDP by 2015. The China State Council has since introduced a series of policies and measures to accelerate the development of the tourism industry and CNTA issued the "12th Five-Year Plan of Tourism Industry Development" in 2011.

In 2012, the Standing Committee of the National People's Congress proposed a draft Tourism Law, which was adopted by the legislature in 2013 and came into effect on 1 October 2013. This is the first time that China has set legislative guidelines for the tourism industry. The law aims to protect both tourists' and tour operators' rights and to make effective use of China's national resources. The government is supporting comprehensive reforms in tourism, and encouraging the integrated management of tourism resources.

In 2013, the State Council issued the "Outline for National Tourism and Leisure (2013-20)", which aims to boost outbound tourism by encouraging companies to improve the use of paid leave.

The tourism administration is accelerating the functional transformation of the industry, devolving functions and activities that should be undertaken by private sector enterprises, industry associations and intermediate organisations and institutions. It is liberalising market access in tourism, removing industry and regional barriers, simplifying approval procedures, encouraging equitable social participation in tourism development, and encouraging enterprises to invest in the tourism industry with diverse forms of ownership.

CNTA is promoting the restructuring and reorganisation of state-owned tourism enterprises, supporting the development of privately owned, small and medium-sized tourism enterprises (SMEs), supporting various types of enterprises across sectors and regions, encouraging mergers, acquisitions and joint ventures, and cultivating a number of competitive large-scale tourism enterprises.

In addition, it is promoting improved visa access and faster processing, as well as other measures to facilitate inbound tourism, including tax-free shopping facilities for tourists, open skies air transport agreements, and more efficient procedures to handle cruise tourism.

In February 2012, the People's Bank of China, the National Development and Reform Commission and seven other departments issued a policy paper entitled: "A number of opinions on the financial support to accelerate the development of the tourism industry". Specific measures linked to this include:

- In 2012, the State Council approved the Ministry of Transport and other departments' proposals for toll-free access for small passenger cars, especially during the Mid-Autumn Festival and National Day holiday periods.
- CNTA and the China Tourism Academy (CTA) are jointly developing the "Chinese inbound tourism long-term plan", which is aimed at promoting the development of inbound tourism.
- CNTA is promoting the "National Intelligent Cities Pilot Project", under which local tourism authorities are accelerating the development of "intelligent tourism" – the adoption of modern information technology services.
- In 2012, CNTA started work on recommendations for a second batch of national standardisation pilot units, expanded a pilot project for comprehensive reform in tourism, issued advice about improving tourism public services, and launched a variety of special projects to improve the quality of tourism services. It has made breakthroughs in many aspects of tourism development.
- To strengthen international co-operation in tourism and to promote the recovery of inbound tourism, CNTA has undertaken some large-scale overseas promotional programmes, and organised the "China-Russia Tourism Year".
- Since 2009, CNTA has entrusted the CTA with tourist satisfaction surveys in 60 major tourist cities.

China has not been neglecting measures to promote sustainable tourism:

- In a policy paper issued in 2009, "Views on accelerating the development of the tourism industry", the State Council proposed that the consumption of water and electricity should be reduced by 20% over the next five years. Subsequently, specific requirements have been put forward for sustainable tourism development in Guangxi and Hainan provinces.
- Industry standards proposed by the central government, including "The standards for green tourist hotels" (LB/T 007-2006), "The guideline for the development of ecological tourism", and "The construction standards of the ecological tourism area", have greatly promoted high environmental standards in hotels and tourism facilities in scenic areas in China. "The year of eco-tourism" has twice been identified as the national annual tourism theme, in 1999 and 2009.
- Making full use of financial and tax incentives, multi-sectoral co-ordination mechanisms, and technological innovations in energy conservation and emissions reduction, are all regarded as essential for sustainable tourism development.

Statistical profile

Table 1. **China: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	1 712 000	1 902 000	2 103 000	2 641 000	2 957 000
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: China National Tourism Administration.

StatLink http://dx.doi.org/10.1787/888932990083

Table 2. **China: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	130 027	126 476	133 761	135 424	132 405
Overnight visitors (tourists)	Thousand	53 049	50 875	55 664	57 581	57 725
Same-day visitors (excursionists)	Thousand	..	..	..	..	74 680
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million USD	44 130	42 632	50 154	53 313	54 937
International travel receipts	Million USD	40 843	39 675	45 814	48 464	50 028
International passenger transport receipts	Million USD	3 287	2 957	4 340	4 849	4 909

1. Includes Hong Kong, China; Macao, China; and Chinese Taipei.

Source: China National Tourism Administration.

StatLink http://dx.doi.org/10.1787/888932990102

Table 3. **China: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	45 844	47 656	57 387	70 250	83 183
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million USD	40 987	47 108	59 840	79 010	109 898
International travel expenditure	Million USD	36 157	43 702	54 880	72 585	101 977
International passenger transport expenditure	Million USD	4 830	3 406	4 960	6 425	7 921

Source: China National Tourism Administration.

StatLink http://dx.doi.org/10.1787/888932990121

Table 4. **China: Enterprises in tourism**

Thousand establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	14	14	12	12	11
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[2]	20	20	23	24	25
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Star-rated hotels only.
2. Travel agencies.

Source: China National Tourism Administration, Tourism Statistics Yearbook.

StatLink http://dx.doi.org/10.1787/888932990140

Table 5. **China: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	1 669	1 673	1 581	1 541	1 591
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[2]	322	341	277	300	318
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

1. Star-rated hotels only.
2. Travel agencies.

Source: China National Tourism Administration, Tourism Statistics Yearbook.

StatLink http://dx.doi.org/10.1787/888932990159

For more information

China National Tourism Administration	*www.cnta.gov.cn*
China Tourism Academy	*www.ctaweb.org*

Croatia

Tourism in the economy

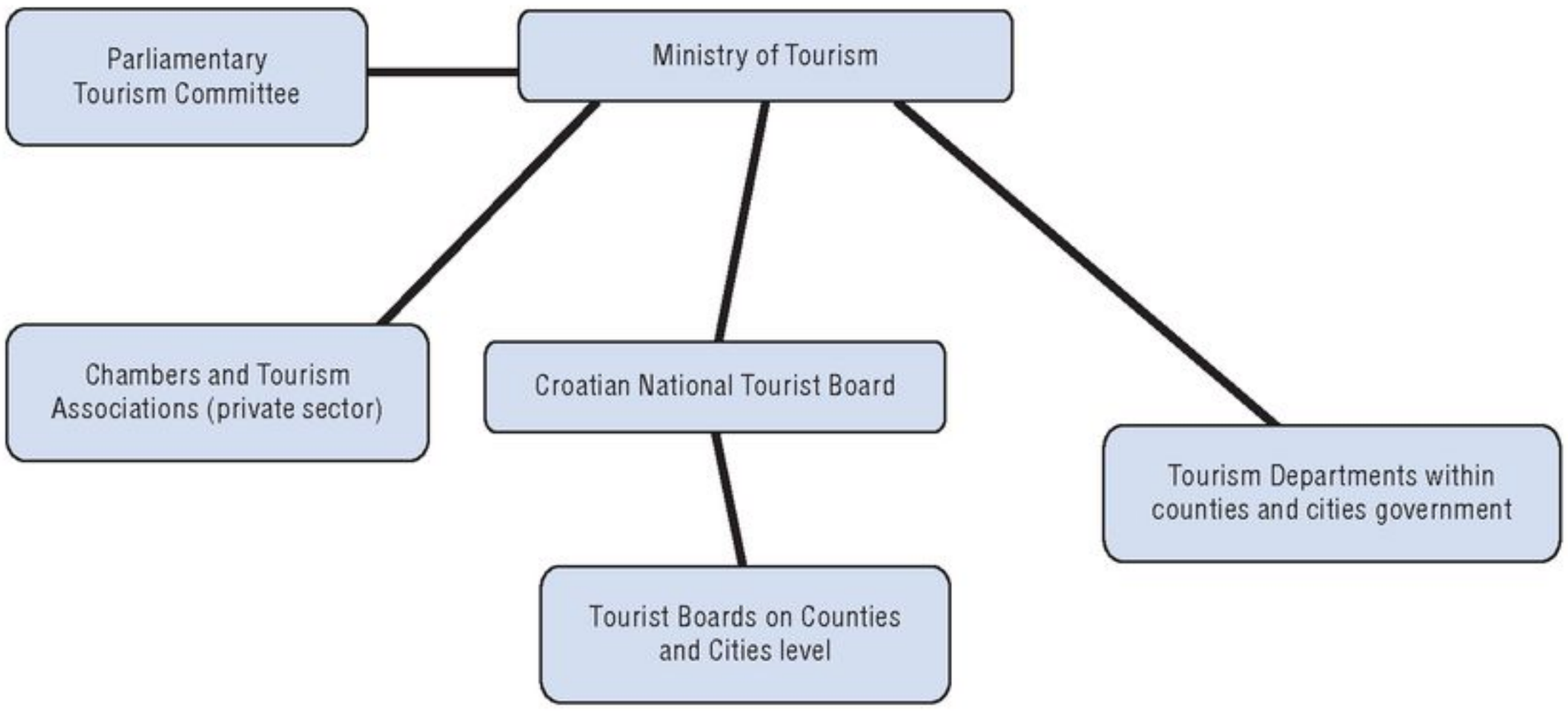
In 2012, the share of tourism in GDP was 15.4% and tourism accounted for 73.6% of all export services revenues and employed approximately 4.8% of the total workforce. Croatia has seen a steady increase in the number of international arrivals, from 8 million in 2006 to 10.4 million in 2012. International tourism receipts have remained broadly stable at between HRK 45 and HRK 51 billion per year during this period.

Domestic tourist arrivals totalled 5.6 million in 2012, a decrease of 6.5% over 2011.

Tourism organisation and governance

The Ministry of Tourism is responsible for drafting strategies, policies and other measures at national level, and drawing up proposals for legislation that regulates the tourism and hospitality industry, the tourism board's role and activities and tourism tax issues (Figure 1). There are four directorates within the ministry – the Travel Market and International Co-operation, the Development and Competitiveness of Tourism, the Tourist Board System and Destination Management, and Legal Affairs.

Figure 1. **Croatia: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

Tourism promotion lies within the responsibility of the Croatian National Tourist Board (CNTB). The Minister of Tourism presides over the CNTB in an *ex officio* capacity, but it also has an Executive Director, who is in charge of daily operations and activities.

At regional level, within the county administrative office, there is usually a service responsible for tourism and hospitality. County administrative offices handle the classification of, and permits for, private accommodation operators, but the classification of hotels, campsites and marinas is the responsibility of the ministry.

The ministry regularly co-operates with professional associations (e.g. associations of travel agents, hoteliers, camping sites, etc.), as well as with NGOs and trade unions.

Tourism budgets

In 2012 the overall state budget was just over HRK 118.8 billion (approx. EUR 15.9 billion). The share allocated to the Ministry of Tourism was HRK 204.5 million (EUR 27.27 million), 0.17% of the total and a decline of nearly 16% over 2011. Some HRK 90 million (EUR 12 million) of the ministry's budget were transferred to the CNTB for its promotional activities. In addition to funding from the state budget, CNTB receives funds from the tourist bednight tax (HRK 102 million in 2012) and membership fees (HRK 57 million). Tax revenues are distributed as follows: 65% to the municipality/town tourist board (and of which 30% is allocated by the municipality/town for upgrading tourist accommodation and services), 25% to the CNTB head office, and 10% to the local county tourism board.

In compliance with the Act on Tourism Land, a Fund for Tourism is also being set up with contributions – allocated from "concession fees" – paid by hotels, tourist villages, campsites and corporations involved in tourism. Tourism businesses can also be funded through other programmes – the Ministry of Entrepreneurship and Trade co-finances certain programmes open to tourism SMEs, and there is a Fund for Environmental Protection and Energy Efficiency for projects contributing to tourism competitiveness.

Tourism-related policies and programmes

In 2013, the Strategy for Croatian Tourism Development to 2020 was adopted by the government and the Croatian Parliament. The main goals of the strategy are to: ensure a top 20 world ranking for Croatia in terms of competitiveness; achieve EUR 7 billion of investment; increase foreign tourism expenditure by EUR 6 billion; grow the tourism sector workforce by 30 000 (20 000 jobs directly with the industry and 10 000 indirect jobs); increase bed capacity by 100 000; spread tourism more equitably through the year; and encourage a more balanced tourism development across the country.

The following are seen as the main challenges to reaching these goals: adapting the ministry's activities to the needs of the strategy; aligning the CNTB's Operational Marketing Plan 2014-20 with the Strategy; increasing competitiveness; establishing an Interministerial Council; ensuring EU funding for tourism sector development; implementing the necessary legal changes; developing the concept of a Destination Marketing Organisation (DMO); privatising the remaining tourism properties in state hands; developing new products for new tourism segments; ensuring favourable conditions for tourism investment; offering incentives for "Greenfield" investments; and increasing off-season tourism activities.

The three-year Strategic Plan of the Ministry of Tourism 2013-15 has now been adopted. Among the key challenges to be addressed, the main issues are excessive seasonality, attributed to Croatia's heavy dependence on sun and beach tourists; and improving the structure and quality of the tourism supply, particularly in terms of products attracting demand outside the peak season, such as spa and wellness tourism, urban tourism, nature-based tourism and tourism focusing on traditional cuisine, local wines and different cultural attractions.

There have been a number of new regulations impacting on the tourism industry in recent years, including acts passed on the: Provision of Tourism Services; Changes and Amendments to the Hospitality and Catering Industry Act (May 2012); Bednight Tax; Tourist Boards and the Promotion of Tourism; Tourist Board Membership Frees; and Tourism and Other Construction Land. The Act on Investment Promotion and the Development of the Investment Climate, drafted by the Ministry of Economy and passed in September 2012, made reference to tourism for the first time.

In 2012 Croatia modified entry requirements for foreign visitors to Croatia according to the Schengen Agreement, at the same time suspending visa-free entry for nationals of Azerbaijan, Kazakhstan, the Russian Federation and Ukraine. These measures were in line with Croatia's accession to the EU on 1 July 2013 and the need to harmonise visa policy with that of the EU overall. Nevertheless, since the Russian market has recorded strong growth in recent years, efforts are being made to facilitate access and simplify visa processing.

A number of different issues have been identified by the Croatian government and the tourism industry for action, including competitiveness, seasonality, quality improvement and innovation in "green" tourism.

In 2012 the Ministry of Tourism issued the "Ordinance on Quality" label for hotels, with standards based on a number of "green" criteria. To be assigned a label, a hotel has to meet a minimum of standards in nine different categories and areas referring to the sustainable use of energy and resources, handling waste, security, quality of equipment, staff and guest satisfaction, etc.

In April 2012, the first Croatian award, "GREENOVATION" for green economy development, was launched by the Association for Energetics Zagreb and The Croatian Chamber of Economy, the European Entrepreneurship Network of Croatia. The winner is entitled to use the "*Green mark – sign of excellence*" label for five years.

The Ministry of Environmental Protection and Construction, with the Ministry of Tourism as its partner, has established a Croatian system for awarding the "Environmentally Friendly" label to hotels and campsites that qualify in the efficient use of natural resources and higher levels of environmental protection. Ten hotels and five campsites have already received the award.

In 2012, the Ministry of Tourism implemented the programme "A Step Further", focused on making improvements in the tourism sector in terms of adapting public areas and all areas used for tourism purposes to the needs of people with disabilities and reduced mobility. The ministry provides financial support to local authorities, local tourist boards and professional associations in their activities aimed at facilitating access for disabled people. It also participated in the European Commission's Calypso programme.

Many unemployed people find seasonal work through the Croatian Employment Service in the tourism and catering sector in the coastal regions of Croatia, where there are shortages of labour during the summer months. The Croatian government determines the annual quotas for the employment of foreigners for jobs in various sectors. In tourism these quotas cover five occupations: tourist entertainers, tourist representatives, masseurs for special types of massages, diving instructors and national cuisine chefs. The job quota for tourism and hospitality in 2013 was 105.

In the framework of the Croatian-German Agreement, the Croatian Employment Service is able to nominate Croatian residents as "guest workers" for Germany's tourism and catering sector for 12-18 months, to help them acquire professional and language skills.

With regard to skills development and education in tourism and hospitality, the Ministry of Tourism has conducted two programmes: "Scholarships" and "Professional Promotion". The aim of both programmes is to raise the standards of education, thereby contributing to upgrading quality standards in the tourism sector, to raise the sector's awareness of the need to co-operate with educational institutions, to enhance students' interest in careers in tourism/hospitality, ensure the quality of students' professional practices, and assist in their obtaining employment, etc.

Statistics and performance evaluation

The Croatian Institute for Tourism piloted a Tourism Satellite Account for 2007 in compliance with international recommendations.

A more precise evaluation of tourism revenue has been made possible by the Cash Transaction Fiscalisation Act, which was passed by Parliament in November 2012 (OG 133/2012), and which came into force on 1 January 2013, with the aim of reducing the "grey" areas of the economy and increasing state revenue. In the first four months of 2013, individual declarations – mostly from bar and restaurant owners – showed a 46% higher turnover compared with the same period in 2012. More accurate records of tourist expenditure are expected to be identified not only in the catering business, but also in private (family-type) accommodation facilities, and for professional services and personal services, passenger transport ticket sales, pay tolls, vending machines sales, etc.

Statistical profile

Table 1. **Croatia: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	13 637	13 141	..	14 852	14 650
Overnight visitors (tourists)	Thousand	6 023	5 774	5 438	6 010	5 618
Same-day visitors (excursionists)	Thousand	7 614	7 367	..	8 842	9 032
Trips by main purpose of visit						
Business and professional[1]	Thousand	1 192	2 278	568	2 822	2 005
Holiday, leisure and recreation[1]	Thousand	4 831	10 827	4 870	12 030	12 645
Nights in all means of accommodation	Thousand	28 259	27 196	25 652	30 347	28 760
Hotels and similar establishments	Thousand	..	3 836	..	3 357	3 134
Other collective establishments	Thousand	..	1 789	..	1 644	1 298
Domestic travel receipts		..	..	..	..	..

1. Includes overnight and same-day trips, except for years 2008 and 2010.

Source: Croatian Bureau of Statistics, Survey of Tourist Activity.

StatLink http://dx.doi.org/10.1787/888932990178

Table 2. **Croatia: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)	Thousand	8 665	8 694	9 111	9 927	10 369
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Germany	Thousand	1 405	1 463	1 525	1 661	1 853
Slovenia	Thousand	985	963	1 017	1 100	1 054
Italy	Thousand	1 009	1 058	1 018	1 150	1 051
Austria	Thousand	692	776	810	892	946
Czech Republic	Thousand	589	579	606	638	647
Nights in all means of accommodation	Thousand	49 268	49 229	50 992	54 751	57 522
Hotels and similar establishments	Thousand	17 605	16 085	17 011	18 054	18 879
Other collective establishments	Thousand	14 940	16 001	16 224	17 335	18 414
Total international receipts	Million HRK	55 748	48 353	46 327	50 522	52 767
International travel receipts	Million HRK	53 801	46 731	45 192	49 202	51 421
International passenger transport receipts	Million HRK	1 947	1 622	1 135	1 321	1 346

Source: Croatian Bureau of Statistics, National Bank.

StatLink http://dx.doi.org/10.1787/888932990197

Table 3. **Croatia: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	..	4 823	..	5 526	4 326
Overnight visitors (tourists)	Thousand	2 357	2 497	1 873	2 880	2 680
Same-day visitors (excursionists)	Thousand	..	2 326	..	2 646	1 646
Total international expenditure	Million HRK	5 745	5 455	4 727	4 898	5 638
International travel expenditure	Million HRK	5 532	5 310	4 582	4 703	5 426
International passenger transport expenditure	Million HRK	213	146	145	195	213

Source: Croatian Bureau of Statistics, National Bank, Survey of Tourist Activity.

StatLink http://dx.doi.org/10.1787/888932990216

Table 4. **Croatia: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	20 333	22 077	21 192	19 867	19 076 p
Tourism industries	..	..	..	..	..
Accommodation services for visitors	2 526	2 718	2 631	2 533	2 504 p
Hotels and similar establishments	733	777	818	831	825 p
Food and beverage serving industry[1]	16 150	17 670	16 838	15 791	15 041 p
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	1 657	1 689	1 723	1 543	1 531 p
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Restaurants, bars, canteens and catering.

Source: Bureau of Statistics, Structural Business Statistics.

StatLink http://dx.doi.org/10.1787/888932990235

Table 5. **Croatia: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	55 537	51 719	51 358	52 722	54 937
Tourism industries	..	..	..	..	..
Accommodation services for visitors	31 709	30 138	29 578	30 276	31 036
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	18 618	16 362	16 713	17 223	18 506
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	5 210	5 219	5 067	5 223	5 395
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	43	44	44	44	44
Female (% of total tourism employment)	57	56	56	56	56

Source: Croatian Bureau of Statistics.

StatLink http://dx.doi.org/10.1787/888932990254

Table 6. **Croatia: Internal tourism consumption**

Million HRK, 2007

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	9 058	46 556	55 614
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	1 653	12 836	14 489
Food and beverage serving services	1 669	13 049	14 718
Passenger transport services	1 717	1 287	3 004
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	331	352	683
Cultural services[1]	169	2 357	2 526
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	3 519	16 676	20 195
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.

Source: Croatian Bureau of Statistics and Institute for Tourism.

StatLink http://dx.doi.org/10.1787/888932990273

Table 7. **Croatia: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	4.4	4.3	4.4	4.5	4.8

Source: Croatian Bureau of Statistics.

StatLink http://dx.doi.org/10.1787/888932990292

For more information

Ministry of Tourism	*www.mint.hr*
Croatian National Tourism Board	*www.croatia.hr*
Institute for Tourism	*www.iztzg.hr*
Faculty of Tourism and Hospitality Management, Opatija	*www.fthm.uniri.hr*
Croatian Chamber of Economy, Sector for Tourism	*www2.hgk.hr*

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

Egypt

Tourism in the economy

Tourism's direct contribution to Egypt's GDP reached 6.1% in 2011 and, if both the direct and indirect effects are taken into account, it is estimated to have contributed some 11.3% of GDP.

International tourist arrivals to Egypt reached 11.5 million in 2012, generating a total of USD 9.9 billion in revenues, or around 14.4% of total current receipts, and 45% of all services export receipts. Travel receipts also constituted the fourth largest item in terms of generating foreign currency earnings.

The total number of international tourist nights rose to 137.8 million in 2012, 20.6% more than in 2011 (Box 1). About 73% of Egypt's inbound tourists came from Europe – and around 50% from five countries: the Russian Federation, the United Kingdom, Germany, Italy and France – with the vast majority arriving by air (82.8%). Recreational tourism continues to dominate demand, accounting for some 94.8% of all international visitor arrivals.

Tourism also accounted for 2.4% of total investment in 2012 – EGP 5.6 billion, of which 89.7% was undertaken by the private sector.

Box 1. **Egyptian tourism sector recovery in 2012**

Although the events of 2013 have resulted in yet another downturn in Egypt's tourism, it is important to note that the sector improved markedly in 2012. The recovery of the tourism sector in 2012 can be attributed to a number of different factors, including an intense marketing campaign carried out jointly with international travel agencies and tour operators to stimulate charter traffic, especially from Egypt's main traditional markets. In addition, efforts to attract new markets were stepped up. By way of example, Japanese demand for cultural tourism in Egypt was boosted with the opening of scheduled flights from Tokyo and Osaka to Luxor and Cairo, and new routes were also launched from Turkey to Sharm El Sheikh, Hurghada and Luxor thanks to reduced airport fees and simplified entry procedures. The number of advertising campaigns in different source markets was also increased, notably promoting Arab tourism.

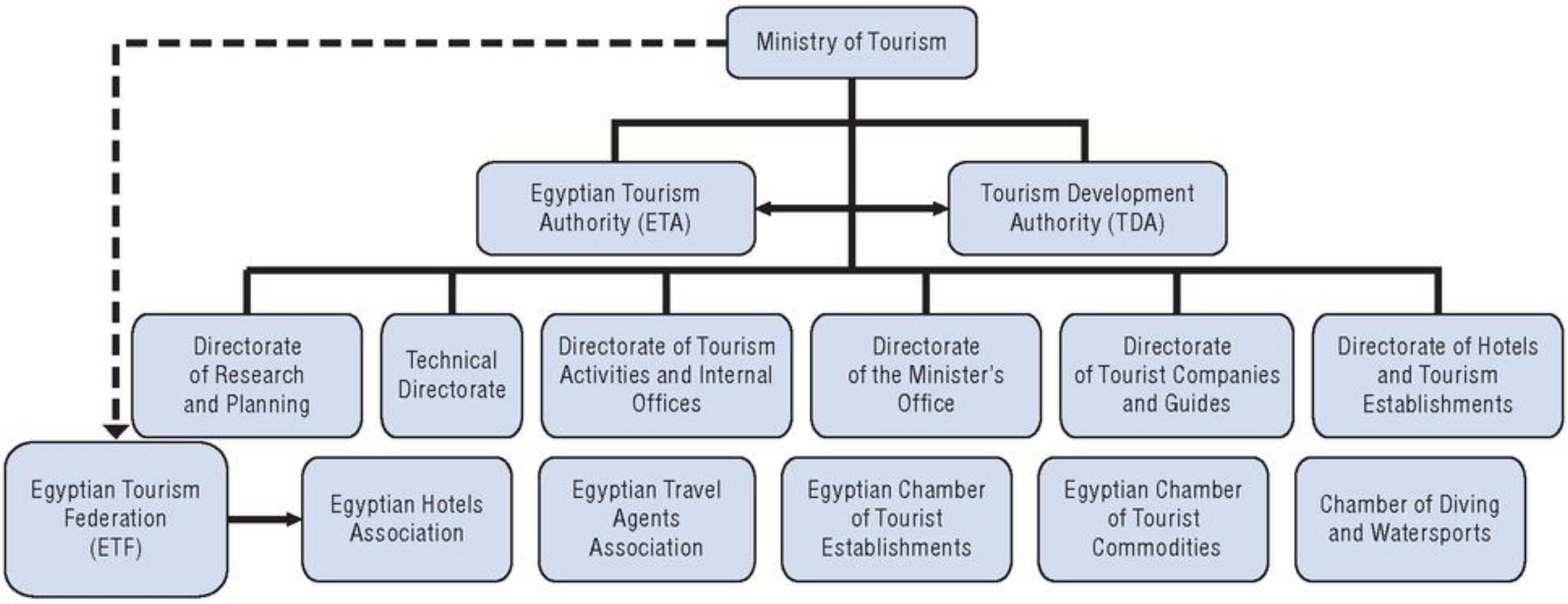
In 2012, the Ministry of Tourism also revised the National Strategy for Tourism Development in Egypt in co-operation with the Egyptian National Competitiveness Council, in order to identify areas for improvement to support the national vision for tourism growth and to adopt international best practice. One of the main tasks was to unbundle the branding of Egypt, and also to review the human resource issues and the role of small and medium-sized enterprises in tourism.

According to Egypt's 2012 Tourism Satellite Account (TSA) tables, there are 1.7 million full-time workers serving the tourism industry directly. But tourism directly and indirectly supports 13% of total employment in the country. Outbound tourism recorded a 14.3% increase in number of departures, to 1.6 million in 2011.

Tourism organisation and governance

The Ministry of Tourism is responsible for tourism policy (Figure 1) and for establishing a coherent legal and regulatory framework for tourism development. Both the Egyptian Tourism Authority (ETA) and the Tourism Development Authority (TDA) fall under the jurisdiction of the ministry.

Figure 1. **Egypt: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

The TDA 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. Seeking to reduce administrative regulations, the TDA is adopting a one-stop shop system in the context of institutional and legislative reform in the sector, and is developing a legal framework for guarantees and investment incentives. The TDA is leading the "Green Sharm Initiative" project, the "Development of religious tourism in the Farma area of North Sinai" project, and the Strategic Plan for Tourism Development in the New Valley governorate.

The ETA is responsible for promoting inbound and domestic tourism. It manages the development and diversification of the tourism product, both regionally and internationally, and is working on creating a new "Egypt tourism brand".

The Egyptian Tourism Federation (ETF) is composed of five tourism industry business associations: the Egyptian Hotels Association, the Travel Agents' Association, the Chamber of Tourist Establishments, the Egyptian Chamber of Tourist Commodities and the Egyptian Chamber of Diving and Watersports. It works closely with the Ministry of Tourism in areas related to tourism planning, and for managing the Tourism Workforce Skills Development Project. By law, ETF's views are considered before any new legislative measures. The successful collaboration between the Ministry of Tourism and the ETF establishes a good model of public-private partnership.

Tourism budgets

The general budget for tourism promotion and branding is around USD 60 million to USD 65 million a year, directed mainly at promotional campaigns and external activities. This fund is managed by the Tourism Fund Unit at the ministry. External government agencies carry out monitoring and evaluation of expenditure from the fund to ensure a transparent process of good governance.

Tourism-related policies and programmes

Egypt's Sustainable Tourism Strategy 2020 targets 30-35 million international arrivals and a 30% increase in average tourism expenditure. The objective is to increase the value of tourism to Egypt at a faster rate than its volume in order to achieve high and sustainable economic growth, poverty alleviation, the attenuation of income disparities, the creation of productive jobs and increased gender equality.

The government of Egypt has taken steps to create a favourable legislative and regulatory environment and to encourage investment in the tourism sector. It has also modernised its supporting infrastructure. A set of objectives has been developed that seek to ensure an appropriate institutional framework, safety, security and easy access to tourism locations, expansion of the product base, provision of the necessary infrastructure and superstructure, improvements to the quality of services, and promotion of the tourism product.

Several education and training programmes have been implemented to raise the quality of the hospitality industry. Among these is the Egypt Tourism Workforce Development Project which seeks to:

- Ensure a mobile training approach in tourism governorates.
- Improve staff skills and provide better levels of service and food safety.
- Provide a vocational training programme in line with international best practice.
- Create a Human Resources Development Unit responsible for training employees over short periods at minimum cost, and helping the educational system to respond to market needs.
- Introduce a programme to improve supervisory and managerial skills within hotels and restaurants – this programme is being delivered in 12 tourism governorates by mobile regional hospitality master trainers.

The ETF is co-operating with the Ministry of Tourism to develop a qualified labour force able to optimise the tourism industry's employment opportunities through three main pivots:

- Wider implementation of professional qualification programmes for workers in tourism governorates.
- Providing a series of institutions and professional training centres in the main tourism areas, especially in the South Sinai and Red Sea.
- Through ministerial intervention in tourism training within the universities, schools and institutions.

It is believed that these programmes will both narrow the skills gaps in the tourism labour market and tourism-related sectors, and will also create direct and indirect job opportunities and raise social welfare.

The government is taking short- and long-term action to enhance the country's competitiveness in tourism. By way of example, in response to an identified gap in tourism human resources development, the ministry has been working with the ETF and industry stakeholders to develop training programmes to improve the skills of all workers in the tourism industry, including middle and upper management. Parallel actions have been taken through, for example, an agreement with New York's Cornell University School of Hotel Administration, to provide e-Cornell online education courses. The Ministry of Tourism has also initiated co-operation with the Ministry of Education in the development of technical education in hotel and tourism. Other new human resource development programmes initiated in 2010 included: trends of modern management, food and beverage management, front office management and the development of communication skills in English for hotel managers.

In relation to the environment, enhancing eco-lodge facilities, raising awareness of the need to reduce pollution, applying cleanliness standards, and enforcing environmental regulations, are some of the priority actions taken by the Ministry of Tourism to enhance the competitiveness of the tourism sector. The Ministry of Tourism is currently co-operating with the Ministry of Environment to enforce environmental laws and regulations for all tourist facilities and activities.

Although the Egyptian tourism sector has seen positive progress in recent years, the full value of the tourism industry still remains to be exploited. The shortage of an adequately qualified workforce, an underdeveloped transport network and infrastructure, impediments in the structural and institutional framework, the breaching of environmental regulations, and the high cost of doing business for SMEs, are some of the current problems facing the development of a sustainable tourism industry in Egypt. These issues will require continuous effort on behalf of the government to remove obstacles to success, accommodate global challenges and improve competitiveness.

Statistical profile

Table 1. **Egypt: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	..	17 638	18 190	16 481	16 725
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Ministry of Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932990311

Table 2. **Egypt: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	12 800	12 500	14 700	9 800	11 500
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Russian Federation	Thousand	1 825	2 035	2 856	1 832	2 518
Germany	Thousand	1 203	1 202	1 329	965	1 165
United Kingdom	Thousand	1 202	1 347	1 456	1 034	1 012
Italy	Thousand	1 073	1 048	1 144	555	719
France	Thousand	587	551	599	345	318
Nights in all means of accommodation	Thousand	129 200	126 500	147 400	114 200	137 800
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts[1]	Million EGP	99 859	99 584	105 739	110 697	109 032
International travel receipts[1]	Million EGP	58 801	58 124	65 165	62 824	57 041
International passenger transport receipts[1]	Million EGP	41 058	41 460	40 574	47 873	51 991

1. Year-ended June.

Source: Ministry of Finance.

StatLink http://dx.doi.org/10.1787/888932990330

Table 3. **Egypt: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	..	1 200	1 400	1 600	2 000
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure[1]	Million EGP	24 521	23 449	20 003	20 753	23 455
International travel expenditure[1]	Million EGP	15 723	15 180	13 088	12 536	15 128
International passenger transport expenditure[1]	Million EGP	8 798	8 269	6 915	8 217	8 327

1. Year-ended June.

Source: Ministry of Tourism, Tourism Satellite Account, Ministry of Finance.

StatLink http://dx.doi.org/10.1787/888932990349

Table 4. **Egypt: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	18 923	17 524	20 729	22 083	19 668
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	1 490	1 458	1 473	1 473	1 267
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[2]	1 182	1 201	1 034	1 185	1 114
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	15 896	14 507	17 861	19 052	16 914
Cultural industry	..	..	..	..	..
Sports and recreation industry[3]	355	358	361	373	373
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Includes hotels, tourist villages and floating hotels.
2. Restaurants, cafeterias and night clubs.
3. Diving centres.

Source: Ministry of Tourism, Central Agency for Public Mobilisation and Statistics (CAPMAS).

StatLink http://dx.doi.org/10.1787/888932990368

Table 5. **Egypt: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	1 357	..	..	1 707
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	..	144	..	..	167
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	..	266	..	..	366
Passenger transport	..	..	..	..	..
Air passenger transport	..	33	..	..	35
Railways passenger transport	..	69	..	..	64
Road passenger transport	..	689	..	..	914
Water passenger transport	..	25	..	..	15
Passenger transport supporting services	..	..	..	..	..
Transport equipment rental	..	3	..	..	2
Travel agencies and other reservation services industry	..	73	..	..	70
Cultural industry	..	11	..	..	14
Sports and recreation industry	..	18	..	..	31
Retail trade of country-specific tourism characteristic goods	..	8	..	..	13
Other country-specific tourism industries	..	19	..	..	17
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	97	..	..	98
Female (% of total tourism employment)	..	3	..	..	2

Note: Full-time equivalent. Includes self-employed.

1. Includes services associated with all types of vacation home ownership.

Source: Ministry of Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932990387

Table 6. **Egypt: Internal tourism consumption**

Million EGP, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	14 769	73 968	88 738
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	1 492	12 643	14 135
Food and beverage serving services	2 624	16 327	18 951
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	460	3 682	4 142
Cultural services	69	4 215	4 284
Sports and recreation services[1]	364	6 707	7 072
Country-specific tourism characteristic goods	65	5 238	5 303
Country-specific tourism characteristic services	..	..	..
Other consumption products	9 695	25 156	34 851
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.

Source: Ministry of Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932990406

Table 7. **Egypt: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	6.6	5.5	5.3	6.1	..
Total tourism employment (direct) as % of total employment	13.0	12.6	12.8	13.0	..

Source: Ministry of Finance, Ministry of Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932990425

For more information

Ministry of Tourism	*www.sis.gov.eg*
Egypt National Tourism Office	*www.egypt.travel*
Central Agency for Public Mobilisation and Statistics	*www.capmas.gov.eg*

Former Yugoslav Republic of Macedonia (FYROM)

Tourism in the economy

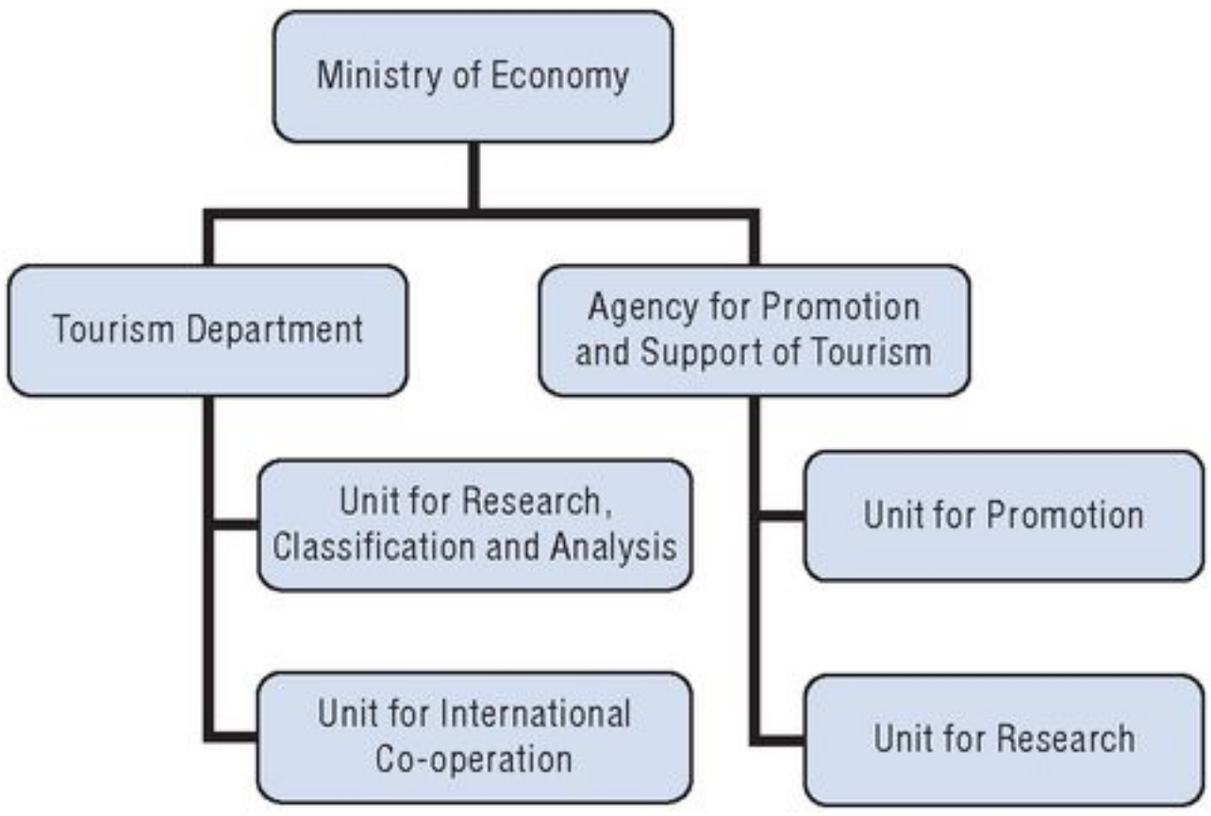
In 2012, it is estimated that tourism directly accounted for 1.2 % of GDP of the Former Yugoslav Republic of Macedonia (FYROM), that inbound tourism generated 22.3% of the country's services exports, and that government revenues from the tourism sector are worth EUR 182 million annually.

The number of tourist arrivals in 2012 reached 663 633, up from 586 241 in 2010 (+13.1%), of which 312 274 were domestic and 351 359 were from abroad. The number of nights generated totalled 2.2 million, up from 2 million in 2010 (an increase of 6.5%). Of these, 1.3 million were domestic and 811 746 were inbound.

Tourism organisation and governance

There are two departments dealing with tourism within the Ministry of Economy (Figure 1). The Tourism Department has two areas of responsibility – research, classification and analysis of the industry, and international co-operation in tourism. In addition, the ministry oversees an Agency for Promotion and Support of Tourism, which in turn looks after two units – one dealing with promotion and the other with market research issues.

Figure 1. **Former Yugoslav Republic of Macedonia: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Economy, 2014.

Tourism budgets

The budget of the Tourism Department of the Ministry of Economy in 2013 is EUR 100 000, while the tourism marketing and promotion agency has a total budget of EUR 2 million (including funds for advertising, etc.). The ministry's budget is drawn from the national budget, while the marketing and promotion budget is funded by the national budget and an accommodation tax.

In addition, there are some special funds for tourism development, which come largely from European Union sources, such as the Instrument for Pre-accession Funds (IPF) to assist countries applying to join the EU.

Tourism-related policies and programmes

The Tourism Department is responsible for policies and regulations related to the law on Catering Activity and the law on Tourism Activity, both of which are harmonised with European Union legislation. Harmonisation concerns package travel arrangements, the integration of quality tourist services in agreements between suppliers and users of tourism services, and other conditions for tourist stays in the FYROM – at least with regard to catering and related activities.

The National Development Strategy 2009-13 has been revised to include a new Action Plan for 2012-18 and a variety of laws relating to the tourism sector covering activities such as catering, taxation and the establishment of a tourism marketing and promotion agency.

The FYROM has a programme for promoting the competitiveness of small and medium-sized enterprises, including those in the tourism sector, and is active in training tourism industry personnel in the hospitality sector, and via special courses at hospitality colleges.

The aim is to establish the country's image as a prime European destination for cultural and nature-based tourism, and to be recognised for its high quality, sustainable tourism products and services developed in line with global best practice.

A number of short to medium-term tourism development plans are in place to create a vibrant tourism sector that can expand its contribution to the economy. In addition to promoting the conventions and meetings sector, the plans aim to support the sector through a variety of programmes and initiatives, focusing on five different tourism clusters: lake tourism, cultural and religious tourism, rural tourism, wine tourism and mountain sports, with initiatives including:

- ***Mountain tourism*** will emphasise the attractions of winter tourism to skiers through the development of additional infrastructure for skiing, as well as mountain trails and similar facilities for the summer market.
- ***Wine tourism*** will involve the development of wine routes, together with the promotion of gastronomic trails coupled with incentives to international tour operators to offer this type of tourism in the country.
- ***Cultural and religious tourism*** will be based on the renovation of historic buildings, archaeological heritage and the promotion of religious tourism to the city of Ohrid, or the "Balkan Jerusalem".
- ***Rural tourism*** will focus on the development of traditional and local attractions in the country's smaller settlements, in association with EU development funds.

- ***Lake tourism*** will promote tourism at the three main lakes of Ohrid, Prespa and Dojran as well as near smaller lakes, encouraging infrastructure development and the development of accommodation and transport services, including lake ferries.

Training and human resource development in the tourism sector are considered as vital for the success of the country's tourism sector. The government plans to introduce a number of initiatives in this area, in order to accelerate the process, including:

- Mandatory practical work in the tourism sector for secondary school students and students in tourism faculties.
- Educating tourism managers through a programme of co-operation with international tour operators, whereby managers will spend one month for practical training.
- Supporting the creation of tourism training centres by developing a voucher system for tourism sector employees.
- Encouraging co-operation between national and international higher-education institutes to provide specialised tourism training.
- Providing 30 scholarships a year for the best students in the field of tourism, in co-operation with tourism and hospitality businesses.

In another effort to support the tourism sector, the government of the Former Yugoslav Republic of Macedonia reduced the rate of VAT applicable to tourist services and accommodation from 18% to 5% in 2011. In addition, it introduced new subsidies for tour operators bringing foreign tourists into the country.

Statistical profile

Table 1. **Former Yugoslav Republic of Macedonia: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	350	329	325	320	312
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	1 648	1 518	1 461	1 418	1 340
Hotels and similar establishments	Thousand	277	267	236	236	238
Other collective establishments	Thousand	391	364	288	261	240
Domestic travel receipts		..	..	..	..	..

Source: State Statistical Office.

StatLink http://dx.doi.org/10.1787/888932990824

Table 2. **Former Yugoslav Republic of Macedonia: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)	Thousand	255	259	262	327	351
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Turkey	Thousand	16	17	20	39	50
Greece	Thousand	21	22	27	46	44
Serbia	Thousand	45	39	36	36	37
Netherlands	Thousand	6	5	7	22	27
Bulgaria	Thousand	22	24	16	19	20
Nights in all means of accommodation	Thousand	587	584	559	755	812
Hotels and similar establishments	Thousand	475	469	469	667	727
Other collective establishments	Thousand	74	76	50	45	43
Total international receipts		..	..	..	..	..
International travel receipts	Million USD	228	218	197	240	234
International passenger transport receipts		..	..	..	..	..

Source: State Statistical Office, National Bank.

StatLink http://dx.doi.org/10.1787/888932990843

Table 3. **Former Yugoslav Republic of Macedonia: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million USD	136	100	92	113	111
International passenger transport expenditure		..	..	..	..	..

Source: State Statistical Office, National Bank.

StatLink http://dx.doi.org/10.1787/888932990862

Table 4. **Former Yugoslav Republic of Macedonia: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	3 246	2 851 |	2 928	2 694	2 748
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	188	233 |	227	216	229
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Note: Break in series. Since 2009, NACE Rev. 2 classification

1. Hotels and restaurants.

Source: State Statistical Office.

StatLink http://dx.doi.org/10.1787/888932990881

Table 5. **Former Yugoslav Republic of Macedonia: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	16 062	14 341 |	15 486	16 010	16 822
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	15 448	13 573 |	14 656	14 953	15 767
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	614	768 |	830	1 057	1 055
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Note: Includes self-employed. Break in series. Since 2009, NACE Rev. 2 classification.

1. Hotels and restaurants.

Source: State Statistical Office.

StatLink http://dx.doi.org/10.1787/888932990900

Table 6. **Former Yugoslav Republic of Macedonia: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP[1]	1.9	1.4	1.0	1.0	1.2 p
Total tourism employment (direct) as % of total employment	3.0	2.6 |	2.8	2.8	2.9 p

1. Tourism GVA as % of total GDP.

Source: State Statistical Office.

StatLink http://dx.doi.org/10.1787/888932990919

For more information

Official Macedonia tourism website *www.macedonia-timeless.com*

India

Tourism in the economy

As per India's second Tourism Satellite Account (TSA), the contribution of tourism to GDP and employment generation, in fiscal 2009/10,* was estimated at 6.8% and 10.2%, respectively. In line with continued recent growth in the sector, these shares are expected to have increased.

During the period 2002 to 2012, India witnessed an increase in foreign tourist arrivals from 2.38 million to 6.58 million, resulting in an average annual increase of about 10.7%. The growth of 4.3% recorded in 2012 was higher than the worldwide average of 4.0%. India's share of world tourism arrivals during 2012 was 0.64%, up from 0.34% ten years earlier.

Foreign exchange earnings from tourism totalled INR 944 870 million in 2012, showing a compound annual growth rate (CAGR) of 20.2%. Foreign exchange earnings in US dollars over the period rose from USD 3.10 billion to USD 18 billion, or a CAGR of 19.2%.

Domestic tourism plays an important role in the overall development of tourism in the country. The number of domestic tourists increased from 270 million in 2002 to 1 04 million in 2012.

Outbound travel by Indian nationals rose to 14.9 million in 2012, representing a growth of 7.7% over 2011.

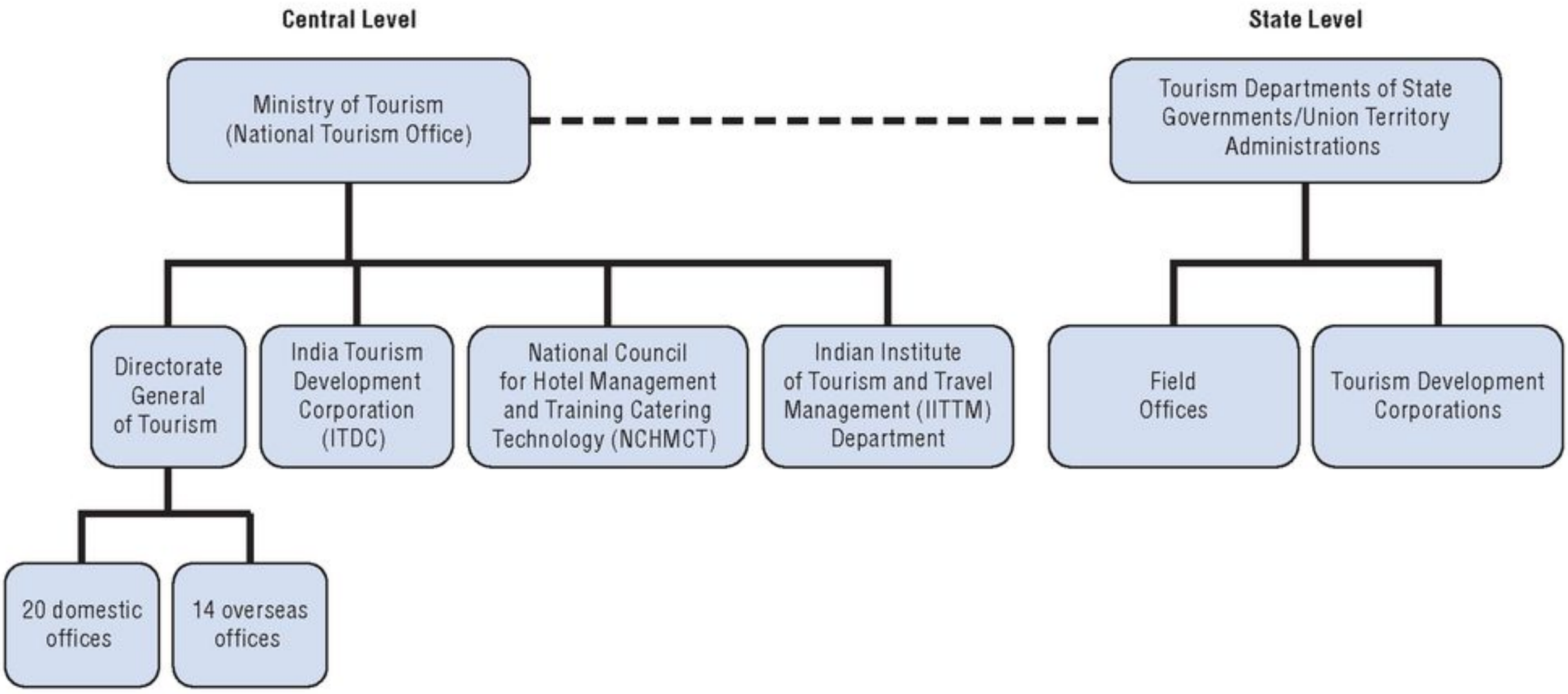
Tourism organisation and governance

National tourism policy was formulated in 2002 with the main objective of positioning tourism as a major engine of economic growth and harnessing its direct and multiplier effects for employment and poverty eradication in an environmentally sustainable manner.

The Ministry of Tourism is the agency responsible for the formulation of national policies and programmes for the development and promotion of tourism in the country. The ministry also plays a crucial role in co-ordinating the activities of various central government agencies, and co-ordinating and supplementing the efforts of the state governments/Union Territory Administrations, catalysing private investment, strengthening promotional and marketing efforts, and providing trained manpower resources (Figure 1).

* India's financial year starts on 1 April and ends on 31 March.

Figure 1. **India: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

The ministry is headed by the Union Minister for Tourism and supported by the Minister of State for Tourism. The ministry consists of four major sub-bodies:

- The Directorate General of Tourism has 20 domestic offices and 14 overseas offices. The domestic field offices are sources of tourist information, and are responsible for maintaining progress in the implementation of tourism projects in different parts of the country. The overseas offices promote Indian tourism in their respective regions.
- The Indian Tourism Development Corporation (ITDC) runs the largest hotel chain in India, as well as offering tourism-related services including transport and duty free shopping.
- The National Council for Hotel Management and Catering Technology (NCHMCT) is an autonomous body responsible for the growth and development of hospitality management education through its affiliated institutes. There are currently 36 Institutes of Hotel Management (IHMs), comprising 21 central and 15 state IHMs, and 7 food craft institutes delivering hospitality education and skills development.
- The Indian Institute of Tourism and Travel Management (IITTM) is another autonomous body providing specialised education and training for the tourism and travel industry.

The Ministry of Tourism set up a "National Tourism Advisory Council" (NTAC) headed by the Union Minister for Tourism, which serves as a think-tank for the development of tourism in the country. It consists of representatives from various Union ministries, trade and industry associations, and experts in the field of travel and tourism management.

Tourism budget

The activities of the Ministry of Tourism are funded through the allocation made in the budget of the government of India. For fiscal 2012/13, the Ministry of Tourism's budget allocation was INR 12 100 million. More than 50% of this was used for the development of tourism infrastructure and tourism products. Promotion and publicity measures in overseas as well as domestic markets accounted for about 30% of the annual budget.

India is a federal country and in addition to issues of land, transport, hotels, industry, and law and order, the development of tourism infrastructure is primarily undertaken by the state governments. The government of India provides financial assistance to state governments for tourism infrastructure development, besides directly handling major tourism infrastructure projects such as airports, seaports and national highways.

The implementation of the projects funded by the Ministry of Tourism is continuously monitored. At the end of every five-year plan, the schemes being implemented by Ministry of Tourism are also evaluated by independent consultants.

Tourism-related policies and programmes

Since 2008, an integrated and holistic approach to tourism policy has led to greater prominence being accorded to mega tourism infrastructure projects, and achieving better convergence with related programmes and schemes in other ministries. The diversification of tourism products and the cultivation of emerging origin markets have been important as part of a strategic move to reach higher and more sustainable growth. Responsible and inclusive tourism have added stronger social dimensions to the overall policy objectives of the ministry. As a part of this agenda, the marketing slogan of "Incredible India" has now assumed the wider connotation of "Incredible and accessible India".

In fiscal 2012/13, new advertising campaigns entitled "Find What You Seek", for the promotion of India in overseas markets, and "Go Beyond" for the domestic market were launched. In addition, a global media campaign (print and television) was launched to promote India in tourism-generating markets in Europe, the Americas, West Asia, Southeast Asia, Australasia, etc.

The ministry also formulated its response to the challenges of the global economic crisis and terrorism with initiatives including: strengthening market development assistance to stakeholders; organising familiarisation tours for overseas media and travel trade representatives; offering incentives to repeat visitors; making available subsidies to the trade and state governments for participation in international travel fairs and exhibitions; and organising the Travel Mart and the Great India Travel Bazaar in Jaipur in association with the state government and other stakeholders.

In response to the threat of terrorist attacks, the ministry continuously reviews the status of travel advisories issued by major tourism generating countries. It has also undertaken confidence-building measures to minimise their negative impact on tourism including the provision of security updates for foreign tourists on its website and liaising with Indian missions, the travel industry and the overseas media.

As a result of an initiative taken by the Ministry of Tourism, the rules governing external commercial borrowing have been liberalised for the hotel sector. It is hoped that this measure will promote investment in the sector, alleviating shortages in accommodation, as well as serving as a demand-boosting measure in a period of recession.

The government of India conducted an All-India Survey of Domestic Tourism during the period July 2008 to June 2009. An International Passenger Survey is also conducted, with the report available from the ministry. The data from these two surveys will be used to prepare the next TSA for India, and provide information on various aspects of domestic and international tourism for policy purposes.

Statistical profile

Table 1. **India: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Million	563	669	748	865	1 036
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932990444

Table 2. **India: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals		..	..	..	..	..
Overnight visitors (tourists)	Thousand	5 280	5 170	5 780	6 310	6 580
Same-day visitors (excursionists)		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts[1]	Million INR	512 941	549 620	648 892	775 910	944 870
International travel receipts		..	..	..	..	..
International passenger transport receipts		..	..	..	..	..

1. Foreign exchange earnings.

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932990463

Table 3. **India: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	10 870	11 070	12 990	13 990	14 920
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Billion INR	415	451	486	..	..
International passenger transport expenditure		..	..	..	..	..

Source: Ministry of Tourism.

StatLink http://dx.doi.org/10.1787/888932990482

For more information

Ministry of Tourism	*www.tourism.gov.in*
India National Tourist Office	*www.incredibleindia.org*
Ministry of Statistics and Programme Implementation	*www.mospi.nic.in*

Indonesia

Tourism in the economy

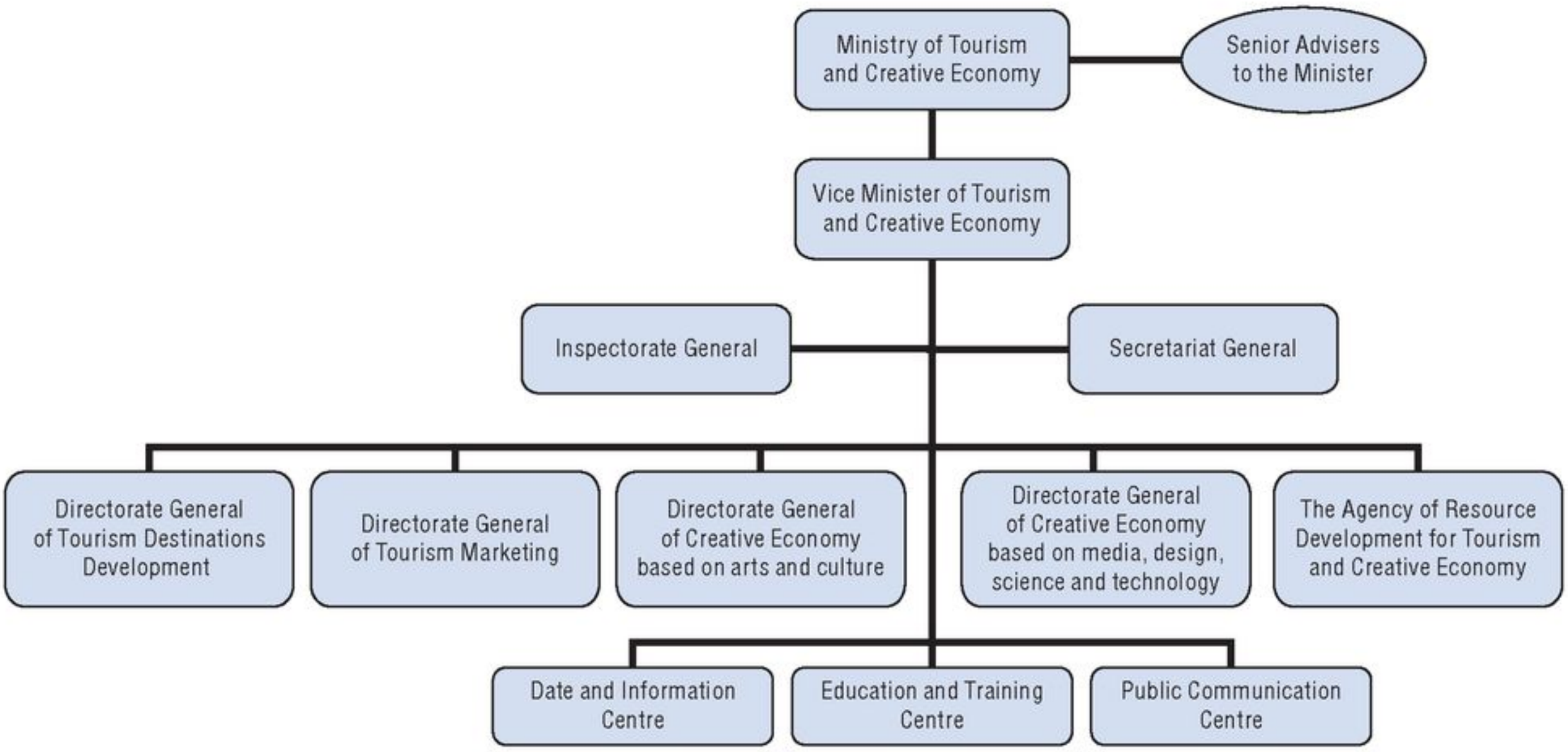
International tourism to Indonesia has been growing significantly and continuously. In 2012, the number of foreign tourist arrivals increased by 5.2% to 8.0 million. Short- and medium-haul travellers from countries such as Singapore, Malaysia, Australia, China and Japan dominated. Unfortunately, the recent increases in arrivals were accompanied by a decline in the average length of stay, from 8.05 days in 2010 to 7.84 days in 2011 and 7.70 in 2012. Nevertheless, the contribution of international tourists to Indonesia's foreign exchange earnings progressively increased from USD 7.6 billion in 2010 (+20%) to USD 8.6 billion in 2011 (+12.5%) and USD 9.1 billion in 2012 (+6.6%).

Domestic tourism is also increasing and contributing to the economy. In 2012, the number of domestic tourist trips were estimated at 245.3 million, with average expenditure of IDR 700 000 per trip and total expenditure of IDR 171.7 trillion. These figures represented increases of 3.6% in the number of trips and 6.7% in spending compared to the previous year. This growth in domestic tourism is being driven by increases in the number of domestic flights, rising family incomes, and the promotional campaign "Know and Love Your Country", as well as the growing number of national tourism attractions and events.

Tourism organisation and governance

The Ministry of Tourism and Creative Economy of Indonesia (Figure 1) is responsible for tourism development, following a cabinet reshuffle in October 2011. As illustrated below, two directorate generals are responsible for tourism development, namely the Directorate General of Tourism Destinations Development and Directorate General of Tourism Marketing.

Figure 1. **Indonesia: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism and Creative Economy, 2014.

Tourism budgets

The 2012 budget for the Ministry of Tourism and Creative Economy was IDR 2 730 billion, a 23% increase over 2011 and a 62.5% increase since 2010. The budget is used for financing the development of both tourism and the creative economy.

Tourism-related policies and programmes

Government policy on tourism is intended to increase the contribution of tourism to the national economy and to enhance the competitiveness of the industry. The policy is based on sustainability criteria and on four key principles: it should be pro-poor, pro-growth, pro-job creation and pro-environment. In this regard, there are four priority activities for the development of the tourism sector:

- Development of the tourism industry.
- Development of tourism destinations.
- Development of tourism promotion and marketing.
- Development of tourism resources and institutions.

Statistical profile

Table 1. **Indonesia: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Million	225	230	234	237	245
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: National Statistical Office, Ministry of Tourism and Creative Economy.

StatLink http://dx.doi.org/10.1787/888932990501

Table 2. **Indonesia: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	6 234	6 324	7 003	7 650	8 044
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Singapore	Thousand	1 397	1 273	1 373	1 506	1 565
Malaysia	Thousand	1 117	1 179	1 277	1 302	1 336
Australia	Thousand	450	584	772	931	962
China	Thousand	337	395	469	574	687
Japan	Thousand	547	476	419	413	451
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Million USD	7 348	6 298	7 603	8 554	9 121
International passenger transport receipts		..	..	..	..	..

Source: National Statistical Office, Ministry of Tourism and Creative Economy.

StatLink http://dx.doi.org/10.1787/888932990520

Table 3. **Indonesia: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	4 997	5 053	6 236	6 750	7 310 p
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Million USD	5 245	4 939	6 090	6 308	7 173 p
International passenger transport expenditure		..	..	..	..	..

Source: National Statistical Office, Ministry of Tourism and Creative Economy.

StatLink http://dx.doi.org/10.1787/888932990539

Table 4. **Indonesia: Internal tourism consumption**

Billion IDR, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	160 891	77 571	238 462
Consumption products	..	..	..
Tourism characteristic products	..	..	..
Accommodation services for visitors	17 940	34 129	52 069
Food and beverage serving services	32 625	14 853	47 478
Passenger transport services	66 400	6 032	72 432
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[1]	2 527	2 026	4 553
Cultural services[2]	3 094	4 463	7 558
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods[3]	6 499	6 824	13 323
Country-specific tourism characteristic services	..	..	..
Other consumption products[4]	31 805	9 244	41 049
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Package tours.
2. Entertainment only.
3. Souvenirs.
4. Includes health and beauty, agricultural products, non-food industry products and other tourism services.

Source: National Statistical Office, Ministry of Tourism and Creative Economy, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932990558

Table 5. **Indonesia: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	4.7	4.2	4.1	4.0	3.9 p
Total tourism employment (direct) as % of total employment	6.8	6.7	6.9	7.8	8.4 p

Source: National Statistical Office, Ministry of Tourism and Creative Economy.

StatLink http://dx.doi.org/10.1787/888932990577

For more information

Ministry of Tourism and Creative Economy	*www.parekraf.go.id*
Indonesia National Tourist Office	*www.indonesia.travel*
Statistics Indonesia	*www.bps.go.id*

Latvia

Tourism in the economy

In 2012, international tourists in Latvia spent a total of LVL 383.6 million (EUR 545.8 million), an increase of 1.1% on 2011. Tourism is considered one of the country's prime economic development opportunities, an important source of export revenue, and a key contributor to GDP. Moreover, tourism exports of LVL 408 million (EUR 580.5 million), accounted for 4.4% of total goods and services exports in 2012, up by 4.9% over 2011's LVL 389 million (EUR 553.5 million).

The total number of border crossings in 2012 (of non-resident travellers in Latvia) rose to 5.57 million, 0.6% more than in 2011, although overnight volume fell to 1.44 million, down 3.9%. The top source markets for international tourist arrivals were the Russian Federation, Lithuania, Sweden, Germany, Estonia and Finland, together generating nearly 70% of the total overnight count.

At the end of 2012, there were 632 accommodation establishments of different types in the country, with 16 224 rooms and 36 901 beds. Hotels and other similar accommodation recorded 1.64 million guests in 2012, an increase of 3.8% over 2011's level. Some 67% of these were international visitors.

Foreign direct investment (FDI) in accommodation and food service activities totalled EUR 64.9 million, a decline of 5.4% in comparison to 2011 (EUR 68.6 million).

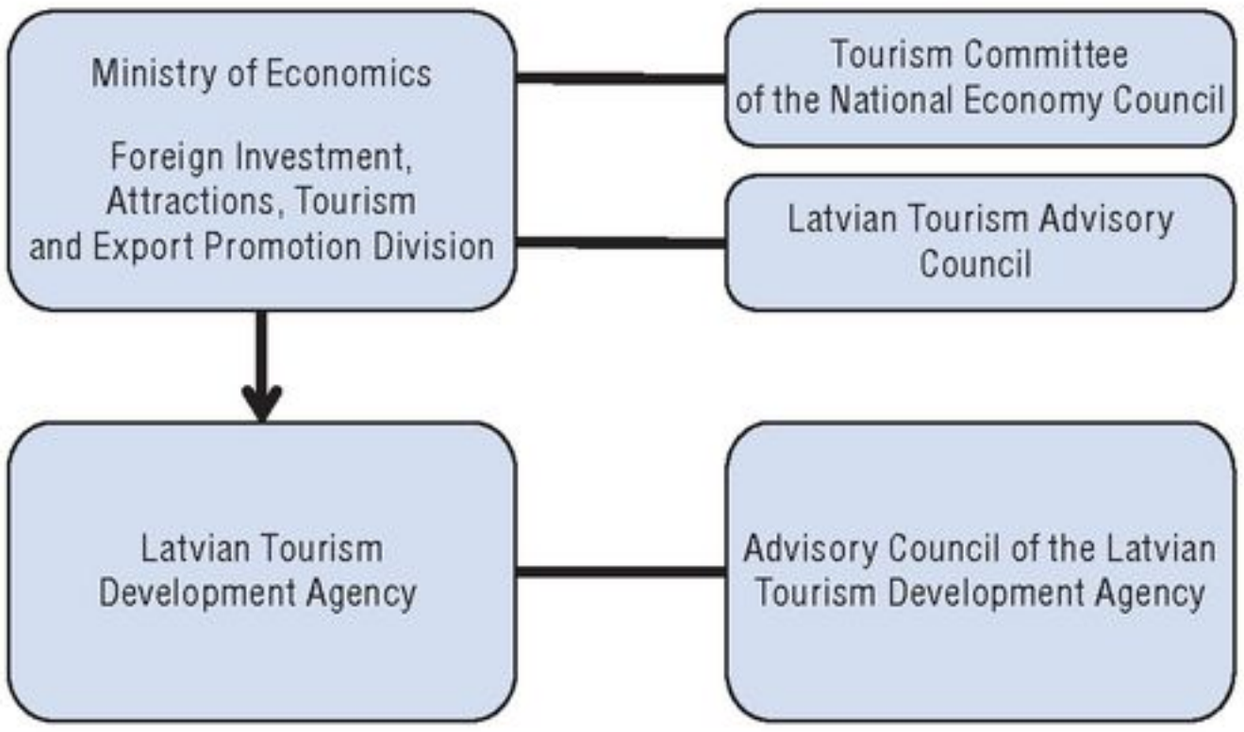
Tourism organisation and governance

The Ministry of Economics is responsible for the development and implementation of tourism policy in Latvia (Figure 1). The main tasks of the ministry in the field of tourism are determined by the Tourism Law of 1998. The Foreign Investment Attraction, Tourism and Export Promotion Division is responsible for the industry under the supervision of the ministry, and its main tasks are to:

- Develop national tourism policy and organise and co-ordinate its implementation.
- Develop draft legislation and regulations.
- Represent the State's interests in the tourism industry.
- Plan state aid to the tourism industry.
- Prepare and implement international agreements regarding co-operation in the field of tourism, as well as co-ordinate the development of international projects.

In order to develop the competitiveness of the tourism sector, a consultative council – the Tourism Committee – was established in 2013 as part of the National Economy Council. The committee brings together the representatives of professional tourism associations, planning regions and the Latvian Association of Local and Regional Governments.

Figure 1. **Latvia: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Economics, 2014.

The Latvian Tourism Advisory Council, established in 1997, is a consultative council that promotes co-operation and partnership between the public sector and non-governmental organisations engaged in developing and implementing tourism policy. The council also serves as a link between the Ministry of Economics and local municipalities.

The Latvian Tourism Development Agency (LTDA) is a state administrative institution under the supervision of the Minister of Economics, established to implement national tourism policy. The main tasks of the agency are to:

- Ensure the implementation of tourism policy.
- Implement measures promoting tourism.
- Develop and implement tourism development projects.
- Attract financial resources for tourism development.
- Develop a tourism quality system.
- Contribute to the implementation of international co-operation agreements in the tourism sector.

The Advisory Council of the Latvian Tourism Development Agency, established in 2009, brings together representatives of major tourism and marketing associations to consult with the LTDA on marketing issues, and to co-ordinate common tourism promotional activities.

Tourism budgets

In 2013, the total budget for Latvia's tourism marketing was EUR 2.09 million, incorporating state funding of EUR 801 928 plus co-funding from the European Regional Development Fund (ERDF), and funds for the implementation of the AGORA 2.0 and EDEN VI projects.

Tourism-related policies and programmes

Latvian tourism policy is based on several laws and regulations which are under constant review. These include the Tourism Law; regulations governing the status of resorts; regulations relating to the completion and storage of visitor entry forms, regulations on the rights and duties of tour operators and travel agents; the information rights of customers; guarantees regarding financial deposits made by travellers; and the by-law relating to the Latvian Tourism Development Agency.

While there is currently no national strategy for tourism development, tourism has nevertheless been recognised as a priority export sector, and several measures and actions to facilitate the growth of the industry are included in different action plans and strategic documents.

By way of example, recognising the challenges arising from the economic slowdown, the LTDA developed the Latvian Tourism Marketing Strategy, 2010-15, together with representatives of tourism and advertising associations, universities and other partners. This strategy introduced a new concept of state tourism marketing – identifying the main tourism target markets and segments, and defining marketing activities specifically focused on these markets – and a new approach to tourism marketing in Latvia.

The "high-priority" markets identified in the strategy are Germany, the Russian Federation, Finland, Sweden, Lithuania and Estonia, and the "priority" markets are the United Kingdom, the Netherlands, Norway, Italy, Denmark and Spain. In addition, the strategy identifies secondary markets offering particularly good growth potential – the United States, Japan, China and India. All identified markets are being targeted in the three-year marketing programme. However, the main focus is on the "high-priority" markets. Introduced in 2010, the strategy is being co-financed by EU Structural Funds. In line with the objectives of the marketing strategy, a new brand image of the country has been developed, along with a new marketing slogan – *Latvia: Best enjoyed slowly*.

In order to promote the development of domestic tourism, a domestic travel campaign "Discover Latvia anew" was launched in 2012. The main objective of the campaign, which also ran through 2013, was to encourage Latvians to choose interesting travel destinations in their own country.

Latvia continues to participate in the European Destinations of Excellence (EDEN) project, which promotes sustainable tourism development models across the European Union. As a result, Latvia has attracted widespread publicity for its most sustainable tourism destinations. The theme of EDEN in 2013 was "Accessible Tourism". Liepaja, which is the third largest city in the country, known for its natural attractions and rich cultural traditions, was identified this year as the most outstanding destination in Latvia.

The main priorities for Latvia's tourism industry are to increase international tourist arrivals, extend average length of stay, and reduce seasonal imbalances in tourism flows. In addition to meetings, incentives, conferences and exhibitions (MICE), which have already been identified as a year-round sector, another segment that could help Latvia's tourism industry become more competitive is that of medical/wellness tourism. Tourists on health-related trips tend to stay longer, and their choice of travel departure is not directly related to seasons. In order to realise Latvia's medical/wellness tourism potential, a new legal framework for resort operators and destinations was drawn up in 2012. In December 2012, the government approved the Procedure for Granting and Annulling the Resort Status. It established a new procedure by which local governments shall submit an application for granting the resort status, and provide a report on the development of resort and environmental quality indicators. In November 2013, the government granted resort status to Jurmala city.

Both the State and the Latvian capital city of Riga are actively preparing to maximise the tourism benefits from Riga's year as the European Capital of Culture in 2014. Riga is set to unveil its European Capital of Culture programme – Force Majeure – in January 2014. There will be almost 200 events to enjoy during the year (riga2014.org). In order to support the

organisation of international cultural conferences within the framework of Riga 2014, state co-funding of LVL 282 131 (EUR 401 436) has been allocated. A legal framework to ensure proper allocation of these financial resources is being drawn up by the Ministry of Economics.

Tourism statistics, including the national Tourism Satellite Accounts and the Latvian tourism industry's performance indicators, are the responsibility of the Central Statistics Bureau of Latvia, an institution under the supervision of the Ministry of Economics. In order to assess tourism activity, statistical reports and analyses are compiled from data submitted by hotels and other forms of accommodation.

Statistical profile

Table 1. **Latvia: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	3 657	3 598	3 504	3 472	3 796
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	1 385	843	922	1 037	1 118
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Central Statistical Bureau.

StatLink http://dx.doi.org/10.1787/888932990596

Table 2. **Latvia: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	5 496	4 727	5 042	5 538	5 569
Overnight visitors (tourists)[1]	Thousand	1 685	1 323	1 373	1 493	1 435
Same-day visitors (excursionists)[1]	Thousand	3 812	3 404	3 669	4 045	4 134
Top markets						
Russian Federation	Thousand	218	164	189	271	273
Lithuania	Thousand	244	184	182	192	203
Sweden	Thousand	181	145	157	151	192
Germany	Thousand	176	117	109	116	123
Estonia	Thousand	181	135	130	102	121
Nights in all means of accommodation	Thousand	2 116	1 700	1 912	2 257	2 429
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million LVL	561	490	506	546	561
International travel receipts	Million LVL	403	344	334	380	384
International passenger transport receipts	Million LVL	158	146	172	166	177

1. Number of visitors at border.

Source: Central Statistical Bureau, Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932990615

Table 3. **Latvia: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures[1]	Thousand	3 524	3 058	3 090	3 257	2 265 |
Overnight visitors (tourists)[1]	Thousand	1 837	1 574	1 650	1 775	1 398 |
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million LVL	636	462	434	480	459
International travel expenditure	Million LVL	585	408	368	403	358
International passenger transport expenditure	Million LVL	51	54	66	78	101

1. Break in series in 2012. Border Survey replaced by Household Survey.

Source: Central Statistical Bureau, Balance of Payments.

StatLink http://dx.doi.org/10.1787/888932990634

Table 4. **Latvia: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	491	559	628	641	632
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	258	243	284	275	241
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: Central Statistical Bureau.

StatLink http://dx.doi.org/10.1787/888932990653

Table 5. **Latvia: Employment in tourism**

Thousand jobs

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	30	25	29	25	29
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

1. Accommodation and food service activities.

Source: Central Statistical Bureau.

StatLink http://dx.doi.org/10.1787/888932990672

For more information

Ministry of Economics	*www.em.gov.lv*
Latvian Tourism Development Agency	*www.tava.gov.lv*
Official Latvia Tourism website from LTDA	*www.latvia.travel*
Central Statistics Bureau	*www.csb.gov.lv*
Foundation Riga 2014	*http://office.riga2014.org/*

Lithuania

Tourism in the economy

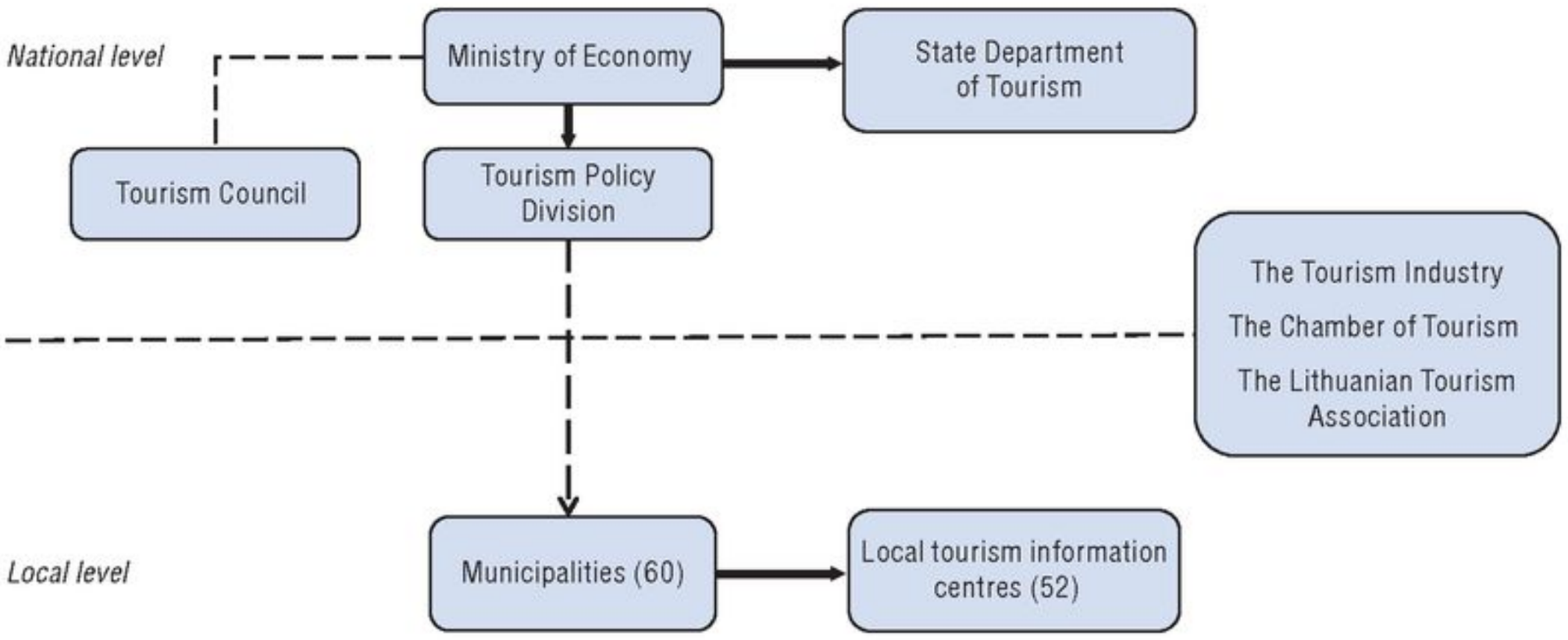
In 2012, foreign tourist arrivals grew by 7% to 1.9 million. A further 3.1 million same-day arrivals were recorded, up 12.8% over 2011. Receipts from international tourism in 2012 totalled LTL 3546.2 million compared with LTL 3256.3 million in the previous year, with an additional LTL 305.5 million (LTL 156.8 million in 2011) in international transport receipts.

Tourism is an important economic sector for Lithuania, in terms of both its contribution to GDP and employment, and its potential to stimulate growth, accessibility and sustainability is significant. Tourism exports in 2012 accounted for 24% of services exports and 4% of total goods and services exports, while the sector supported 4.5% of total jobs in Lithuania in 2011, employing 40 282 people.

Tourism organisation and governance

There are two public sector tourism bodies in Lithuania. The Tourism Policy Division of the Ministry of Economy is responsible for tourism policy, tourism planning, international co-operation, and the planning and management of EU support. The State Department of Tourism under the Ministry of Economy – the National Tourism Administration – is responsible for the implementation of tourism policy, targeted tourism marketing, supervision of the tourism market supervision, and the implementation of EU projects (Figure 1).

Figure 1. **Lithuania: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Economy, 2014.

There are two main tourism business organisations:

- The Chamber of Tourism, established in 2011, represents eight main tourism business associations – Hotels and Restaurants, Countryside Tourism, Health Resorts, Tourism Business, Camps, Castles and Manors, Private Healthcare Establishments and Spas.
- The Lithuanian Tourism Association (LTA), established in 1991, represents Lithuanian tour operators and travel agencies and has 53 members.

Tourism budgets

The main sources of funding for tourism promotion and development in Lithuania are the annual state budget and EU structural funds. The annual budget for the Lithuanian State Department of Tourism, is currently LTL 5.1 million.

EU Structural Funds support is available for the establishment and development of ecotourism, active, cognitive and wellness tourism infrastructure (EUR 45 million); the preservation of cultural heritage and its adaptation for tourism purposes (EUR 70 million); tourism projects of national interest (EUR 36 million); tourism marketing projects (EUR 10 million); the development of tourism infrastructure and services in Lithuania's regions (EUR 21 million); and the development of tourism services (products) and quality improvements (EUR 61 million).

Tourism-related policies and programmes

The National Tourism Development Programme 2010-13 was designed to create a favourable environment for the development of competitive tourism products and to ensure stable growth in tourist numbers. The programme has adopted an integrated approach to sector development, and includes:

- The development of public tourism infrastructure to stimulate the development of marketable tourism products.
- Increasing opportunities for resorts and resort areas and health tourism.
- Support for the development of private sector tourism services.
- Improving legal regulation and planning of the tourism sector.

Developed in close co-operation with the Tourism Council, tourism industry and tourism-related organisations, the programme stresses the importance of using the best available knowledge, developing professional skills, sharing experiences, organising training, and monitoring the tourism sector. In order to achieve an appropriate pace of tourism development, priority areas have been identified including cultural, health, active recreation and business tourism.

The programme lays particular emphasis on sustainability issues and the need for collaboration between the tourism industry and government. Using sustainable planning criteria, seven priority regions have been identified for tourism development. Sustainability is a key feature of industry planning to ensure that the development of the industry promotes sustainable local communities, as well as good, stable jobs and economically viable tourism companies, while maintaining a firm focus on the environment (minimising emissions of greenhouse gases and waste, while protecting the natural and cultural landscape) and respect for social responsibilities.

The main challenges for tourism in Lithuania are:

- Seasonality – the tourism season starts at the end of May and ends in September.
- Hotel occupancy rates – during low season occupancy falls sharply and averages between only 30% and 60% year round.
- Accessibility – entry visas are required for some of Lithuania's leading source markets, e.g. the Russian Federation and Belarus, and flight capacity is inadequate to meet demand.
- Tourism taxes – in 2012 VAT on accommodation was increased from 9% to 21%.

The Law on Tourism was passed in June 2011 establishing:

- Principles of tourism development.
- Requirements of tourism services – abolishing the licensing system; introducing the certification of tourism services; and establishing a system of minimum requirements for tourism services according to the Directive on Services.
- Competence of the public tourism administration.

Statistical profile

Table 1. **Lithuania: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	2 819	2 431	2 453	2 479	2 516
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	8 048	6 442	6 473	6 779	6 836
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Statistics Lithuania.

StatLink http://dx.doi.org/10.1787/888932990691

Table 2. **Lithuania: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	4 459	4 001	4 073	4 504	4 978
Overnight visitors (tourists)	Thousand	1 611	1 341	1 507	1 775	1 900
Same-day visitors (excursionists)	Thousand	2 848	2 660	2 566	2 729	3 079
Top markets						
Latvia	Thousand	1 409	1 269	1 134	1 191	1 282
Belarus	Thousand	420	532	663	789	925
Russian Federation	Thousand	541	416	490	624	791
Poland	Thousand	1 036	890	788	798	757
Germany	Thousand	218	178	197	192	222
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million LTL	3 059	2 626	2 716	3 413	3 852
International travel receipts	Million LTL	2 903	2 402	2 519	3 256	3 546
International passenger transport receipts	Million LTL	157	224	198	157	306

Source: Statistics Lithuania, Central Bank.

StatLink http://dx.doi.org/10.1787/888932990710

Table 3. **Lithuania: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures	Thousand	3 847	3 639	4 311	4 021	4 108
Overnight visitors (tourists)	Thousand	1 757	1 288	1 411	1 527	1 708
Same-day visitors (excursionists)	Thousand	2 090	2 351	2 900	2 494	2 401
Total international expenditure	Million LTL	3 628	2 903	2 451	2 414	2 703
International travel expenditure	Million LTL	3 543	2 777	2 225	2 128	2 349
International passenger transport expenditure	Million LTL	85	126	226	287	355

Source: Statistics Lithuania, Central Bank.

StatLink http://dx.doi.org/10.1787/888932990729

Table 4. **Lithuania: Enterprises in tourism**

Number of enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	3 876	3 934	4 008	4 089	4 205
Tourism industries	..	..	..	..	..
Accommodation services for visitors[1]	810	807	908	966	1 032
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry[2]	2 783	2 828	2 791	2 793	2 851
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	283	299	309	330	322
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Establishments.
2. Restaurants, bars and canteens.

Source: Statistics Lithuania.

StatLink http://dx.doi.org/10.1787/888932990748

Table 5. **Lithuania: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	44 248	41 577	40 880	40 282 p	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	12 140	10 662	10 144	10 493 p	..
Food and beverage serving industry	12 671	12 264	12 730	12 698 p	..
Passenger transport	..	..	..	..	..
Air passenger transport	605	566	482	357 p	..
Railways passenger transport	381	466	413	363 p	..
Road passenger transport	8 947	7 913	7 196	7 518 p	..
Water passenger transport	203	132	127	167 p	..
Passenger transport supporting services	458	382	332	416 p	..
Transport equipment rental	319	306	336	416 p	..
Travel agencies and other reservation services industry	2 906	2 686	2 535	2 611 p	..
Cultural industry[1]	5 616	6 200	6 585	5 243 p	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

1. Includes recreational services.

Source: Statistics Lithuania.

StatLink http://dx.doi.org/10.1787/888932990767

Table 6. **Lithuania: Internal tourism consumption**

Million LTL, 2010

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	2 357	2 512	4 869
Consumption products	..	..	..
Tourism characteristic products	1 138	1 000	2 137
Accommodation services for visitors	119	275	394
Food and beverage serving services	221	296	516
Passenger transport services	411	168	578
Air passenger transport services	202	92	294
Railways passenger transport services	26	30	56
Road passenger transport services	155	13	168
Water passenger transport services	27	33	60
Passenger transport supporting services	76	49	125
Transport equipment rental services	50	34	84
Travel agencies and other reservation services	204	39	242
Cultural services	24	101	125
Sports and recreation services[1]	34	39	72
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	1 219	1 513	2 732
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

1. Includes recreation and other entertainment services.

Source: Statistics Lithuania, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932990786

Table 7. **Lithuania: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment[1]	4.0	4.1	4.3	4.5 p	..

1. Excludes public sector.

Source: Statistics Lithuania.

StatLink http://dx.doi.org/10.1787/888932990805

For more information

Ministry of Economy	*www.ukmin.lt/tourism*
State Department of Tourism	*www.tourism.lt*

Malta

Tourism in the economy

Tourism earnings account for approximately 26% of Malta's services exports. About 14 000 people work in the industry or related sectors, 16.3% of the employed workforce in Malta. Tourism directly supports some 3 450 jobs in businesses across the sector, including accommodation services, travel agencies and tour operators. Of these, 2 325 are in the catering industry and 903 involve travel agencies or tour operators. Other tourism service providers include both privately run and publicly owned attractions, car hire firms, coach operators and other transport providers, boat, ferry and harbour cruise operators.

International visitor arrivals in 2012 reached 1.4 million, 2% more than in 2011. The five leading origin markets were the United Kingdom (which generated 440 000 visitors, or 30.5% of all arrivals), Italy (202 000 or 14%), Germany (137 000 or 9.3%), France (107 000 or 7.4%) and Spain (60 000 or 4.2%), and together accounted for some 65.7% of all visitors to Malta. A further 97 000 tourists visited Malta from Scandinavian countries. Almost 85% of tourists visiting Malta are from European Union member states.

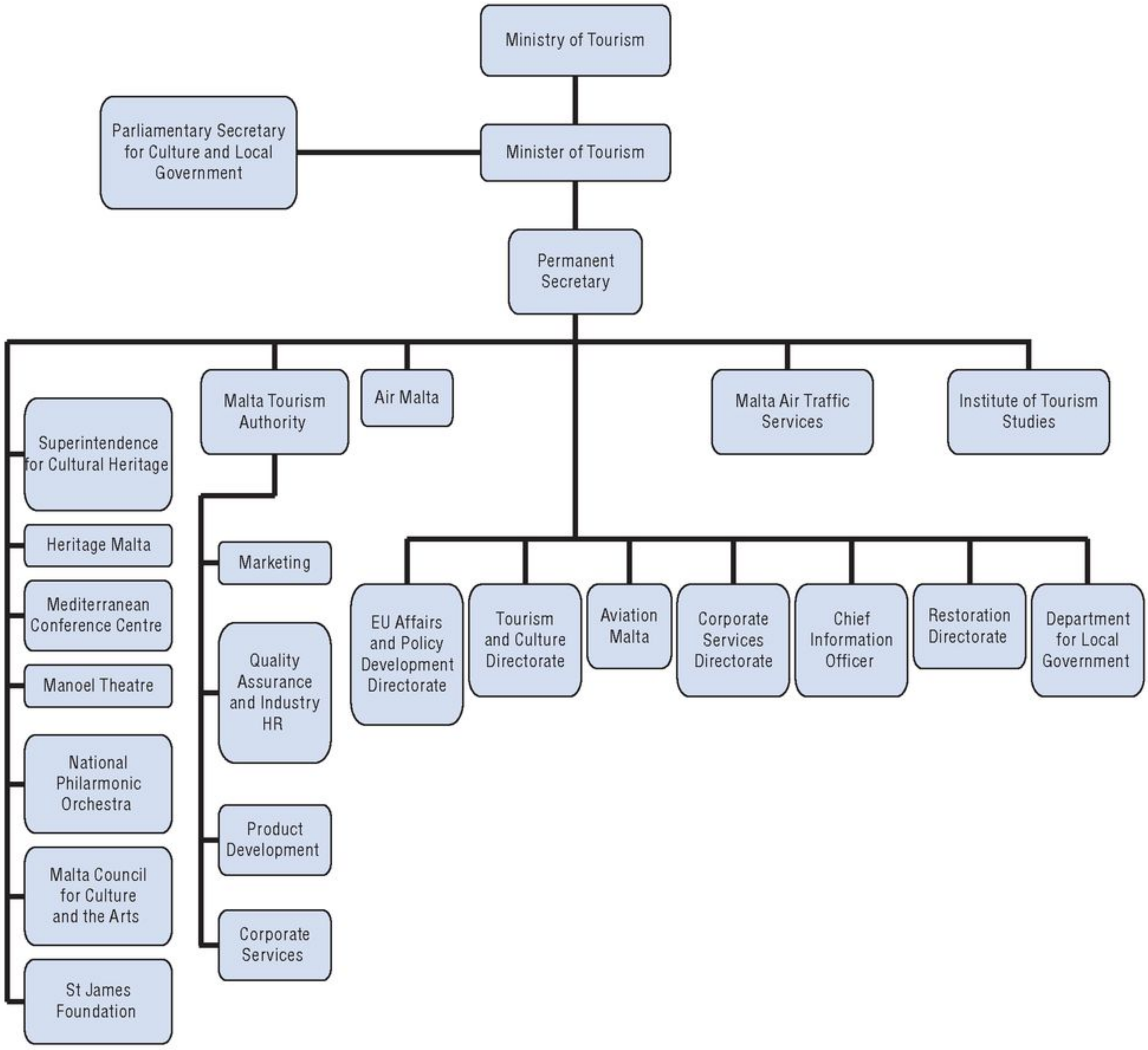
Tourism organisation and governance

Following the national general election in March 2013, a new Minister for Tourism was appointed. The new Ministry of Tourism (Figure 1) is responsible for tourism, tourism studies, the airport, aviation, cultural heritage, culture and the arts, restoration, the national orchestra, theatres, Valletta 2018 (the capital's role as European Capital of Culture in 2018) and local government. A Parliamentary Secretary for Culture and Local Government has been appointed to oversee this part of the ministerial portfolio.

The ministry monitors market developments through the EU, the European Travel Commission and the World Tourism Organization, as well as through various international events and regular meetings between the Malta Tourism Authority (MTA) and international, European and national tourism stakeholders. The latter include representatives from the hospitality industry, the transport sector – particularly aviation – environmental organisations, educational institutions and tourism destination management companies.

The Malta Tourism Authority (MTA) falls within the remit of the Ministry of Tourism and was formally established in 1999 by the Malta Travel and Tourism Services Act (Chapter 409 of the Laws of Malta). The MTA's responsibilities range from marketing Malta as a tourism destination to tourism product planning and development, as well as developing human resources within the industry. It also ensures that standards are adhered to through enforcement and voluntary schemes, and acts as an advisor to the government on the planning and sustainable development of the tourism industry, on infrastructure needs and tourism operations. The MTA Board is composed of members representing both the government and the private sector.

Figure 1. **Malta: Organisational chart of tourism bodies**



Source: OECD, adapted from the Office of the Prime Minister, 2014.

Tourism budgets

The budget for tourism administration in Malta is provided by central government, while the Malta Tourism Authority also draws on EU funds for specific projects. In 2012 the government provided a budget of around EUR 49.4 million to the then Ministry for Tourism, Culture and the Environment, of which EUR 36.6 million was allocated to the MTA.

The MTA dedicated around EUR 33 million of its budget to marketing initiatives, including overseas campaigns, airline support, local marketing and support, public relations and online presence. Aggregate tourism expenditure by the government in 2012 totalled some EUR 40.5 million, or around 1.6% of the government's recurrent expenditure for the year.

Other sources of funding for tourism development in Malta come from a minimal contribution paid by the private sector in the form of licences and contributions.

Tourism-related policies and programmes

The current National Tourism Policy 2012-16 reflects a consolidated policy framework that stems from an extensive consultation process with tourism stakeholders and the general public, following an intensive analysis of Malta's tourism product and services. These include accessibility, international transport and Malta's role as a gateway, accommodation facilities, international market trends and social, economic and environmental impacts.

The national policy projects a proactive framework building on the achievements of previous policies, while keeping pace with changing trends in tourism, as well as safeguarding the viability of the tourism sector from an economic, ecological, ethical, innovative and social perspective. The policy lays out a strategic framework that enables the Maltese Islands to achieve a better performance, higher-value added and excellence in tourism. It aims to provide direction, not only for the public sector but also for private enterprise.

A number of actions have also been undertaken in the legislative and regulatory environment. These include the transposition of the Timeshare Directive (2008/122/EC), which was adopted by the EU in February 2009. The directive establishes new rules to enhance consumer protection, and its scope was extended to include new products, namely "timeshare-like products" which have emerged in the market. By way of example, the directive regulates holiday discount clubs as well as resale and exchange. Furthermore, as it is a full harmonisation directive, these new rules ensure that consumers are equally protected across the EU.

Emphasis is being placed on supporting investment in tourism product development by the private sector. This is being accomplished through the allocation of EUR 120 million of EU Structural Funds (from the 2007-13 programming period) and additional national funding. Some EUR 10 million were allocated to a Grant Scheme for Sustainable Tourism Projects by enterprises, including small and medium-sized enterprises (SMEs). The scheme directs funds towards the economic development of the tourism sector and is intended to support product upgrades, enhance accessibility, increase innovation, strengthen marketing interventions, and promote tourism projects that aim to tackle current challenges in an environmentally and socially responsible manner.

A number of European Social Fund (ESF) projects are also benefiting the tourism sector, and particularly those people working or intending to work in the sector. These include projects to up-skill and certify persons employed or seeking employment in top, middle or supervisory management positions in sectors directly or indirectly related to tourism.

Other efforts are being undertaken by the MTA to tackle, through EU funded projects, issues affecting the employability of workers and diversify management practices within the tourism industry, and to support enterprises in their efforts to expand, restructure, retrain, re-skill and improve the competitiveness of the workforce. A special allocation was directed to the improvement and promotion of rural localities by supporting the establishment of walking trails and small-scale infrastructural interventions which, in turn, improve the semi-rural, rural and natural areas. This is being co-funded through the European Agricultural Fund for Rural Development.

Malta is also striving to make the islands accessible to all. Two EU co-financed CALYPSO projects were implemented between 2009 and 2013. The first one focused on research analysis to define the present product and areas to be addressed in order to attract tourists falling into the social tourism category. This project aims to improve the product offer and service quality for social tourists visiting Malta and Gozo. The second

project was approved in 2011 with one of its major objectives being to assess the degree of accessibility within selected tourist zones around the Maltese Islands, and provide recommendations for improvements.

Given the large number of tourism businesses in the Maltese Islands, operating either directly in tourism or in related sectors, it is important to maintain or increase current tourist numbers and tourism earnings. While there is little scope for any increase during the peak summer months, there remains room for significant improvement during the shoulder months. In response, Malta is seeking to attract tourists from a spread of markets which will be attracted by niche products, respect Malta's unique heritage, and have the propensity and resources to spend more. To this end, the National Tourism Policy focuses primarily on increasing air accessibility.

Eco-certification is the national scheme for ensuring the environmental, socio-economic and cultural sustainability of hotels in the Maltese Islands – and it has been recognised by the Global Sustainable Tourism Council (GSTC) as fully reflecting the GSTC criteria.

The scheme was launched by the Malta Tourism Authority in 2002. Some 16.2% of hotel accommodation establishments, covering five-star, four-star and three-star categories and accounting for 32.5% of beds in Malta, are eco-certified. The scheme was updated in 2008 and again in 2012 when it was revised to reflect GSTC criteria.

The MTA acknowledges trends and developments in the international tourism market, which is increasingly giving more importance to green initiatives. Today's traveller is becoming more discerning on environmental issues and green travel. This poses a challenge for the industry to constantly update its methods of operation so as to be in line with changing market requirements.

In line with these trends, the MTA, through legislation in 2012, made eco-certification mandatory for new hotel accommodation, and any person whose application for a hotel licence has been filed with the MTA since Legal Notice 351 of 2012 (Tourism Accommodation Establishments Regulations) came into force. This shall ensure that within six months from the issue of the licence, a property must conform to the requirements of the Eco-Certification Scheme as established by the Authority.

Statistical profile

Table 1. **Malta: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	1 291	1 183	1 339	1 415	1 444
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
United Kingdom	Thousand	454	399	415	438	440
Italy	Thousand	145	162	220	202	202
Germany	Thousand	151	127	126	134	137
France	Thousand	81	72	87	103	108
Spain	Thousand	50	45	68	63	60
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million EUR	900	797	944	1 047	1 138
International travel receipts	Million EUR	729	640	814	911	989
International passenger transport receipts	Million EUR	171	157	130	136	149

Source: National Statistics Office.

StatLink http://dx.doi.org/10.1787/888932990938

Table 2. **Malta: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	261	265	294	308	331
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million EUR	247	258	276	288	319
International travel expenditure	Million EUR	210	207	233	239	265
International passenger transport expenditure	Million EUR	37	51	43	49	54

Source: National Statistics Office.

StatLink http://dx.doi.org/10.1787/888932990957

Table 3. **Malta: Enterprises in tourism**

Number of establishments

	2008	2009	2010	2011	2012
Total tourism enterprises	3 166	3 163	3 326	3 506	3 450
Tourism industries	..	..	..	..	..
Accommodation services for visitors	208	203	203	218	222
Hotels and similar establishments	..	..	..	..	..
Food and beverage serving industry	2 172	2 193	2 281	2 373	2 325
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	786	767	842	915	903
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: National Statistics Office, Business Register.

StatLink http://dx.doi.org/10.1787/888932990976

Table 4. **Malta: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)[1]	12 820	12 881	12 684	12 982	13 878
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	56	62	65	65	62
Female (% of total tourism employment)	44	38	35	35	38

Note: Full-time equivalent.

1. Includes hotels, restaurants, travel agencies and tour operator services.

Source: National Statistics Office, Labour Force Survey.

StatLink http://dx.doi.org/10.1787/888932990995

Table 5. **Malta: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	..	..	..	..	..
Total tourism employment (direct) as % of total employment	18.6	17.9	17.0	..	..

Source: National Statistics Office, Labour Force Survey.

StatLink http://dx.doi.org/10.1787/888932991014

For more information

Visit Malta	*www.visitmalta.com*
Malta Tourism Authority	*www.mta.com.mt*
Government of Malta	*www.tourism.gov.mt*

Romania

Tourism in the economy

The total number of inbound visitor arrivals in Romania in 2012 was 7.9 million. Of these, 1.7 million involved stays in commercial accommodation, a growth of 9.1% over 2011. The number of overnights generated by inbound tourist arrivals totalled 3.3 million, up 7.5% year on year. Domestic tourism overnights reached 15.8 million, an increase of 6.4% compared with 2011.

In 2012, the main markets were Germany, Italy, France and the United Kingdom. These markets together accounted for 37.6% of all inbound overnight tourists to the country.

The direct contribution of travel and tourism to GDP in 2012 was RON 9.0 billion, representing 1.5% of GDP (WTTC). This contribution is expected to grow by 5.6% a year over the coming ten years. The total contribution of travel and tourism to GDP (including direct, indirect and induced effects) was RON 30.5 billion in 2012, representing 5.1% of GDP (WTTC).

Tourism organisation and governance

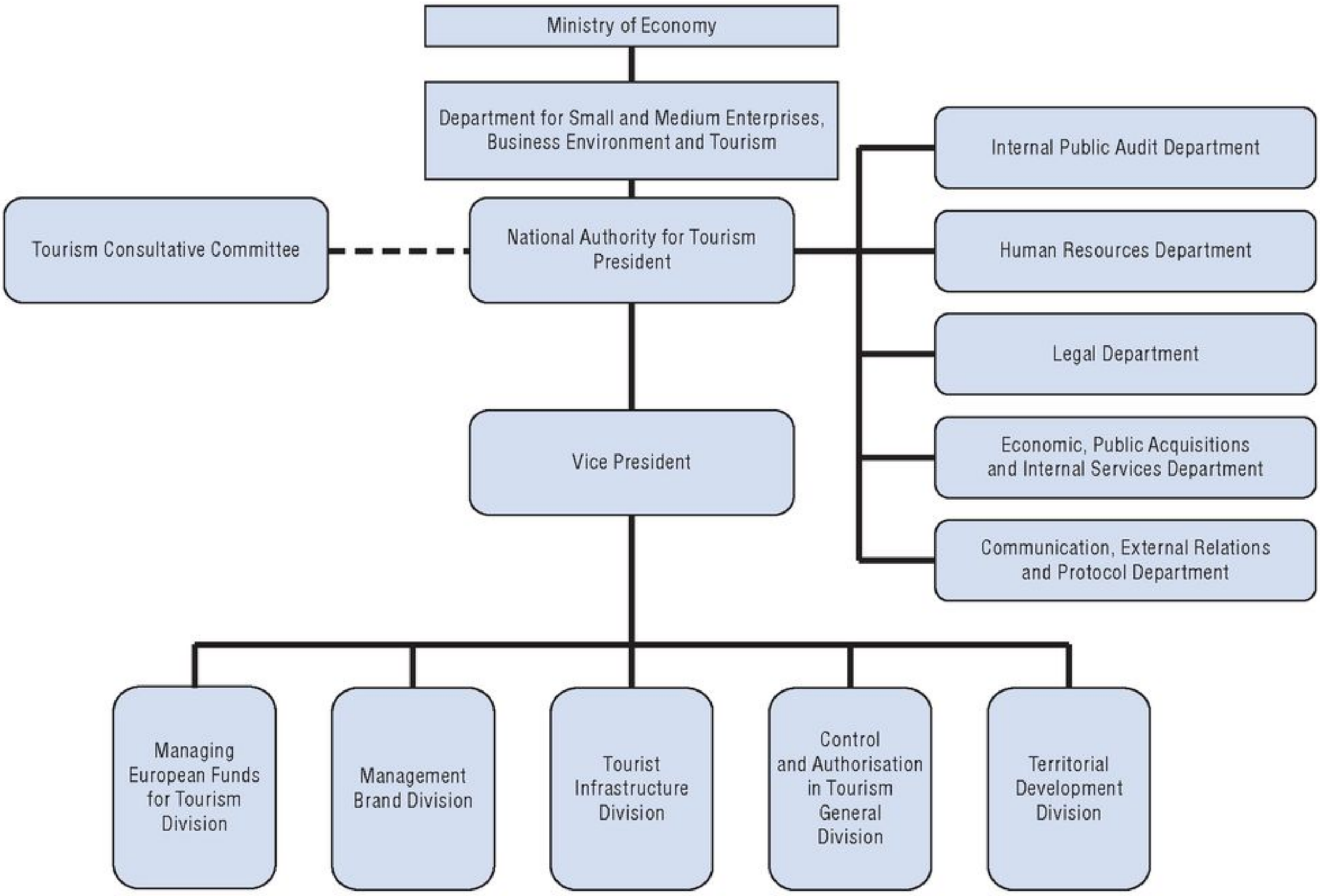
In the Ministry of Economy, the Department for Small and Medium Enterprises, Business Environment and Tourism and the National Authority for Tourism (NAT) are responsible for tourism affairs (Figure 1).

In 2013 the NAT's main areas of activity included promotion, development, authorising and controlling tourism services providers and international relations. The NAT has 12 territorial representatives who collaborate with local administrations, the private sector and non-governmental tourism organisations (NGOs). There are nine offices abroad promoting Romania as a tourism destination.

The Tourism Consultative Committee is the body which brings together the representatives of the public and private sectors and tourism NGOs. In addition, specific tourism working groups have been established, such as for human resources, rural tourism, spa tourism and eco-tourism.

At the regional level there are eight Regional Development Agencies constituted as NGOs of public utility. At the local level, government administration is organised into 41 counties plus the Bucharest Municipality. There are six district councils in Bucharest, 314 local city councils and 2 852 local commune councils. The role of local administrations is to develop tourism within its territory and assist the NAT in implementing national tourism policy at the local level.

Figure 1. **Romania: Organisational chart of tourism bodies**



Source: OECD, adapted from the National Tourism Authority, 2014.

Tourism budgets

The budget for tourism-related activities in Romania for 2012 amounted to RON 135 million, of which 26.7% was from European funds and 73.9% from the national budget.

Tourism-related policies and programmes

The National Tourism Development Master Plan for Romania 2007-26 is the main policy document for tourism. In 2009, two sector strategies were elaborated – the National Eco-Tourism Strategy and the National Strategy for Spa Tourism – and, in 2011, the Marketing Strategic and Operational Plan for Romania 2011-15 was finalised. Romania together with Bulgaria, co-ordinates the Priority Area 3 "Promotion of culture, tourism and people to people contacts" of the European Union Strategy for the Danube Region.

The NAT participates in a number of international projects and programmes:

- *Cultural routes in the Middle and Lower Danube region.* The main objective of the project is to contribute to the diversification of Europe's tourism offer by promoting cultural tourism through two cultural routes – the Roman Emperors Route and the Danube Wine Route.
- *Sagittarius.* The NAT is strategic partner in the European Sagittarius project, aimed at stimulating local level heritage entrepreneurship – developing strategies and tools to unite forces, safeguard destination regions, mobilise cultural values and deliver experiences through Southeast Europe.

- *Transdanube*. The NAT is also a strategic partner in the Transdanube project – focusing on sustainable transport and tourism along the Danube.

There are several programmes for domestic tourists in Romania that are aimed at extending the season through low-price tour packages for holidays taken in spring and autumn. These include the "Seaside for Everybody", the "Danube Delta for Everybody", a "Holiday in the Countryside", a "Week of Recovery in Spas", the "Spa Decade", a "Week at the Seaside" and a "Week in the Mountains". The early-booking programmes offer discounts of up to 30% on summer season rates for travel, e.g. between 1 February and 31 March.

In order to encourage sustainable tourism product development, two labels are awarded to industry players – the European Ecologic Label awarded by the Ministry for Environment and Climate Change, and the Ecotourism Certification System developed by the Association of Ecotourism in Romania. To ensure that Romanian Black Sea Coast beaches achieve and maintain international standards, the "Blue Flag" Programme was launched in the country in 2002 and has been operational ever since.

Statistical profile

Table 1. **Romania: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips	Thousand	..	..	40 884	41 004	53 513
Overnight visitors (tourists)[1]	Thousand	9 716	11 651	10 797	11 986	15 833
Same-day visitors (excursionists)	Thousand	..	..	30 087	29 018	37 680
Trips by main purpose of visit						
Business and professional	Thousand	9 429	11 361	10 484	11 625	15 374
Holiday, leisure and recreation	Thousand	287	289	313	361	459
Nights in all means of accommodation	Thousand	17 367	14 658	13 212	14 851	15 800
Hotels and similar establishments	Thousand	16 580	13 932	12 662	14 326	15 361
Other collective establishments	Thousand	787	726	550	525	439
Domestic travel receipts[2]	Million RON	..	..	6 898	7 812	12 077

1. Holiday, including visiting friends and relatives and business trips.
2. Current prices. Includes overnight and same-day expenditure.

Source: National Institute for Statistics, Survey of Tourism Demand of Residents, Occupancy of Accommodation Establishments.

StatLink http://dx.doi.org/10.1787/888932991128

Table 2. **Romania: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals[1]	Thousand	8 862	7 575	7 498	7 611	7 937
Overnight visitors (tourists)[2, 3]	Thousand	1 466	1 276	1 343 |	1 515	1 653
Same-day visitors (excursionists)		..	..	..	..	..
Top markets[2, 3]						
Germany	Thousand	213	182	185 |	207	230
Italy	Thousand	166	165	145 |	172	182
France	Thousand	116	100	99 |	109	118
United Kingdom	Thousand	82	71	72 |	81	92
Hungary	Thousand	92	77	76 |	86	90
Nights in all means of accommodation[2, 3]	Thousand	3 359	2 668	2 755 |	3 063	3 292
Hotels and similar establishments[2, 3]	Thousand	3 251	2 582	2 674 |	2 978	3 215
Other collective establishments[2, 3]	Thousand	108	86	81 |	85	77
Total international receipts	Million EUR	1 786	1 211	1 235	1 449	1 499
International travel receipts	Million EUR	1 358	884	860	1 019	1 142
International passenger transport receipts	Million EUR	428	327	375	430	357

1. Number of visitors at border.
2. Licensed commercial accommodation.
3. Break in series. Since 2010, includes accommodation with 10 bed-places or more.

Source: National Institute for Statistics, National Bank, Occupancy of Accommodation Establishments.

StatLink http://dx.doi.org/10.1787/888932991147

Table 3. **Romania: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures[1]	Thousand	13 072	11 723	10 905	10 936	11 149
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million EUR	1 634	1 263	1 437	1 643	1 647
International travel expenditure	Million EUR	1 477	1 049	1 239	1 408	1 427
International passenger transport expenditure	Million EUR	157	214	198	235	220

1. Number of citizens at border.

Source: National Institute for Statistics, National Bank, Border Police.

StatLink http://dx.doi.org/10.1787/888932991166

Table 4. **Romania: Enterprises in tourism**

Number of enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	39 862	41 841	38 590	35 819	..
Accommodation services for visitors	3 606	3 588	3 260	3 099	..
Hotels and similar establishments	1 850	2 170	2 150	2 027	..
Food and beverage serving industry	18 601	20 117	18 604	16 820	..
Passenger transport	7 721	7 985	7 591	7 416	..
Air passenger transport	39	54	56	42	..
Railways passenger transport	7	7	6	8	..
Road passenger transport	7 655	7 846	7 435	7 328	..
Water passenger transport	20	78	94	38	..
Passenger transport supporting services	1 739	1 958	1 882	1 771	..
Transport equipment rental	724	711	548	519	..
Travel agencies and other reservation services industry	2 771	2 808	2 569	2 410	..
Cultural industry	1 210	1 132	983	893	..
Sports and recreation industry	3 490	3 542	3 153	2 891	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

Source: National Institute for Statistics, Enterprise Register.

StatLink http://dx.doi.org/10.1787/888932991185

Table 5. **Romania: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	140 402	137 512	132 253	141 403	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	42 941	40 732	37 854	38 462	..
Hotels and similar establishments[1]	38 862	37 622	35 130	35 416	..
Food and beverage serving industry	87 385	87 067	85 786	93 747	..
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	10 076	9 713	8 613	9 194	..
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

1. Based on average number of employees.

Source: World Travel and Tourism Council (WTTC), National Institute of Statistics, Structural Business Survey.

StatLink http://dx.doi.org/10.1787/888932991204

Table 6. **Romania: Internal tourism consumption**

Million RON, 2007

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	14 509	4 465	18 974
Consumption products	..	..	..
Tourism characteristic products	..	..	..
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	1 167	15	1 182
Cultural services	123	72	195
Sports and recreation services[1]	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	..	..	..

Note: Data refer to tourism expenditure.

1. Includes recreation and other entertainment services.

Source: National Institute for Statistics, National Institute of Research Development in Tourism, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932991223

Table 7. **Romania: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP[1]	1.5	1.4	1.4	1.3	1.5
Total tourism employment (direct) as % of total employment	2.5	2.4	2.4	2.2	2.2

1. Share of direct tourism industry in total GDP.

Source: World Travel and Tourism Council (WTTC).

StatLink http://dx.doi.org/10.1787/888932991242

For more information

National Authority for Tourism	*www.turism.gov.ro*
Romania National Tourism portals	*www.romania.travel*
	www.romaniatourism.com

Russian Federation

Tourism in the economy

The direct contribution of tourism to GDP in the Russian Federation in 2012 was 2.3%, while the total contribution to GDP was estimated to be 6.3%.

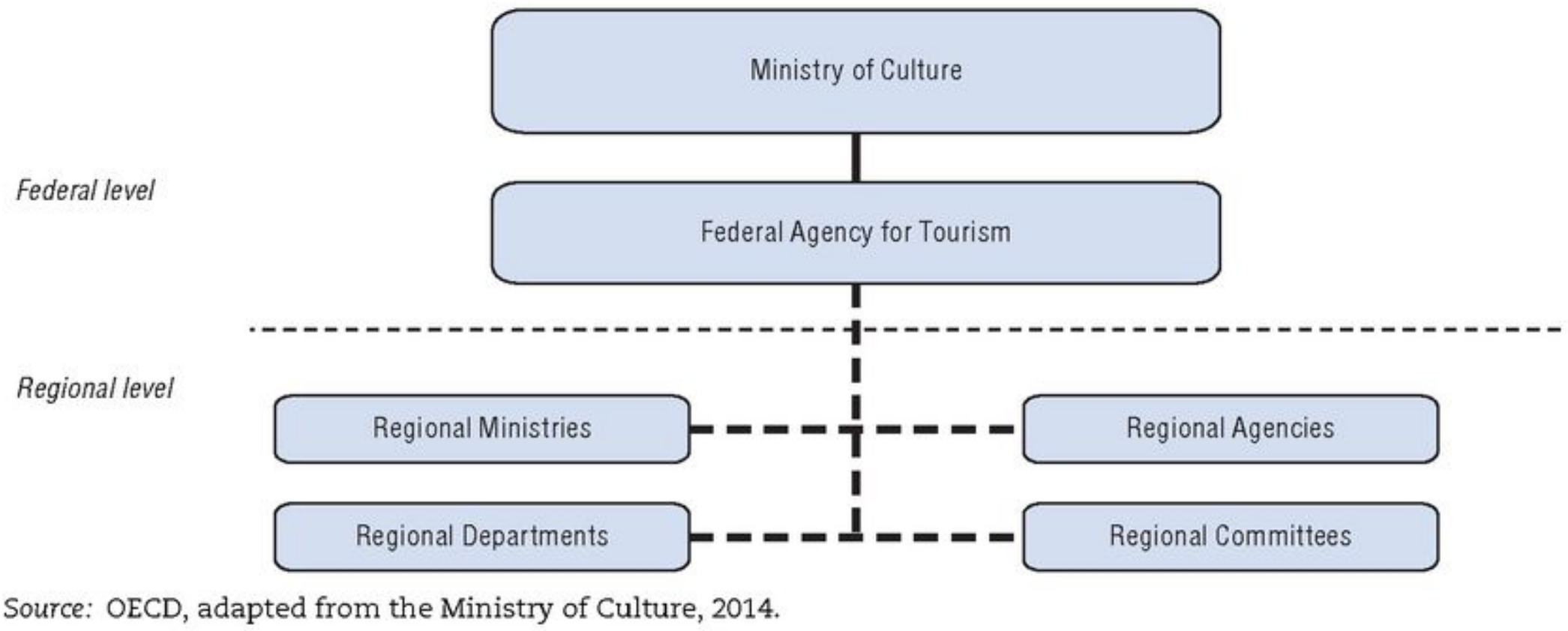
The number of domestic tourist trips grew by 10.3% to 74.5 million in 2012. While international arrivals declined in the same year by 4.6%, to 2.2 million, outbound trips showed an increase, of 5.0% to 15.3 million trips.

Tourism is estimated to employ 1.8 million people in the Russian Federation. There are 4 694 companies listed in the Federal Tour Operators Register.

Tourism organisation and governance

Responsibility for the governance of tourism shifted in 2012, from the Ministry of Sports to the Ministry of Culture. The Ministry of Culture is now responsible for the laws and regulations, and for general policy relating to the tourism industry in the Russian Federation, while the Federal Agency for Tourism is responsible for operational measures (Figure 1).

Figure 1. **Russian Federation: Organisational chart of tourism authorities**



Source: OECD, adapted from the Ministry of Culture, 2014.

Since neither the Ministry nor the Agency has a territorial structure, local and municipal administrations are responsible for tourism issues within their territories. In most of the regional administrations of the Russian Federation, there are local ministries, agencies, committees and departments that have responsibilities for tourism affairs. The federal governing bodies – the Ministry and the Agency – co-ordinate and co-operate with the regional tourism authorities in the planning, administration, promotion and advertising of tourism products.

Tourism budgets

The budget for the Federal Agency for Tourism in 2012 was RUB 2 935.3 million (EUR 73.4 million), of which RUB 2 475 million (EUR 61.9 million) was allocated for the implementation of the 2012 schedule of the Federal Tourism Development Programme 2011-18.

Tourism-related policies and programmes

The 2011-18 Development Programme is focused on building a modern tourism infrastructure in the Russian Federation and, to a lesser degree, promotional activities. Infrastructure projects within the programme are being undertaken by the regional and local administrations with solid tourism potential (on a government-approved list), screened and scrutinised by the government and public bodies and approved by the specially established Co-ordination Commission. The programme involved 18 regions of the Russian Federation in 2012.

The Federal Agency for Tourism is monitoring visa facilitation programmes in close co-operation with the Foreign Ministry. In 2012 legislation was drafted for 72-hour visa-free visits, and this is now undergoing scrutiny within the government.

Statistical profile

Table 1. **Russian Federation: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)	Thousand	30 300	53 427	60 425	67 560	73 492
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts		..	..	..	..	..

Source: Russian FSB Border Service.

StatLink http://dx.doi.org/10.1787/888932991033

Table 2. **Russian Federation: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	23 651	21 332	22 272	24 920	28 168
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Germany	Thousand	635	592	611	629	672
China	Thousand	815	718	747	844	977
United States	Thousand	305	285	262	275	287
United Kingdom	Thousand	274	240	213	221	232
Italy	Thousand	225	191	198	207	212
Nights in all means of accommodation		..	..	..	..	..
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts	Million USD	15 821	12 369	13 239	16 961	17 876
International travel receipts	Million USD	11 842	9 366	8 830	11 328	10 759
International passenger transport receipts	Million USD	3 979	3 003	4 409	5 633	7 117

Source: Federal State Statistics Service.

StatLink http://dx.doi.org/10.1787/888932991052

Table 3. **Russian Federation: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	36 485	34 246	39 304	43 707	47 806
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure	Million USD	26 401	23 785	30 169	37 343	48 096
International travel expenditure	Million USD	23 169	21 019	26 693	32 902	42 798
International passenger transport expenditure	Million USD	3 232	2 766	3 476	4 441	5 298

Source: Federal State Statistics Service.

StatLink http://dx.doi.org/10.1787/888932991071

Table 4. **Russian Federation: Enterprises in tourism**

Thousand enterprises

	2008	2009	2010	2011	2012
Total tourism enterprises	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments[1]	7	7	8	8	9
Food and beverage serving industry	..	53	61	64	..
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	6	6	8	10	10
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..

1. Hotels.

Source: Federal State Statistics Service.

StatLink http://dx.doi.org/10.1787/888932991090

Table 5. **Russian Federation: Employment in tourism**

Thousand employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	..	..	..	..	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
Hotels and similar establishments	155	129	132	137	141
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[1]	37	35	43	45	46
Cultural industry	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..
Other industries	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

1. Tour operators.

Source: Federal State Statistics Service.

StatLink http://dx.doi.org/10.1787/888932991109

For more information

Ministry of Culture	*www.mkrf.ru*

OECD TOURISM TRENDS AND POLICIES 2014 © OECD 2014

South Africa

Tourism in the economy

Tourism's direct contribution to South Africa's GDP grew from ZAR 80.2 billion in 2010 to an estimated ZAR 84.3 billion in 2011 (approximately 5%). However, the percentage contribution of tourism to GDP remained relatively stable (3% and 2.9% respectively) over the period. Tourism directly supported 598 432 jobs in 2011, or some 4.5% of total employment – up from 567 378 in 2010.

Despite the depressed global economic climate, South Africa has continued to record growth in international inbound tourism. In 2012, international tourist arrivals rose by 10.2% to 9.2 million. Similarly, inbound tourism receipts were up 7.6%, from ZAR 71.7 billion in 2011 to an estimated ZAR 76.4 billion in 2012.

Direct domestic travel receipts increased to ZAR 21.8 billion in 2012 from ZAR 20.2 billion in 2011 – up 7.9% year on year – and domestic bed nights rose 5.6% to 121.2 million (from 114.8 million) over the same period. Despite the growth, both receipts and nights remain below their peak 2007 levels.

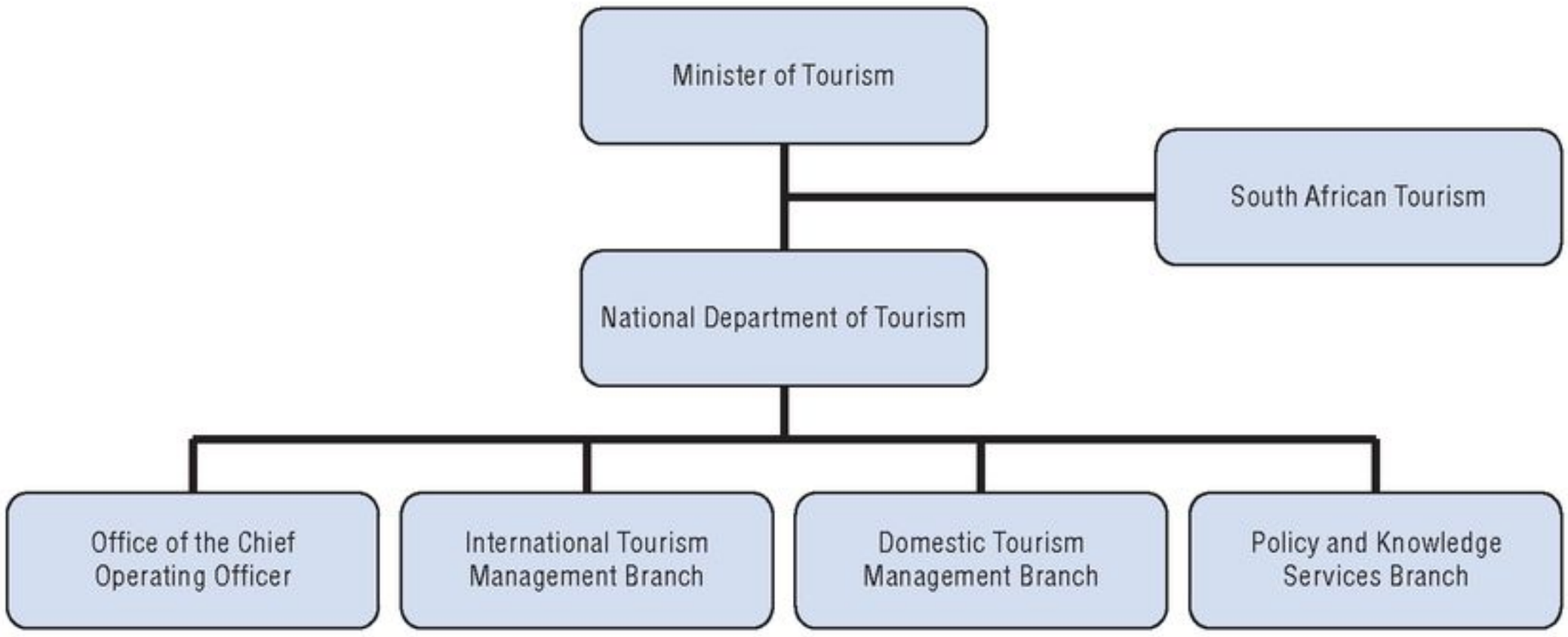
Tourism organisation and governance

Over the past two years, there have been no significant changes in the administrative and territorial organisation of South Africa's tourism sector (Figure 1). The Ministry of Tourism is a full-time portfolio, with the Minister responsible for the National Department of Tourism (NDT), whose chief operating officer is charged with providing strategic corporate and governance support for the department. The department's main offices/branches cover: Policy and Knowledge Services – supporting policy development and evaluation, research and knowledge management, promotion of sector transformation and responsible tourism; International Tourism Management – providing political and policy direction for the development of South Africa's tourism potential throughout the various regions of the world; and Domestic Tourism Management – providing political, policy and strategic direction for the development and growth of sustainable tourism throughout South Africa.

South African Tourism, the national destination marketing organisation, is responsible for marketing South Africa as a tourism destination both domestically and internationally.

The governance of tourism in South Africa is a concurrent competence, i.e. at national, provincial and local/municipal levels, with a ministry/department at national level, and nine members of executive councils (MECs) at provincial level. Similarly, to complement the activities of South African Tourism, each province has a provincial tourism marketing organisation.

Figure 1. **South Africa: Organisational chart of tourism bodies**



Source: OECD, adapted from the Ministry of Tourism, 2014.

Alignment and co-ordination between the national and provincial levels are achieved through the MINMEC and Miptech structures:

- The MINMEC is a forum of the minister and the MECs responsible for tourism. Co-operative governance is provided for in the constitution and relevant supporting legislation.
- At a more technical level, MipTech is a forum of officials chaired by the Director-General of the National Department of Tourism, with participation from provincial departments and tourism marketing organisations. Local government is represented by nominees of the South African Local Government Association (SALGA) in both structures.

South Africa also has a highly organised tourism industry. For example, the Tourism Business Council of South Africa (TBCSA) is a membership-based organisation engaging with government primarily as a voice of tourism businesses in South Africa. Various sub-sectoral associations are affiliated with the TBCSA, representing: tour operators; travel agents; vehicle rental; airlines; hospitality (accommodation and restaurants); and the Meetings, Incentives, Conferencing and Events (MICE) sector.

Tourism budgets

The budget of the National Department of Tourism for fiscal 2013/14* is ZAR 1.50 billion, of which ZAR 754 929 million is directed to South African Tourism.

The National Department of Tourism co-funds the Tourism Enterprise Partnership, which supports small and medium-sized enterprises with training, market access and capacity development. The current contribution is ZAR 25 million.

The National Department of Tourism also has a Social Responsibility Implementation Fund of ZAR 305 million, which is set aside for skills development and community-based programmes, and to assist tourism development initiatives at municipal level. This initiative is part of government's broader Extended Public Works programme, aimed at generating jobs and stimulating local economic development.

* South Africa's fiscal year starts on 1 April and ends on 31 March.

The Industrial Development Corporation is a government entity with a Tourism Strategic Business Unit, which focuses on asset-based finance, and with the bulk of its portfolio invested in the accommodation sector. It plans to diversify its portfolio into other sub-sectors such as niche sports markets, adventure tourism and business tourism.

Tourism policies and programmes

Following the establishment of the National Department of Tourism in 2009, the sector was confronted with various challenges, including the fragmentation of tourism planning across the three spheres of government, lack of branding and marketing alignment between provinces and cities, a lack of skills in the sector, and a lack of incentives for tourism product diversification, new investment and enterprise development.

The National Tourism Sector Strategy (NTSS) was developed under the leadership of the Minister of Tourism, but is a sector-owned response to the challenges. The NTSS clusters strategic development in four areas:

- Policy, strategy, regulations, governance and monitoring and evaluation.
- Tourism growth and development (focusing on both supply and demand issues).
- People development.
- Enablers of growth.

By way of example, a Domestic Tourism Growth Strategy was developed in response to an historical dependence on international arrivals (especially since the 2010 Fifa World Cup), and the lack of a travel culture among South Africans identified in the NTSS. The objectives of the strategy are to increase domestic tourism revenue and volume, to improve measures and efforts aimed at addressing seasonality and equitable geographical spread, and to promote a culture of travel among South Africans.

The Minister of Tourism has introduced a tourism bill into parliament (Bill B44B of 2012), which is currently before the National Council of Provinces, a second house of parliament with provincial representation. It has already been passed by the National Assembly. Once promulgated, the bill will repeal the current Tourism Act (Act No. 72 of 1993).

The Bill makes provision for, *inter alia*, the:

- Development and promotion of sustainable tourism for the benefit of the republic and its residents, as well as for enjoyment by its visitors.
- Development of a National Tourism Sector Strategy.
- Determination of norms and standards for, among others, responsible tourism, service excellence, and indicators to measure compliance.
- Continued existence of the South African Tourism Board.
- Establishment of the Tourism Quality Assurance mechanism.
- Regulation of the tourist guide profession.
- Establishment of mechanisms or arrangements to resolve tourism-related complaints.
- Recognition of mechanisms for self-regulation of the industry.

The National Department of Tourism has signed a memorandum of understanding (MoU) with the Department of Home Affairs. The MoU identifies and outlines areas of co-operation such as: matters pertaining to visa issuance; providing tourism awareness training to immigration officials to improve market penetration in less developed markets;

designating direct liaison persons to facilitate the resolution of queries; and supporting organised group travel and mega events, etc., particularly at South Africa missions abroad. The MoU makes provision for the NDT, together with representatives from the sector, to engage Home Affairs on immigration-related issues on a regular basis.

Other initiatives to enhance trade in tourism services and facilitate travel include the following:

- The NDT is evaluating the potential benefits of eVisas, in order to prepare a position paper to inform engagement within government.
- It works with the Department of Transport and other stakeholders on the implementation of the country's airlift strategy, with a view to ensuring adequate capacity provision for tourism and other markets.
- It is developing a new approach to the utilisation of South African Tourism (SAT) offices abroad, with established offices to be used as hubs to enable market penetration efforts in outlying markets.
- The NDT is also conducting a study to investigate ways of harmonising tourist guiding training standards with those in neighbouring countries.

The NDT is currently conducting a study to determine the relevant indicators to use in assessing the levels of the country's competiveness as a tourism destination, and to inform actions in this regard. The study is being conducted with the University of Pretoria, which is one of five universities with which the department has research and skills development collaborations.

The South African National Minimum Standard for Responsible Tourism (SANS 1162), launched in September 2011, is a detailed set of requirements aimed at establishing a common understanding about responsible tourism, and a basis for the harmonisation of tourism sustainability certification in South Africa. It is also a comprehensive and integrated National Responsible Tourism Strategy to guide and harmonise the implementation of responsible tourism initiatives across the country. On the tourism growth and development supply side, the National Tourism Sector Strategy (NTSS) identifies a lack of skills in the sector as a key strategic gap. The department is engaged in a skills development programme for youth. Since 2011, 1 230 trainee chefs and 163 sommeliers have completed training under the programme. A further 800 trainees will be enrolled later in 2013.

The NDT is also in partnership with the Ubuntu Institution on international placements. The initiative resulted in the placement of 500 unemployed youth in Canada and the USA after securing funding from the Development Bank of Southern Africa (DBSA) in 2012/13. It is now seeking to place a further 500 in 2013/14.

In 2010, the NDT established the Tourism and Climate Change Task Team comprising representatives from government, business and NGOs. The main purpose of the task team was to develop the National Tourism and Climate Change Response Programme and Action Plan (2012). This programme and action plan provide a framework for tourism's comprehensive response to climate change.

A voluntary accord for the reduction of greenhouse gases (GHG) within the tourism sector (2012) and the report on *Potential GHG Emissions Management Tools for Tourism Businesses* (2012) were developed by government in consultation with the sector. The accord

proposes a set of commitments for government and the tourism industry as represented by various associations. The main objective of the report is to provide guidance to tourism business on tools they can use to manage their GHG emissions.

The main outputs are South Africa's Tourism Satellite Accounts (TSAs), and range of new tools for evaluation and/or monitoring and to forecast/model the arrivals of tourists and the creation of jobs in the economy.

Statistical profile

Table 1. **South Africa: Domestic tourism**

	Unit	2008	2009	2010	2011	2012
Total domestic trips		..	..	..	..	..
Overnight visitors (tourists)		..	..	..	..	..
Same-day visitors (excursionists)		..	..	..	..	..
Trips by main purpose of visit						
Business and professional		..	..	..	..	..
Holiday, leisure and recreation		..	..	..	..	..
Nights in all means of accommodation	Thousand	149 000	128 400	130 800	114 800	121 200
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Domestic travel receipts	Billion ZAR	26	22	21	20	22

Source: South Africa Tourism, 2006-10 Annual Tourism Report, Domestic Tourism Report Provincial Scorecard 2007-09.

StatLink http://dx.doi.org/10.1787/888932991261

Table 2. **South Africa: Inbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international arrivals	Thousand	9 592	..	..	..	..
Overnight visitors (tourists)	Thousand	..	7 012	8 074	8 339	9 188
Same-day visitors (excursionists)		..	..	..	..	..
Top markets						
Zimbabwe	Thousand	1 227	1 228 |	1 514	1 553	1 848
Lesotho	Thousand	2 163	1 049 |	1 276	1 527	1 618
Mozambique	Thousand	1 227	984 |	1 052	1 077	1 104
Swaziland	Thousand	1 088	628 |	632	700	769
Botswana	Thousand	805	484 |	507	478	452
Nights in all means of accommodation	Thousand	66 900	55 800 |	66 900	66 200	67 500
Hotels and similar establishments		..	..	..	..	..
Other collective establishments		..	..	..	..	..
Total international receipts		..	..	..	..	..
International travel receipts	Billion ZAR	90	59 |	73	71	76
International passenger transport receipts		..	..	..	..	..

Note: Break in series. Since 2009, excludes same-day visitors.
Source: Department of Tourism, South African Tourism, Statistics South Africa.

StatLink http://dx.doi.org/10.1787/888932991280

Table 3. **South Africa: Outbound tourism**

	Unit	2008	2009	2010	2011	2012
Total international departures		..	..	..	..	..
Overnight visitors (tourists)	Thousand	4 429	4 424	5 165	5 455	5 031
Same-day visitors (excursionists)		..	..	..	..	..
Total international expenditure		..	..	..	..	..
International travel expenditure	Billion ZAR	56	54	59 p	61 p	..
International passenger transport expenditure		..	..	..	..	..

Source: Statistics South Africa, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932991299

Table 4. **South Africa: Employment in tourism**

Number of employees

	2008	2009	2010	2011	2012
Total tourism employment (direct)	606 934	553 990	567 378	598 432	..
Tourism industries	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..
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	..	..	..	..	..
Gender breakdown					
Male (% of total tourism employment)	..	..	..	..	..
Female (% of total tourism employment)	..	..	..	..	..

Source: Statistics South Africa, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932991318

Table 5. **South Africa: Internal tourism consumption**

Million ZAR, 2011

	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	101 297 p	71 747 p	173 044 p
Consumption products	..	..	..
Tourism characteristic products	80 586 p	44 439 p	125 025 p
Accommodation services for visitors	19 253 p	9 888 p	29 141 p
Food and beverage serving services	6 309 p	7 752 p	14 061 p
Passenger transport services	46 028 p	19 136 p	65 164 p
Air passenger transport services	14 007 p	8 924 p	22 931 p
Railways passenger transport services	255 p	101 p	356 p
Road passenger transport services	31 759 p	10 109 p	41 868 p
Water passenger transport services	7 p	2 p	9 p
Passenger transport supporting services	1 922 p	1 088 p	3 010 p
Transport equipment rental services	..	..	..
Travel agencies and other reservation services	4 044 p	1 699 p	5 743 p
Cultural services	129 p	126 p	255 p
Sports and recreation services	2 901 p	4 750 p	7 651 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	20 711 p	27 308 p	48 019 p
Tourism connected products	9 493 p	11 628 p	21 121 p
Non-tourism related consumption products	11 218 p	15 680 p	26 898 p
Non-consumption products	..	..	..

Source: Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932991337

Table 6. **South Africa: Key economic indicators**

Percentage

	2008	2009	2010	2011	2012
Tourism GDP (direct) as % of total GDP	3.0	2.9	3.0	2.9	..
Total tourism employment (direct) as % of total employment	4.4	4.1	4.3	4.5	..

Source: Statistics South Africa, Tourism Satellite Account.

StatLink http://dx.doi.org/10.1787/888932991356

For more information

Department of Tourism, Republic of South Africa	*www.tourism.gov.za*
South African Tourism	*www.southafrica.net*
Statistics South Africa	*www.statssa.gov.za*

ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

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, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Publishing disseminates widely the results of the Organisation's statistics gathering and research on economic, social and environmental issues, as well as the conventions, guidelines and standards agreed by its members.

OECD PUBLISHING, 2, rue André-Pascal, 75775 PARIS CEDEX 16
(85 2014 01 1 P) ISBN 978-92-64-20418-8 – 2014

OECD Tourism Trends and Policies 2014

Contents

Executive summary

Part I. Active policies for tourism

Chapter 1. Tourism trends and policy priorities
- Tourism Trends
- Tourism policy priorities

Chapter 2. Travel facilitation, tourism and growth
- Travel facilitation challenges
- Country practices and policy considerations
- The impact of travel facilitation

Chapter 3. Taxation and tourism
- Concepts and definitions in tourism taxation
- Inventory of tourism-related taxes, fees and charges

Part II. Country profiles: Tourism trends and policies

Reader's Guide

OECD countries

Australia
Austria
Belgium
Canada
Chile
Czech Republic
Denmark
Estonia
Finland
France
Germany
Greece
Hungary
Iceland
Ireland
Israel
Italy
Japan
Korea
Luxembourg
Mexico
Netherlands
New Zealand
Norway
Poland
Portugal
Slovak Republic
Slovenia
Spain
Sweden
Switzerland
Turkey
United Kingdom
United States

Non-member economies

Argentina
Bulgaria
Croatia
China
Egypt
Former Yugoslav Republic of Macedonia
India
Indonesia
Latvia
Lithuania
Malta
Romania
Russian Federation
South Africa

www.oecd.org/cfe/tourism

Consult this publication on line at ***http://dx.doi.org/10.1787/tour-2014-en.***

This work is published on the OECD iLibrary, which gathers all OECD books, periodicals and statistical databases.
Visit ***www.oecd-ilibrary.org*** for more information.

OECD*publishing*
www.oecd.org/publishing

With the financial assistance of the European Union

ISBN 978-92-64-20418-8
85 2014 01 1 P