



OECD Tourism Trends and Policies 2016



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Preface

Notwithstanding the challenges posed by global economic conditions, geopolitical turmoil, and natural disasters, tourism continues to demonstrate remarkable resilience. Tourism remains one of the largest and fastest growing sectors in the world economy and a valuable source of job creation, economic growth, export revenue and domestic value added.

International tourist arrivals surpassed 1.1 billion in 2014, on the back of a resurgence in arrivals to OECD countries which increased at a faster rate than the global average. Despite this, up to 2030, international tourist arrivals to emerging economies are projected to grow at double the rate of that in advanced economies. Changing global market trends and travel behaviours require active, innovative and integrated policy responses to ensure that tourism remains a competitive sector and continues to grow in the years to come.

The rapidly evolving geopolitical environment is placing considerable pressure on existing visa and immigration policies. Countries, more than ever, recognise the importance of striking a balance between security and adequate border protection, and the need to ensure both ease of travel, as well as a safe environment for tourists.

OECD Tourism Trends and Policies 2016 highlights good practices and key policy and governance reforms in tourism and provides a global perspective with the inclusion of 50 OECD and Partner countries. Two of the main chapters focus on the tourism sharing economy, and on the importance of seamless transport to enhance the visitor's experience.

OECD Tourism Trends and Policies 2016 is a rich source of data on domestic, inbound and outbound tourism, and on the size of the tourism economy. It provides a clear picture of new policies designed to improve competitiveness and support sustainable and inclusive tourism growth. It covers issues such as governance and strategic development, innovative funding approaches, the digitalisation of tourism, transport and travel facilitation, SME financing, innovation and entrepreneurship, and the need to improve service quality. It also calls on governments to provide active policy responses that are targeted, and fit for purpose.

I would like to thank the OECD Tourism Committee for their work in preparing *OECD Tourism Trends and Policies 2016*, in partnership with the European Commission. This publication continues to grow in stature as an international reference and benchmark on how effectively countries are supporting sustainable and inclusive tourism growth.



Angel Gurría
OECD Secretary-General

Foreword

OECD Tourism Trends and Policies 2016, the flagship publication of the OECD Tourism Committee, is undertaken with support from the European Commission. The report highlights key reforms in tourism organisation and governance, and analyses a range of issues high on the tourism policy agenda, providing a global perspective with the inclusion of 50 OECD countries and partner economies.

Chapter 1 analyses recent trends in tourism, and associated developments in government policy. It outlines the economic importance of tourism and key tourism policy priorities across a variety of issues related to governance, funding, strategic and destination development, competitiveness and sustainability. It also highlights key policy reforms and interesting country practices.

Chapter 2 examines the interdependent relationship between transport and tourism, the importance of seamless connections at transport hubs, and the key factors to enhance the visitor experience. It highlights that in order to maximise and spread the socio-economic benefits of tourism, and manage visitor impacts over time, the medium- to long-term needs of the sector should be considered as part of the transport access and infrastructure planning process.

Chapter 3 outlines the need to re-think policies for the tourism sharing economy; a topical issue for many countries due to the rapid growth of peer-to-peer and shared usage platforms in recent years. The chapter highlights that within this complex, fast-moving environment, tourism policy makers must quickly take steps to understand the challenges and opportunities presented by the sharing economy (including regulation, consumer protection, taxation) and position their countries for success.

The report benefitted from significant contributions, feedback and guidance from policy makers and statisticians from OECD member countries and partner economies. The report was co-ordinated and edited under the direction of Alain Dupeyras, Head of the Tourism Unit, OECD Centre for Entrepreneurship, SMEs and Local Development (CFE). He was supported by Jane Stacey and Peter Haxton, Policy Analysts, who undertook substantial drafting and editing, and co-ordination of written inputs from a variety of sources. Lætitia Reille, Statistician, managed the statistical database and developed country statistical profiles and synthesis tables. The statistical component of the report is available via the OECD's statistical online platform – OECD.Stat. Other Secretariat members who actively contributed include Soo Jin Kwon, Taekyeong Jung, Julie Pilato, and Maria Castaño.

External experts who drafted material included Louk Teunissen (Chapter 1), and Richard Denman, Jackie Denman and Chris Evans, from The Tourism Company (country profiles). Chapter 3 was drafted by Sunil Johal, Noah Zon, and Jordann Thirgood, from the Mowat Centre, with inputs from the Secretariat. In addition, the report benefitted from feedback provided by the International Transport Forum, the OECD Centre for Tax Policy and Administration, and Directorates for Financial and Enterprise Affairs (Competition Policy), and Science, Technology and Innovation (Consumer Policy).

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Reader's guide

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

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

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

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

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

International Recommendations for Tourism Statistics (IRTS)

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

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

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

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

Three basic forms of tourism can be distinguished:

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

Measuring the flows of visitors: both arrivals and nights are used to assess the flows of visitors. A distinction is made between arrivals at borders and in accommodation and

nights spent in accommodation. As far as overnight tourism is concerned, accommodation statistics are an important statistical source of information on domestic and inbound visitors.

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

The Tourism Satellite Account (TSA) is a conceptual framework aiming at measuring the weight of tourism from a macro-economic perspective. It focuses on the description and measurement of tourism in its different components (domestic, inbound and outbound). It also highlights the relationship between consumption by visitors and the supply of goods and services in the economy, principally those from tourism industries. With this instrument, it is possible to estimate tourism GDP, 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.

Internal tourism consumption

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

Three forms of consumption are distinguished:

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

Tourism Direct Gross Domestic Product and other aggregates

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

The TSA Framework also mentions other aggregates, particularly the gross value added 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 issues

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

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

Data expressed in US dollar terms: For some tables, national currency data has been converted to US dollar data. Exchange rates are collected from the OECD database or the International Financial Statistics from the IMF database and refer to year average national currency per US dollars.

Metadata and sources

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

Country coverage

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

Other non-member economies covered in this report are: Brazil, Bulgaria, Colombia, Costa Rica, Croatia, Egypt, Former Yugoslav Republic of Macedonia, India, Latvia, Lithuania, Malta, Morocco, the Philippines, Romania, the Russian Federation and South Africa.

Codes used for currencies

- AUD Australian Dollar
- BGN Bulgarian Lev
- BRL Brazilian Real
- CAD Canadian Dollar
- CHF Swiss Franc
- CLP Chilean Peso
- COP Colombian Peso
- CRC Costa Rican Colon

- CZK Czech Koruna
- DKK Danish Krone
- EGP Egyptian Pound
- EUR Euro (Austria, Belgium, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia, Spain, Latvia, Lithuania)
- GBP United Kingdom Pound Sterling
- HRK Croatia Kuna
- HUF Hungarian Forint
- ILS Israeli Shequel
- INR Indian Ruppee
- ISK Iceland Krona
- JPY Japanese Yen
- KRW Korean Won
- MAD Moroccan Dirham
- MKD Former Yugoslav Republic of Macedonia Denar
- MXN Mexican Peso
- NOK Norwegian Krone
- NZD New Zealand Dollar
- PHP Philippine Peso
- PLN Polish Zloty
- RON Romanian Leu
- RUB Russian Ruble
- SEK Swedish Krona
- TRY Turkish Lira
- USD United States Dollar
- ZAR South African Rand

Symbols for missing data and abbreviations

These symbols are used in the country tables:

- | Break in series
- p Provisional data
- e Estimated data or data based on the use of a limited amount of data
- .. data is not available

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

Executive summary

Tourism continues to demonstrate its key role in generating economic activity, employment and export revenues in the OECD area, where it directly contributes, on average, 4.1% of GDP, 5.9% of employment and 21.3% of service exports. Tourism offers strong potential to support job-rich growth and at around 80%, tourism exports also generate higher than average domestic value added. International tourist arrivals surpassed 1.1 billion in 2014 (World Tourism Organization), following a resurgence in arrivals to OECD countries (6.4%), which increased at a faster rate than the global average (4.2%). Notwithstanding this, arrivals to emerging economies are projected to grow at double the rate of that in advanced tourism economies up to 2030.

Rapid growth in international tourism flows, new consumer trends, digitalisation of the economy, security issues, and adaptation to climate change are among the major challenges facing the tourism sector. These will require active, innovative and integrated policy responses to ensure that tourism remains a competitive sector and continues to deliver economically and sustainably in the years to come.

The need for greater policy coherence, development of long-term strategic approaches, and engagement with a wide range of public and private actors are leading countries to search for new and effective governance frameworks and policy approaches to overcome sectoral fragmentation and support tourism development, for instance through closer integration of tourism in national economic and growth plans, renewed policy agendas reflecting marketplace changes, and the emerging role of tourism as a tool for economic diplomacy.

Current strategies to enhance destination attractiveness focus on diversification, product development (rural tourism, food tourism, major events, human-powered mobility options) and competitiveness (creating both high-value products and alternative low price offers). Countries also recognise the importance of striking a balance between promoting ease of travel, a positive welcome, and a safe environment for legitimate travellers, with the need for security and border protection (new visa application and entry requirements, automated clearance systems).

The transport system is an integral element of the tourism experience, and synergies need to be managed effectively to ensure visitor mobility across a range of transport options, including human-powered mobility such as walking and cycling. The importance of institutional co-ordination and a horizontal approach cannot be stressed enough when it comes to the development of multimodal transport systems. Good governance at all levels of government and co-operation with the private sector are needed to improve decision-making and create incentives to invest in connectivity.

Network design needs to be carefully considered in efforts to provide a seamless transport experience, including convenient multimodal transport options to access destinations, and

efficient connections between inter-regional and local modes. Integrated ticketing, multilingual user information and signage, baggage transfer and storage options, and ease of access for travellers with limited mobility are also critical for visitors. New integrated tools such as destination smart cards and mobile phone apps can simplify and enrich the visitor experience. Well integrated multimodal hubs (airports, cruise terminals and train stations) can help manage growing visitor flows and facilitate a shift to more eco-friendly transport options.

The sharing economy has grown exponentially in recent years and is predicted by PricewaterhouseCoopers to be worth USD 335 billion by 2025. The fast paced growth of peer-to-peer and shared usage platforms is changing the tourism marketplace and giving people new options for where to stay, what to do and how to get around. Sharing economy platforms have adopted different business models, some of which closely mimic traditional commercial activities, while others appeal to users' sense of community.

Governments must find a way to harness the opportunity to stimulate innovation and support the expansion and development of tourism as a whole, while addressing the challenges raised. The rapid growth of the sharing economy is placing pressure on existing policy frameworks. Prevailing consumer protection, safety and quality assurance frameworks can be difficult to translate to the sharing economy model. Governments are being called on to begin re-thinking current legislation to include sharing activities that do not neatly fit into existing regulatory frameworks, and to examine implications for taxation. Platforms may play a more active role in the future in providing clarity around tax obligations and supporting compliance, or even directly by collecting accommodation tax on behalf of hosts.

Key policy recommendations

Promoting seamless transport:

- Ensure that the medium- to long-term needs of the tourism industry are considered as part of the transport access and infrastructure planning process. Encourage tourism and transport policy-makers to work more closely together to design transport services and infrastructure that respond to the needs of all travellers.
- Encourage critical evaluation of the total transport experience, including the quality of connections between travel modes, the convenience, comfort and attractiveness of transport hubs, and solicit feedback from tourists to better understand the problems they encounter and potential ways to enhance their experience. Identify factors that affect travel demand, including daily, weekly and annual cycles, as well as the effects of holidays, weather, economic conditions and special events. Work with transport actors to improve forecasting and develop strategies that take such factors into account.
- Encourage integrated ticketing/pricing and destination smart cards to provide a convenient and comfortable travel experience. Ensure that destination marketing and government agencies work together to create the right collaborative conditions and physical infrastructure so that greater coherence of the destination experience can be achieved.
- Promote the benefits of timely and accurate information and way-finding (e.g. signs, maps, websites, apps, available in multiple languages) to accommodate people with limited communications abilities and to help tourists confidently navigate a city or region.

Adapting to the sharing economy:

- Strengthen the strategic operating framework, considering the impacts of the sharing economy on broader policy and social objectives and on tourism, and the role of government in the marketplace.
- Re-think policy incentives, better understand the policy environment and test new approaches, including a greater use of policy or innovation labs that bring together diverse stakeholder interests to brainstorm, and adopt an end-user mind-set.
- Modernise policy and regulatory approaches, adopting a whole-of-government perspective. Develop performance-based and self-regulatory approaches, and utilise the data and reputational information gathered by sharing economy platforms.
- Strengthen data collection and research on the impacts of the sharing economy on tourism and local communities. Support the sharing of best practices and experiences amongst all levels of government (national, sub-national, local) and industry, particularly with regard to regulatory responses.

PART I

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 responses to a policy and statistical survey of OECD member countries and partner economies. The chapter outlines the economic importance of tourism and sets out the role of government in promotion and product development, and in supporting a competitive and sustainable tourism industry. The effectiveness of governance structures and funding issues are considered. Tourism policy priorities, reforms and developments are analysed and examples of country practices 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.

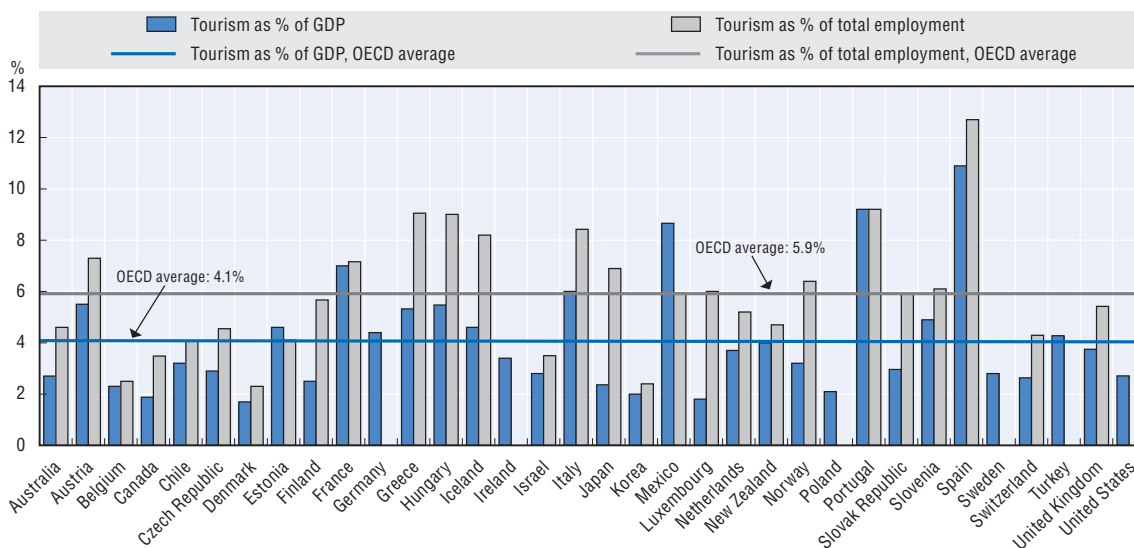
Tourism is an important economic sector in countries around the world and governments are developing active and innovative policies to build a competitive, inclusive and sustainable tourism development. Many countries consider an integrated whole of government approach to tourism as an essential component of a supportive government framework. These integrated strategies increase the policy coherence and the effectiveness of public and public/private actions in tourism. Governments at all levels have an important role to play in the delivery of the tourism product, and they need to work in close partnership with the private sector.

Recent trends

Tourism is playing a key role in global economic activity, job creation, export revenue and domestic value added. On average, tourism directly contributes 4.1% of GDP, 5.9% of employment and 21.3% of service exports to OECD economies (Figure 1.1). It is also estimated that around 80% of the tourism exports convert into domestic value added, which is higher than the average for the total economy.

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

As percentage of GDP and employment, 2014 or latest year available



Notes: Data for Spain include indirect impacts.
 GDP data for France refer to internal tourism consumption.
 Employment data for Luxembourg include indirect impacts.
 Source: OECD Tourism Statistics (Database).

StatLink <http://dx.doi.org/10.1787/888933319595>

Globally, international tourist arrivals surpassed 1.1 billion in 2014, an increase of 4.2% on the previous year, having topped the 1 billion mark in 2012. This number is forecast to reach 1.8 billion by 2030, with international tourist arrivals in emerging economy destinations projected to grow at double the rate of that in advanced tourism economies (UNWTO, 2015).

OECD member countries play a prominent role in international tourism. International arrivals to OECD member countries accounted for 54% of global arrivals in 2014 (compared to 57% in 2012). Arrivals to the OECD increased at a faster rate than global arrivals, rising by 6.4% on average in 2014. This is substantially ahead of the 3.6% growth in arrivals to the OECD recorded in 2012. Five OECD countries recorded annual growth in excess of 20% in 2014 – Denmark (21.4%), Greece (23.0%), Iceland (23.6%), Japan (29.4%) and Mexico (21.5%). A breakdown of international tourist arrivals is provided in Table 1.1.

Table 1.1. **International tourist arrivals, 2010-14**

	Type of indicator	2014	Average annual growth rate 2010 to 2014	Growth rate 2013 to 2014
		Thousand	%	
Australia	Visitors	6 868	4.4	7.6
Austria	Tourists	25 291	3.5	1.9
Belgium	Tourists	6 389	2.6	2.6
Canada	Tourists	16 537	0.5	3.0
Chile	Tourists	3 674	7.0	2.7
Czech Republic	Tourists	10 709	5.5	4.0
Denmark	Tourists	10 267	5.6	21.4
Estonia	Tourists	2 918	5.3	1.6
Finland ¹	Tourists	4 085	2.7	-3.3
France	Tourists	83 767	2.2	0.2
Germany	Tourists	32 999	5.3	4.6
Greece	Visitors	22 033	10.1	23.0
Hungary	Tourists	10 158	5.6	12.4
Iceland	Tourists	998	19.5	23.6
Ireland	Tourists	6 824	4.6	6.7
Israel	Tourists	2 927	1.1	-1.2
Italy	Tourists	29 118	-0.4	0.2
Japan	Visitors	13 413	11.7	29.4
Korea	Visitors	14 202	12.7	16.6
Luxembourg	Tourists	1 038	6.6	9.8
Mexico	Tourists	29 346	5.9	21.5
Netherlands	Tourists	13 925	6.4	8.9
New Zealand	Tourists	2 772	3.1	5.4
Norway	..	..	..	..
Poland	Tourists	16 000	6.4	1.3
Portugal	Tourists	9 277	8.0	11.8
Slovak Republic	Tourists	1 475	2.7	-11.7
Slovenia	Tourists	2 411	6.6	6.7
Spain	Tourists	64 995	5.4	7.1
Sweden ²	Tourists	10 750	-1.8	-3.5
Switzerland	Tourists	9 158	1.5	2.1
Turkey	Tourists	39 811	6.1	5.3
United Kingdom	Tourists	32 613	3.6	5.0
United States	Tourists	75 011	5.7	7.2
Brazil	Tourists	6 430	5.6	10.6
Bulgaria	Tourists	7 311	4.9	6.0
Colombia	Visitors	4 193	12.6	11.9
Costa Rica	Tourists	2 527	4.7	4.1
Croatia	Tourists	11 623	6.3	6.2
Egypt	Tourists	9 650	-8.9	4.8
Former Yugoslav Republic of Macedonia	Tourists	425	12.9	6.4
India	Tourists	7 679	7.4	10.2

Table 1.1. **International tourist arrivals, 2010-14 (cont.)**

	Type of indicator	2014	Average annual growth rate 2010 to 2014	Growth rate 2013 to 2014
		Thousand	%	
Latvia	Tourists	1 843	7.6	20.0
Lithuania	Tourists	2 063	8.2	2.5
Malta	Tourists	1 690	6.0	6.8
Morocco	Tourists	10 283	2.6	2.4
Philippines	Tourists	4 833	8.2	3.2
Romania	Tourists	1 912	9.2	11.5
Russian Federation	Visitors	32 421	9.8	5.3
South Africa	Tourists	9 549	4.3	0.1
EU28			4.0	4.4
OECD members			4.6	6.4
World³		1 133 000	4.5	4.2

Notes: For more information, please see the country profiles.

Tourists: International tourist arrivals (excluding same-day visitors).

Visitors: International visitor arrivals (tourists and same-day visitors).

1. Growth rate 2013-14 refers to 2012-14.

2. Average annual growth rate refers to 2011-14.

3. UNWTO data (2015b).

Source: OECD Tourism Statistics (Database).

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International arrivals to OECD countries grew by on average 4.6% annually between 2010 and 2014, in line with global arrivals. This is a stronger performance by OECD countries compared with the previous reporting period (2008-12), when average annual growth in arrivals of 1.9% was recorded, below the global average. The longer-term trend however has been of a slowdown in arrivals to the OECD relative to tourism worldwide, resulting in a loss of market share.

Globally, international tourism receipts reached USD 1 249 billion in 2014, up from USD 1 198 billion in 2013. This equates to growth of 3.7% in real terms, taking into account exchange rate fluctuations and inflation (UNWTO, 2015). OECD countries accounted for 60.2% of global travel receipts (exports) and 52.3% of global travel expenditures (imports) in 2014 (compared to 59% and 54% respectively in 2012). Two thirds of OECD member countries recorded a positive travel balance in 2014. Table 1.2 provides a summary of international travel receipts, expenditure and the travel balance for OECD member countries and selected partner economies.

Table 1.2. **International travel receipts and expenditure, 2013-14**

Million USD

	Travel receipts		Travel expenditure		Travel balance	
	2013	2014	2013	2014	2013	2014
Australia	31 254	32 022	28 626	26 273	2 628	5 749
Austria	20 231	20 797	10 274	10 812	9 957	9 985
Belgium	13 498	14 298	21 802	23 778	-8 304	-9 480
Canada	17 674	17 445	35 115	33 587	-17 440	-16 142
Chile	2 181	2 252	1 867	2 136	313	117
Czech Republic	7 043	6 830	4 637	5 141	2 405	1 689
Denmark	7 028	7 632	10 072	10 184	-3 044	-2 552
Estonia	1 628	1 812	997	1 075	631	737

Table 1.2. **International travel receipts and expenditure, 2013-14 (cont.)**


Million USD

	Travel receipts		Travel expenditure		Travel balance	
	2013	2014	2013	2014	2013	2014
Finland	4 048	3 590	5 291	5 279	-1 243	-1 689
France	56 556	57 359	42 967	48 635	13 589	8 723
Germany	41 285	43 269	91 318	93 252	-50 033	-49 983
Greece	16 135	17 769	2 436	2 754	13 698	15 015
Hungary	5 366	5 884	1 908	2 033	3 458	3 851
Iceland	1 070	1 362	847	973	224	389
Ireland	4 474	4 851	6 199	6 051	-1 725	-1 201
Israel	5 666	5 691	3 961	4 238	1 705	1 453
Italy	43 899	45 427	26 965	28 807	16 934	16 620
Japan	15 130	18 853	21 836	19 272	-6 706	-419
Korea	14 629	18 147	21 491	23 465	-6 862	-5 318
Luxembourg	4 848	5 354	3 801	3 870	1 047	1 484
Mexico	13 949	16 208	9 122	9 606	4 827	6 602
Netherlands	15 576	12 666	20 484	19 614	-4 909	-6 948
New Zealand	7 472	8 464	3 858	4 104	3 614	4 360
Norway	5 654	5 643	18 403	18 747	-12 749	-13 104
Poland	11 317	10 900	8 843	8 849	2 475	2 052
Portugal	12 282	13 790	4 143	4 402	8 139	9 388
Slovak Republic	2 555	2 575	2 366	2 467	189	107
Slovenia	2 708	2 729	923	971	1 785	1 758
Spain	62 550	65 099	16 411	18 148	46 139	46 950
Sweden	11 544	12 695	17 608	18 511	-6 064	-5 816
Switzerland	16 779	17 439	16 151	17 116	628	322
Turkey	27 997	29 552	4 817	5 072	23 180	24 480
United Kingdom	41 753	46 634	58 454	63 232	-16 701	-16 598
United States	172 901	177 241	104 107	110 787	68 794	66 454
Brazil	6 711	6 843	25 342	25 567	-18 631	-18 724
Bulgaria	4 051	3 967	1 525	1 202	2 526	2 764
Colombia	3 611	3 825	3 941	4 678	-330	-853
Costa Rica	2 665	2 864	440	461	2 225	2 403
Croatia	9 518	..	903	..	8 615	..
Egypt	6 042	7 208	3 014	3 139	3 028	4 069
Former Yugoslav Republic of Macedonia	267	295	131	149	136	146
India	18 445	20 236	11 570	14 596	6 875	5 640
Latvia	865	954	715	714	150	240
Lithuania	1 374	1 440	1 069	1 190	306	250
Malta	1 404	1 517	384	399	1 020	1 118
Morocco	7 071	7 223	1 317	1 429	5 754	5 794
Philippines	4 690	4 767	7 833	9 920	-3 143	-5 153
Romania	1 591	1 813	2 059	2 412	-468	-599
Russian Federation	11 988	11 759	53 453	50 428	-41 464	-38 669
South Africa	9 245	9 338	3 429	3 169	5 816	6 170
EU28	407 702	414 537	365 839	385 019		
OECD	718 681	752 279	628 100	653 242		
World	1 198 000	1 249 000	1 198 000	1 249 000		

Notes: For more information, please see the country profiles.

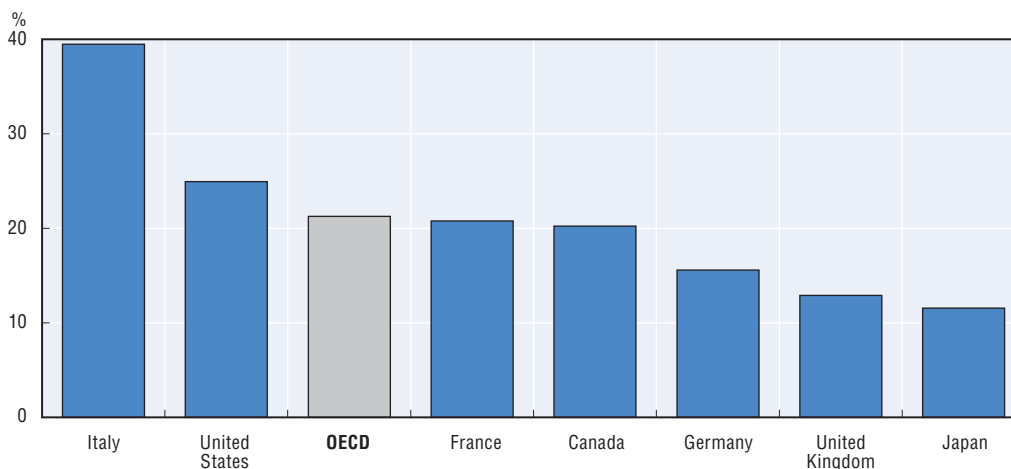
The conversion from national currency to US dollars has been calculated using OECD and IMF annual average exchange rates for the corresponding year.

Source: OECD Tourism Statistics (Database) and IMF (2015b).

StatLink  <http://dx.doi.org/10.1787/888933319635>

Tourism’s share of trade in services is significant. International tourism receipts represent 21.3% of service exports in the OECD, on average. This share varies by country – tourism accounts for 39.5% of service exports in Italy for example. This compares with 12.9% in the United Kingdom (Figure 1.2).

Figure 1.2. **Contribution of tourism to services exports, selected OECD countries, 2014**

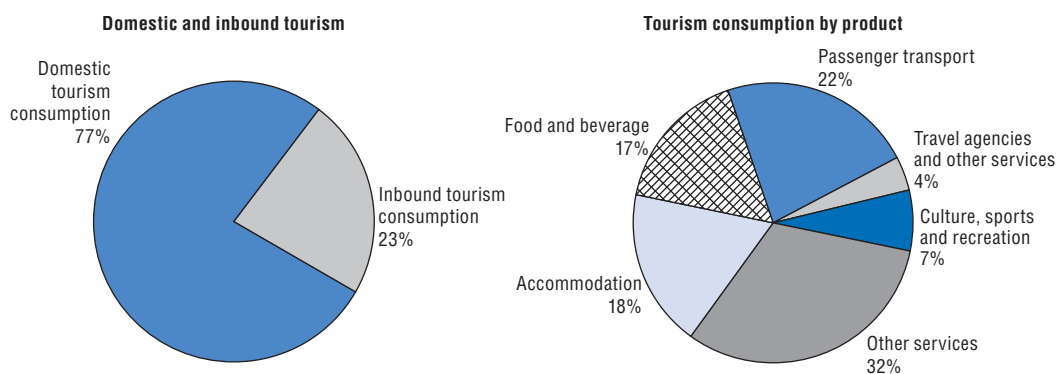


Source: OECD Tourism Statistics (Database) and IMF (2015b).

StatLink <http://dx.doi.org/10.1787/888933319608>

Tourism exports are economically important as they contribute to the value added of the economy. While not all tourism exports result in increases in domestic value added, initial figures from the Trade in Value-Added (TiVA) initiative indicate that tourism receipts generate more than average value-added for receiving economies, and have significant upstream effects both in the recipient country as well as in other countries. According to TiVA estimates, approximately 80% of tourism exports generate domestic value added in OECD economies on average; the remaining 20% result in value created in other countries (imports). It is also estimated that EUR 1 of value added in tourism creates 56 cents of value added in upstream industries.

Figure 1.3. **Internal tourism consumption by type of tourism and product, selected OECD countries, 2014 or latest year available**



Source: OECD Tourism Statistics (Database).

StatLink <http://dx.doi.org/10.1787/888933319610>

Considerable variation in the significance of domestic tourism is evident at country level. Domestic tourism is particularly significant in Canada, Germany, Japan, Mexico, the United Kingdom and the United States, where it represents over 80% of internal tourism consumption. In contrast, inbound tourism is more important in countries like Estonia, Iceland and Poland. Table 1.3 provides an analysis of internal (domestic and inbound) tourism consumption for selected OECD member countries.

Table 1.3. **Internal tourism consumption, 2014 or latest year available**

	Reference year	Internal tourism consumption (ITC)	Domestic tourism consumption	Inbound tourism consumption
		Million USD, current prices	as % of ITC	
Australia	2014	102 169	76	24
Austria	2014	47 591	54	46
Belgium	..	..	..	..
Canada	2014	80 013	81	19
Chile	..	..	..	..
Czech Republic	2013	11 969	40	60
Denmark	2013	16 366	60	40
Estonia	2010	1 730	14	86
Finland	2012	18 195	70	30
France	2013	199 683	67	33
Germany	2010	341 520	86	14
Greece	..	..	..	..
Hungary	2011	7 070	40	60
Iceland	2013	2 258	35	65
Ireland	2007	9 930	46	54
Israel	2012	10 473	52	48
Italy	2010	149 103	74	26
Japan	2013	237 254	93	7
Korea	..	..	..	..
Luxembourg	..	..	..	..
Mexico	2013	159 675	90	10
Netherlands	2010	38 758	77	23
New Zealand	2014	18 248	56	44
Norway	2011	22 932	73	27
Poland	2012	14 788	32	68
Portugal	2008	21 933	41	59
Slovak Republic	2012	5 171	47	53
Slovenia	2009	4 532	36	64
Spain	2008	177 081	51	49
Sweden	2013	39 208	66	34
Switzerland	2011	39 330	61	39
Turkey	..	..	..	..
United Kingdom	2012	202 798	83	17
United States	2012	863 617	81	19
OECD average			77	23

Notes: For more information, please see the country profiles.

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

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319645>

The global tourism economy continues to demonstrate remarkable strength in the face of challenges posed by the economic crisis and bumpy recovery, geopolitical events, natural disasters and other external shocks. Tourism is more vulnerable to such developments

than many other sectors of the economy and tourism demand closely tracks economic conditions. However, tourism globally has registered moderate year-on-year growth since the downturn in 2009 and this positive trend is expected to continue. International tourist arrivals worldwide are forecast to increase by an average of 3.3% annually over the period 2010-30, although the growth rate will gradually slow as base numbers rise (UNWTO, 2015).

Global economic growth prospects have clouded recently, easing to around 3% in 2015, well below the long-run average. A further sharp slowdown in emerging market economies is weighing on global activity and trade and subdued investment and productivity growth is checking the momentum of the recovery in advanced economies. The OECD (2015a) expects global growth to strengthen slowly in 2016 and 2017 to an annual 3.3% and 3.6% respectively, supported by macroeconomic policies and lower commodity prices, including oil prices which have declined since mid-2014. But a clear pick-up in activity requires a smooth rebalancing of activity in China and more robust investment in advanced economies.

OECD labour market conditions are expected to improve slowly, with OECD-wide unemployment projected to decline to reach 6.5% in the last quarter of 2016. However, recovery from the recent economic crisis is very uneven across countries and unemployment remains comparatively high in the euro area (OECD, 2015b). Tourism is highly labour intensive and a significant source of employment in OECD countries. The sector offers strong potential to support job-rich growth; employment in hotels and restaurants grew on average by 1.4% per year in OECD countries over the period 2009-13, compared with growth of 0.7% in the economy as a whole. The sector creates jobs for people of different ages and skill levels and provides opportunities to enter the labour market, gain experience, develop skills and move into higher level, better paid jobs.

Europe remains the world's most visited region and continues to lead growth in absolute terms. However, the pace of tourism growth in many emerging economies is outstripping growth in advanced economies. In the long term, this trend is set to continue, led primarily by the Asia Pacific region. UNWTO forecasts indicate that arrivals in emerging economies will exceed those in advanced economies by 2020. This is reshaping tourism on a global scale, changing the nature of inbound and outbound tourism flows, shifting the balance of market share and relative size of tourism economies and altering the competitive environment for advanced tourism economies.

Even with the recent economic slowdown in emerging markets, these economies continue to drive the growth and evolution of global tourism demand. China, for example, is the number one outbound market in terms of both number of trips and expenditures, having grown exponentially over the past decade. Only 5% of China's population hold a passport (The Economist, 2014). Given the increasing affluence and expansion of the middle class in China, combined with an increased propensity to travel and reduced travel restrictions, the growth prospects from China alone are immense, notwithstanding the recent economic slowdown.

Demographic and social trends are contributing to these changes. Rapid population growth in emerging economies is expanding the size of the potential outbound market, while the populations of many advanced economies are aging, with a growing proportion of people aged over 50. As a result, travellers from many established outbound markets are getting older. Multigenerational travel is also becoming more common, where three generations of a family holiday together. Immigration flows are on the rise in most OECD

countries and many societies are becoming more multi-cultural. Europe is facing a historical moment with one of the worst refugee crises in decades.

Consumer trends are also changing the tourism landscape. Trips are becoming shorter and people are searching for more unique, personalised experiences in alternative destinations. The growing demand for unusual tourism experiences extends to tourism services. Peer-to-peer exchanges are helping to facilitate these types of experiences and offer an alternative to more traditional tourism services. Chapter 3 considers what the growth of the sharing economy means for tourism and assesses some of the key policy implications.

Many of these developments are facilitated by technology. Tourism is both a major adopter of, and is heavily influenced by, technological developments. Mobile technology is now mainstreamed, enhancing connectivity and enabling real-time information provision. Digital technology, social media and online distribution platforms are changing the relationship between consumers and producers, supporting co-creation and facilitating the more personalised experiences sought by consumers. The next digital revolution is expected to come from the growth of the Internet of Things and the rise of embedded and wearable devices (Pew Research Center, 2014).

Safety and security remain important concerns for international travellers. This has implications for mobility and the movement of people, with repercussions at destination level, as well as for outbound flows. Countries are co-operating closely to facilitate legitimate travellers and reduce avoidable barriers to travel. Chapter 2 examines the vital role of transport in moving tourists to and around a destination, supporting mobility and enhancing the experience of tourists.

Climate change is a challenge the tourism sector cannot ignore. Tourism contributes to and is affected by climate change. Strategies to anticipate and mitigate the impact of tourist travel and adapt to existing and expected impacts on tourism are urgently needed. OECD (2015d) analysis on the economic consequences of climate change underscores the need for an optimal mix of adaptation and mitigation policies to minimise the future costs of climate change. The analysis indicates that changes in local climate conditions make destinations more or less attractive and induce changes in both domestic and international tourist flows and expenditures.

Governance, funding and strategic development

Many countries now have multi-year 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 are many similarities in the content and areas of policy attention across countries, with a common emphasis on marketing and promotion, product development and investment, workforce training, quality and innovation and a more integrated approach across government. Other areas where government actions can impact upon tourism include:

- providing supporting infrastructure,
- regulating markets and access, and facilitating travel,
- ensuring the sustainable development of natural and cultural resources,
- stimulating inclusive and sustainable tourism growth,
- setting standards (e.g. safety and security, quality, training, environmental),
- responding to crises and disasters affecting the industry.

In recent years, many tourism policies and plans have either been updated or re-oriented (Australia, Japan) or new plans have been developed (Chile, Czech Republic, Denmark, Finland, France, Greece, Iceland, Italy, Japan, Latvia, Lithuania, Poland, Switzerland, and the United Kingdom) to take account of changes in the global marketplace or to reflect new government priorities. The role of central government in developing cohesive, effective tourism policy is vital, but governments face numerous challenges in crafting this policy. This is due in part to the fragmented nature of tourism which requires multiple central government ministries and levels of government to undertake various roles in response to political, social, environmental and technological trends affecting tourism. In addition, in many countries, there is an added level of complexity in that the full competence for tourism does not lie with central government. As such, there is often a significant role to be played in tourism governance at the subnational level.

Effective structures evolve

Due to its cross-cutting and fragmented nature, tourism requires co-ordination of government, both horizontal and vertical, as well as private sector businesses. Governments are involved in tourism in a variety of capacities including, border security; the regulation of markets such as aviation; controlling or managing tourism attractions such as national parks; skills development; and funding the development of roads and other infrastructure. While tourism services are primarily provided by micro, small and medium-sized operators (often most effectively represented by industry associations), some sectors, such as aviation and online travel agents, are dominated by multi-national businesses operating at a global scale. Unless policy makers and industry work together effectively, this complex system is unlikely to function optimally.

Tourism as an area of government policy is subject to a high level of departmental change/ministry reconfiguration. In the period covered by this report the recognition of tourism's capacity to create jobs, promote regional development and generate foreign revenue has increased. This is reflected in many countries through the realignment of departmental/ministerial responsibility for tourism in order to deliver closer integration into national economic plans. While there are several countries (Brazil, Bulgaria, Costa Rica, Croatia, Egypt, India, Israel, Malta, Mexico, Morocco, Philippines and South Africa) with dedicated tourism ministries, increasingly, the tourism portfolio resides within economics ministries (business, industry, commerce and trade) of countries (Austria, Canada, Chile, Colombia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Latvia, Lithuania, Luxembourg, FYR of Macedonia, Netherlands, New Zealand, Norway, Portugal, Romania, Spain, Sweden, Switzerland, and the United States). However, in some other countries it is grouped with transport (Ireland, Japan and Slovak Republic), culture (Italy, Korea, Russian Federation, Turkey, and United Kingdom), sport (Poland), or a combination of these or other portfolios.

The potential role of tourism as a tool for economic diplomacy has been identified by some countries as a priority policy area, perhaps best reflected by the incorporation of the tourism portfolio within ministries responsible for foreign affairs (Australia, France). In 2014, responsibility for the government's tourism strategy in France shifted to both the Ministry in charge of the Economy, which monitors tourism professionals, standards and access to holidays, and the Ministry of Foreign Affairs, which promotes France as a tourist destination. In Australia, tourism sits within the Foreign Affairs and Trade portfolio, facilitating the strengthening of bilateral tourism relationships with major source countries, and gaining benefit from multilateral tourism forums (Box 1.1).

Box 1.1. **Tourism as a tool for economic diplomacy in Australia**

Tourism is a key driver of growth in Australia and other Asia Pacific countries. Australia's Economic diplomacy uses international diplomatic assets to advance Australia's prosperity and global prosperity. It is guided by four key pillars: **trade, growth, investment and business**. The multi-faceted nature of the tourism industry means that it reaches across all four pillars of economic diplomacy.

Free Trade agreements are central to Australia's economic diplomacy achievements. The recently concluded China-Australia Free Trade Agreement (ChAFTA) will support increased Chinese investment in Australia's tourism industry through higher screening thresholds for private Chinese investment. Innovative new Investment Facilitation Arrangements will also encourage investment in tourism infrastructure. This investment will help meet the demands of the 1.5 million Chinese who are expected to visit Australia by 2022-23.

Under ChAFTA, China has guaranteed that Australian service suppliers will be able to construct and operate wholly Australian-owned hotels and restaurants in China. It has also guaranteed that Australian travel agencies and tour operators will be able to establish subsidiaries and provide travel services, tours and hotel accommodation directly to domestic and foreign travellers in China. ChAFTA's support for business and education links with China, is likely to see business and study-related travel grow strongly, in both directions. In addition, Australia has recently agreed with China to allow 5 000 Chinese Work and Holiday Makers into Australia annually, increasing demand for tourism services and supporting the development of the sector – particularly in rural Australia where the number of Chinese tourists is substantially growing.

Australia's economic diplomacy efforts extend to supporting developing countries to create jobs, investment and opportunities for women. For example, the Australian Government supported the transformation of the historic Portuguese era fort in the town of Balibo in western Timor-Leste into an international standard hotel. Australian tourists and expats living in Dili are the main target market for the hotel.

In general, however, the complexity of institutional structures for tourism in many countries highlights the considerable scope to further rationalise governance frameworks to maximise policy coherence and effectiveness within and between levels of government.

Active co-operation with the destinations

OECD countries and partner economies are at varying stages of economic and tourism development, with unique environmental, cultural and historical characteristics. As a country develops its tourism industry, the focus of tourism policy tends to progress from the primary use of promotional instruments to maximise visitor numbers and tourism receipts, to creating the necessary conditions for competitive tourism enterprises and regions.

As such, the role of government in tourism is continually evolving and in a majority of countries there is an increasing focus on product development in addition to marketing and promotion. Improvements in the supply-side are focused on enhancing the competitiveness of the tourism industry by increasing productivity and quality, and encouraging innovation. These initiatives may target specific market development, such as rural tourism in Germany (Box 1.2); improvements in infrastructure; building the capacity of tourism businesses to capitalise on the impact of ICT and global value chains; skills development; and reducing negative social and environmental impacts (OECD, 2012).

Box 1.2. **Strengthening rural tourism in Germany**

A central goal of the Federal Government's tourism policy is to boost the performance and competitiveness of the tourism industry. The focus is on supporting tourism SMEs to develop their competitive position and fully unlock potential for growth and employment, particularly in the rural areas, which account for 60% of Germany's territory and 32% of holiday accommodation capacity, but only 12% of tourism value added. They are structurally weak in terms of providing employment and income, but opportunities exist for rural enterprises to gain business from the growing tourism sector.

In response, the "Tourism Prospects in Rural Areas" initiative aims to strengthen tourism in regional areas. Outcomes have included a practical guide and ten complementary detailed short reports presented at 20 local events in 2015, as part of a nationwide roadshow. Key players from the tourism industry, public tourism professionals and representatives from the political and administrative arena have discussed and improved upon the project results in workshop sessions.

Cultural tourism is a trademark for Germany as a travel destination but to date has predominantly benefited the larger cities. Building on the experience gained from the Tourism Prospects in Rural Areas project, the Federal Ministry commissioned a new project in August 2015 entitled "The destination as a stage: How does cultural tourism make rural regions successful?" The project is exploring the potential to use culture to generate tourism in rural areas. It is looking at how the various actors can be better networked, and what impact the marketing of natural landscapes and regional cultural assets – including cuisine and crafts – can have. For example, the 500th anniversary of the Reformation, "Luther 2017" (commemorating Martin Luther nailing his 95 theses to the door of the Castle Church in Wittenberg) is a significant cultural event, with the potential to promote rural tourism in Germany.

The great majority of countries are searching for new and effective ways to structure their tourism sector, for example taking steps to synchronise national and regional policy and marketing as much as possible (Australia, Austria, Bulgaria, Colombia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, South Africa). For instance, France is developing "destination contracts" to bring together relevant stakeholders to promote current and/or new destinations with strong identities in order to establish new tourist offerings catering to specific demands – touring holidays, industrial heritage tourism, urban tourism, memorial tourism, etc. (Box 1.3).

Funding the development of tourism

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.

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.

Budgetary pressure has resulted in a reduction in funding for tourism in some countries, with cuts in core tourism budgets (Austria, Canada, Czech Republic, Denmark, Ireland, Italy,

Box 1.3. Destination Contracts – supporting attractive brands in France

Destination contracts rally public and private partners to establish or enhance an attractive destination brand with international appeal. The idea is to set out a consistent, highly visible tourism offering in line with the expectations of foreign markets or market segments. Twenty destination contracts have been selected in 2014-15. This new initiative will boost the promotion of France as a destination country by improving:

- Clarity – the destination contract aims to rally all signatories around a few brands with strong potential, to be the main routes for foreign tourists to the great diversity of the national tourism offering;
- Co-operation – the destination contract sets out the responsibilities of public and private tourist professionals in a shared promotional strategy, delivered by actions that improve the clarity and visibility of the offering, quality of tourist services and communication to target markets. The strategy is implemented through annual action plans that pool technical and financial resources, with the collaboration of *Atout France*;
- Selectivity – the selection criteria for the destination contracts ensure that they are in line with the government's tourism strategy to boost the economic impact of tourism in France.

Examples of destination contracts include:

- The Mont-Saint-Michel – raising the quality of services and facilities up to the standard required of a UNESCO World Heritage site, and targeting outbound tourists from emerging markets,
- The Loire Valley – supporting pioneering (particularly digital) initiatives in this established destination, which recently created its own Loire Valley brand,
- The Champagne region – building on its reputation for winemaking, through investment in development and marketing,
- The Louvre-Lens region – developing management tools and guidance for tourist professionals in this newly created destination with its mining heritage and UNESCO designation.

Source: Directorate-general for Enterprise.

Mexico, Netherlands, Norway). This has led to a greater emphasis on accountability and performance evaluation, a tighter focus on target source markets or niches, and identifying co-operative funding mechanisms to support tourism development (Austria, Slovak Republic). Examples of country approaches to funding the development of tourism are outlined in Box 1.4.

In most countries the great majority of funding for the development of tourism comes from central government budgets (with exceptions including Costa Rica and Portugal) and for some European countries, EU Structural Funds (Bulgaria, Czech Republic, Estonia, Italy, Lithuania, Poland, Portugal, Romania). In addition, a range of tourism-related taxes, fees and charges (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), provide governments with additional revenue to help support public investment for tourism development. In general, the revenue raised from such tourism-related taxes is not dedicated to providing tourism specific infrastructure, services, or protecting the natural environment upon which it largely depends. Tourism-related tax incentives are used as a mechanism to subsidise investment that would not occur in the

Box 1.4. Funding the development of tourism: Country approaches

Austria – There is a strong public-private partnership between the Ministry and the Austrian Bank for Tourism Development, which handles SME funding programmes. The main objectives of these programmes are to encourage investment and innovation, to improve the quality and grow the size of tourism enterprises, and to encourage new business start-ups. Initiatives include debt support from the Ministry or *Länder* to young entrepreneurs taking over and investing in their family business, and an agreement between the European Investment Bank and the Austrian Bank for Tourism Development for up to EUR 250 million to be used to provide tourism SMEs with loans at reduced interest rates.

Chile – Chilean Government has recently allocated USD 100 million to a fund for the period 2014-18 to be implemented by way of a National Plan for Sustainable Tourism Development. The Plan aims to give a substantial boost to the sector and create quality jobs through more effective national and international promotion; destination development; greater diversification of experiences; and improving the quality of human capital.

Costa Rica – The Costa Rica Tourist Board's budget is independent from the national budget, with 2 primary sources. The first is a USD 15 charge on air fares to Costa Rica and the second, a 5% fee on flights departing from Costa Rica. In 2015 the budget is close to USD 55 million.

Germany – The funds available to the Federal Ministry for Economic Affairs and Energy for tourism are concentrated on two main areas: i) Institutional support for the German National Tourist Board (GNTB): increased from EUR 1.6 million to around EUR 30.6 million in 2015, with the additional funds channelled into targeting the China and Brazil markets, and; ii) Promotion of projects to enhance the performance of the tourism sector: EUR 1.6 million in 2015.

Morocco – The budget for the Ministry of Tourism budget for 2015 is MAD 723.6 million, 63% of which is earmarked for investment in the following areas: central administration (23%); training schools under the Ministry's responsibility (11%); the National Tourism Office of Morocco (55%); the Moroccan Society for Tourism Engineering (11%). The other primary source of funding for the Ministry is the tourism promotion tax, which is paid by tourists and levied on overnight stays in classified accommodation, which varies between MAD 1 and 15 per night, depending on the category of establishment.

New Zealand – In addition to the 2015/16 government budget appropriation related to tourism of NZD 139.8 million, a passenger security charge is levied on airlines for departing international and domestic passengers to fund the Aviation Security Service, which undertakes aviation screening activities. Furthermore, the government announced in 2015 that a border clearance levy for arriving and departing passengers will be introduced from 2016 to meet the costs of border clearance activities conducted by New Zealand customs and biosecurity authorities.

Slovak Republic – The government facilitates the creation and operation of local and regional tourism organisations responsible for the development of tourism within their defined territories. These voluntary public-private partnerships are funded by membership fees and matching subsidies from the national budget. In 2014, the Ministry provided EUR 3.7 million to 33 tourism organisations, of which 29 were local and 4 regional, for product development, media campaigns, building and maintaining tourist infrastructure.

South Africa – The 2015/16 budget for the Department of Tourism is ZAR 1.8 billion, of which ZAR 977 million is directed to South African Tourism. The Department also has a Social Responsibility Implementation Fund of ZAR 253 million which is set for skills development and community-based programmes and to assist tourism development initiatives at municipal level. The Department launched the Tourism Incentive Programme with a budget of ZAR 180 million in 2015/16, which aims to advance i) market access for new entrants; ii) sector transformation; iii) enterprise growth, and; iv) destination development.

absence of tax relief (Australia, Denmark, France, Greece, Hungary, Iceland, Ireland, Israel, Japan [Box 1.5], Portugal, and South Africa). For example, promoting increased/additional investment in tourism enterprises (e.g. hotels), and/or increased spending by those undertaking tourism-related activities (e.g. reduced VAT/GST or refund schemes).

Box 1.5. Tax-free initiatives to stimulate international tourism spending in Japan

Following a revision to the tax system in 2014, all items purchased by international visitors are now exempt from tax, including consumables (food, beverages, medicines, cosmetics and other consumables) which had previously been outside the scope of tax-free sales. Further growth in travel consumption is expected in the regions now that regional specialties such as local *sake* and sweets have also become subject to tax exemption. Moreover, in order to stimulate retail spending and improve the convenience of the tax-free system, a new initiative has been established which approves the setting up of tax-free counters in shopping streets. Here, combined tax-free procedures can be carried out for items purchased in different shops. This system aims to expand travel consumption by international visitors in the regions and revitalise the local economy. With the expansion of the tax exemption system, the number of tax-free shops expanded from 5 777 in April 2014 to 29 047 in October 2015.

The net effect of any reduction in funding for tourism development remains unclear, however, some countries have indicated that many potential negative effects have been offset by efficiency savings, achieved through the use of new technologies, greater focus of activities, and rationalising governance frameworks and delivery mechanisms.

Tourism, part of a broader policy agenda

Tourism policy development is increasingly complex, with longer time-scales and a wider scope than in the past. Addressing the major and multi-faceted challenges faced by the tourism industry demands an integrated approach to policy development across many government departments, at different levels of government and with the close involvement of the private sector.

The OECD “Review of effective policies for tourism growth” notes that in order for tourism policy-makers to valorise tourism and support the integration of tourism issues into other policy areas, a whole-of-government approach is required. Such an approach requires stable platforms to co-ordinate actions, leadership from policy-makers at the highest level (in both tourism and related policy areas) and a focus on policies with a medium- to long-term perspective. Within this framework, specific considerations for tourism policy makers might include:

- a better understanding of the unique inter-linkages, synergies and trade-offs between tourism and related policy areas,
- a more effective demonstration of the value of tourism to decision makers in related policy areas,
- implementing institutional arrangements to establish and leverage policy synergies,
- providing an environment to support the creation and growth of small-scale businesses in both urban and rural areas.

Coherence and consistency are therefore essential in the design and application of policies between all levels of government to ensure that tourism policies are effective in boosting tourism and economic growth. With policies such as innovation, transportation, taxation, service quality and visas influencing destination competitiveness and customer choice, many countries have adopted a whole-of-government approach to tourism policy (Australia, Canada, Chile, Czech Republic, Denmark, Finland, France, Iceland, Ireland, Japan, Mexico, New Zealand, Poland, Portugal, United Kingdom [Box 1.6], the United States).

Box 1.6. New Inter-Ministerial Group to facilitate tourism growth in the United Kingdom

In July 2015, the Department of Culture, Media and Sport published a document entitled *Backing the Tourism Sector: a Five Point Plan*, which sets out to boost tourism right across the United Kingdom, spread the benefits of one of the fastest growing sectors beyond the capital and help to create jobs and rebalance the economy.

A new Inter-Ministerial Group has been formed to co-ordinate and align action across government to ensure that there is the right infrastructure in place to make it easy for visitors to discover the best of what the country has to offer. Headed by the Secretary of State for Culture, Media and Sport and including Ministers from across the Government, this Group will focus on five key areas:

- a better co-ordinated sector: addressing fragmentation in the sector, with local attractions and tourism organisations collaborating to grow the sector for everyone, rather than competing,
- skills and jobs: driving and retaining talent in the sector to encourage growth,
- common sense regulation: reforming regulation sensibly to drive competition and improve the tourism offer for visitors,
- transport: forging innovative links between the transport and tourism sectors to help visitors travel outside of the capital,
- An improved welcome: delivering a world class welcome at the border.

An integrated governmental approach also requires effective links to regional policies and to government priorities and actions at sub-national level. One of the main challenges of vertical policy integration is co-ordination between central and subnational levels of government (Box 1.7). Further, since tourism is a constantly evolving sector, governments face the difficulty and costly task of regularly monitoring the marketplace to ensure that policies are effective and fit for purpose.

Long-term strategies are important

Effective development of supply-side policies requires a longer-term planning perspective compared to that required for the promotion of tourism products, which tends to be more dynamic and often reactive in nature. Developing the necessary tourism and related infrastructure to meet expected future demand requires an integrated approach across departments and levels of government, with input and support from industry.

A common mechanism to support a whole-of-government approach across ministries and public agencies is the development of a long-term tourism strategy approved at the highest level of government (Australia, Canada, Chile, Czech Republic, Denmark, Finland

Box 1.7. Roadmap for Tourism in Iceland 2015-20

In recent years the rise in the number of tourists visiting Iceland has far exceeded forecasts and the sector is expected to continue to experience strong growth. In order to support the successful development of tourism in Iceland, the Minister of Industries and Commerce, who is also the Minister of Tourism, joined forces with the Icelandic Travel Industry Association to shape a long-term tourism strategy with an emphasis on sustainable development.

Work on strategy development revealed weakness in relation to the reliability and comparability of data, uncertainty over responsibilities, an overly complex legal framework, while organisation of the sector was unclear. In response and in order to lay solid foundations for the successful and sustainable development of tourism in Iceland, the decision was taken to focus on activities that support:

- co-ordinated management of tourism,
- positive visitor experience,
- reliable data,
- nature conservation,
- skills and quality,
- increased profitability,
- better distribution of tourists.

Based on an agreement between the Icelandic government, the Icelandic Association of Local Authorities, and the Icelandic Travel Industry Association, a Tourism Task Force (TTF) has been established to operate until the end of 2020. The TTF board will be appointed by the Prime Minister and chaired by the Minister of Industries and Innovation (also the Minister responsible for tourism). Other members will include the Minister of Finance and Economic Affairs, the Minister for the Environment and Natural Resources, and the Minister of the Interior, along with four representatives from the Icelandic Travel Industry Association and two representatives from the Icelandic Association of Local Authorities.

The integrated, whole-of-government approach of the TTF will ensure that the next five years are used to address key issues necessary to lay the foundations for a prosperous Icelandic tourism industry. By 2030, the vision for the tourism sector in Iceland is one which is sustainable and profitable, contributing stable foreign exchange earnings to the economy, and increasing the prosperity and quality of life in Iceland.

[Box 1.8], Iceland, Ireland [Box 1.9], Japan, Mexico, New Zealand, Poland, Portugal, United Kingdom, the United States). Such strategies can play a key role in engaging government, industry, destination communities and other stakeholders in order to identify a vision, direction and goals for sustainable tourism development, and in order to set the necessary priorities, actions, and responsibilities to deliver a co-ordinated vision for the sector.

A longer-term approach fosters the development of the industry, rather than simply seeking to stabilise, adjust or re-orientate to new market opportunities. It is necessary in order to secure the longevity of tourism as an economic and social force by focusing on environmental sustainability, establishing industry diversity and securing innovation and strategic improvements to productivity.

Box 1.8. Roadmap for growth and renewal in Finnish tourism for 2015-25

In 2014, new ways to accelerate growth and secure a competitive operating environment were sought in the Finnish Tourism Industry Top Project. In addition to material gathered in seminars, workshops and surveys, they produced 42 project proposals for review by the Ministry of Employment and the Economy. A prerequisite for growth is the ability of different players to work together in creating and offering well packaged high-quality experiences that exceed the customers' expectations. Another important target is to make finding and buying the Finnish travel services easy by enhancing sales and marketing in this area. A result of the Tourism Industry Top Project was the emergence of the Roadmap for Growth and Renewal in Finnish Tourism for 2015-25. All relevant ministries have committed themselves to this new tourism policy.

The theme for the roadmap is "Achieving more together" and its strategic focus areas are:

1. collaboration and partnerships: strengthening the theme-based collaboration of tourism centres and networks of tourism related companies, as well as new openings in product development, sales, and marketing,
2. interesting offering: developing competitive and versatile offerings from the interfaces of tourism and other fields,
3. increasing the effectiveness of marketing activities and making the travel services offering easier to buy,
4. a competitive operational environment for tourism that supports growth and renewal,
5. accessibility and functioning travel chains to support growth in tourism.

Box 1.9. "People, Place and Policy: Growing Tourism to 2025" in Ireland

Launched in March 2015, "People, Place and Policy: Growing Tourism to 2025" sets out policies which will enable Ireland's key attractions of "People" and "Place" to combine effectively in order to maximise the economic, social, and environmental benefits of tourism. A series of policy objectives are designed to ensure the sustainable growth of Irish tourism in the period to 2025. The primary focus is on growing overseas revenue and hence exports. The Tourism Policy Statement reiterates the critical importance of competitiveness, in terms of quality, value and cost, recognising the importance of value and innovation in achieving this.

Three headline targets have been set, to be achieved by 2025:

- revenue from overseas tourism, in real terms and excluding air fares and ferry charges, to grow to EUR 5 billion per year in 2025 from EUR 3.5 billion in 2014,
- 250 000 people to be employed in tourism, increasing from current estimate of 200 000,
- 10 million overseas visits to Ireland, compared to 7.6 million in 2014.

In order to ensure that the ambitious targets are met, "People, Place and Policy" commits to a whole-of-government approach, reaffirming the vital role of Government in supporting tourism across policy areas and departments, including taxation, environment, and enterprise policy.

Making destinations distinctive in the global tourism market

A number of new and revised tourism policies and plans have focused on identifying niche market areas of comparative advantage in order to enhance attractiveness and competitiveness, promote a more diversified and inclusive offer and maximise investment in marketing and product development (Australia, Belgium, Bulgaria, Egypt, Estonia, France, Germany, Hungary, Iceland, Latvia, Mexico, Netherlands, New Zealand, United States).

Policies at national, regional and local level increasingly focus on identifying, nurturing and investing in product development experiences that emphasise unique selling points for particular destinations. 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.

Product development

Strategies to enhance attractiveness focus on products with a strong potential for development. For example, countries are consolidating successful products (e.g. Belgium-Flanders emphasising the Flemish Masters), and rejuvenating/developing unique heritage products, such as Mexico with the promotion of the so called Magical Towns (Box 1.10) or France's destination contracts (e.g. the Mont-Saint-Michel site).

Box 1.10. Product diversification for sustainable long-term growth: Magical Towns in Mexico

The aim of the Magical Towns Programme is to develop local infrastructure, promote local development, preserve culture and identity, foster domestic tourism and complement the beach offer. The designated towns receive a combination of federal, state and municipal funding and support, involving a range of players. A local committee with community stakeholders co-ordinates and manages the programme, which starts with a diagnosis of local needs.

By 2012, 83 towns had been designated and supported through the programme, with each required to have a feature that makes them culturally special, a destination plan, and an annual programme to evaluate economic impact (including regional impact). Work focussed on reconstruction of historic sites, enhancement of infrastructure and signage, undergrounding of electrical wiring, development of tourism attractions and facilities, reorganisation of the tourism trade, and provision of training. Specific challenges have included the regular change in local government, lack of support for marketing and packaging the product, and limited capacity for delivery.

In 2013, an analysis of the program concluded that changes were required to maintain its prestige and value. A more strategic approach was adopted, and in September 2014, the Guidelines for the Program Incorporation and Permanence were renewed aiming at providing clear, transparent and measurable rules to give certainty to aspiring towns and those wishing to remain a part of the programme.

As a result, from the 180 towns that have applied for registration in 2015, 28 additional municipalities were successful, making a total of 111 unique Magical Towns.

Mature destinations are repositioning themselves with a view to remain attractive, better respond to the needs of the international market and attract high yield visitors. For instance, Spain is rejuvenating some of its traditional beach tourism destinations. In doing so, destinations are also aiming at upgrading the quality and the sustainability of their products. This process creates added value for tourists and for destinations. The attention of the tourists is caught with the single well known item (e.g. beach), and then they get connected with the larger country or region (e.g. culture). Tourists can get the experience of a broader based holiday by, for example, going on a city trip followed by a couple of days in the nature nearby. Japan has a strategy that involves tourism collaborating with peripheral industries such as food services and other unique Japanese products and services. Several countries provide funds for rejuvenation and innovation for demand-led

products (France, New Zealand, Portugal, Spain). Transnational tourism products are also being developed (Danube region, Cultural routes) to provide a combined, more attractive tourism offer.

The diversification of tourism is another important driver for product development. Many countries are broadening the product base, and developing and promoting new niche markets (for example, food tourism: Belgium Flanders, France, Greece, Italy, Korea, Portugal, and United Kingdom). Global tourism trends for well-being and demand for nature stimulate markets such as nature (Chile, Finland), sports and health tourism (Latvia, Turkey). The hosting of major cultural, trade or sports events remains a particular target market (Brazil, Ireland, Netherlands, United Kingdom-Wales) and is often used as a tool to diversify tourism outside capitals and large urban cities, while niches such as route tourism (Ireland, Norway) or cycling roads (France, New Zealand, and Slovak Republic) are popular, generating added value throughout the territory and stimulating rural tourism; Germany and Spain have developed specific rural tourism promotion plans. Shopping tourism is, especially for long-distance markets (Brazil, China, Russia) and countries with high spending power, a rapidly growing niche market with fierce competition among countries. Countries are developing promotion plans (Spain), new regulations (e.g. tourist zones in France) and new services (e.g. language facilities) to attract these tourists.

Much of what is happening in product development is also driven by the competitive conditions. Many OECD countries are concerned with the price-quality ratio of their tourism products and how they compare with other destinations in the global market place. Digital platforms to rent private accommodation (Airbnb) or to connect people (Uber) are challenging traditional operators in their development and operations. On the one hand, countries are looking at products that can stimulate revenue rather than visitor numbers. High value tourism products such as health and wellness, culture, nature and adventure, business and green/eco-tourism are promoted by many countries. For example, Malta is developing a highly profitable niche market related to language schools. On the other hand, countries and the industry are developing low price offers to maintain and attract (new) clientele. This evolution is particularly vibrant in the area of transportation. Air travel products have been driven by the search for lower fares, and this is changing the structure of all airlines and new air transport products. The sharing economy is also forcing traditional players to adjust their offer; for example in France new products such as OUIGO or OUIBUS (offering low-cost train and bus tickets) have been developed by the national railway operator SNCF to compete with long distance ridesharing services like BlaBlaCar. Similarly a number of countries are developing low cost alternative tourism products (Israel) to complement their main offer.

Effective promotion and marketing programmes

Policies for promotion and marketing in tourism are not immune to the downward pressure on public funding in many countries and continue to be challenged by a very competitive global tourism market, new governance arrangements, and developments in social media platforms. New models for tourism marketing are being sought to relieve pressure on government funding and many countries are seeking to encourage a higher level of co-operative or industry participation (Austria, Croatia, France, Iceland, Netherlands, New Zealand, Portugal, Slovak Republic, Spain, Sweden, the United Kingdom, and the United States). For example in the United Kingdom, VisitBritain is funded through a grant-in-aid funding settlement. In 2015/16 this amounted to GBP 19.6 million and

included funding for VisitBritain's core international marketing and public relations activities, which is provided on the basis that it is match-funded by the private sector. In the United States, the Visa Waiver Program provides funding to match qualified private sector contributions for marketing and promotion activities in key markets (Box 1.11).

Box 1.11. **Promoting the United States as a destination – Brand USA**

The Corporation for Travel Promotion, formed in 2010 and operating as Brand USA, is a non-profit corporation that promotes the United States as a premier travel destination and communicates changes and enhancements to entry/exit policies and processes for international visitors. The National Travel and Tourism Office is the official government liaison to Brand USA.

Brand USA is supported by a portion of the fees charged for the Electronic System for Travel Authorization, paid by international travellers coming to the United States from countries participating in the Visa Waiver Program. Up to USD 100 million is made available each year to Brand USA to match qualified private sector contributions.

Brand USA operations have funding through to 2020. Brand USA is driving positive awareness and perceptions of the United States as a travel destination through the first-ever direct-to-consumer marketing campaigns for the United States in key markets, including Australia, Brazil, Canada, China, Germany, Japan, Mexico, Korea, Chinese Taipei and the United Kingdom. These 10 markets represent 75% of inbound travel to the United States. Brand USA is working closely with Federal Government partners on the communication of United States entry policy, as well as on the implementation of the National Travel and Tourism Strategy.

In an effort to optimise the value and impact of international marketing activities, some countries have integrated national marketing agencies across economic areas such as trade, tourism and enterprise (Finland, Iceland, and Slovenia). Other countries have adopted a tighter focus on target source markets or niches (France, Germany, Greece, Hungary, Mexico, Netherlands, New Zealand, and Spain), and most have a greater focus on digital strategies (Egypt, Finland, Italy, Portugal, Slovenia, Turkey, United Kingdom).

National and regional tourism organisations and administrations have to adjust to these developments and challenges to put in place co-ordinated policies and programmes that will efficiently and effectively drive demand (Box 1.12).

Box 1.12. **Common public-private marketing strategies for priority target markets in Estonia**

The Estonian Tourist Board undertakes international and domestic marketing and engages in product development. It also carries out market research in priority target markets, develops and administers the national tourist information system, and participates in the work of international organisations.

In 2014 the Estonian Tourist Board, in co-operation with the tourism industry and regional tourism organisations, developed common marketing strategies for those target markets with the highest tourism revenue potential, determined the roles of the various actors, and planned joint activities and the funding commitments/budgets for a two year period. The strategies were informed by research on target markets, the product offering, and Estonia's image as a tourist destination. Strategies include an action plan for managing demand in target markets, while representing the interests of the state, destinations and operators. Market based strategies are drawn up on the precondition that there are enough organisations and operators interested in marketing activities in the target markets.

The digitalisation of tourism

The growing importance of digital technology and social media in tourism creates challenges and opportunities for national and regional tourism organisations and tourism enterprises. Tourists are increasingly connected to the internet, utilising any number of tourism-related mobile apps; accessing real-time news, transport and online booking platforms (e.g. travel agents, airlines, trains, rental cars, Uber), and; utilising social networks to review, assess and book accommodation (e.g. Airbnb, Trip Advisor), restaurants (e.g. thefork, MyTable, OpenTable), and other tourism services; just to name a few. These trends in consumer behaviour and expectations in relation to the digital economy are necessitating a major shift towards digital marketing and promotion, but also in relation to capacity building and product development.

A variety of policy responses are being developed to address these issues as they emerge. For example, several countries highlighted a focus on digital and social media campaigns (utilising online or mobile channels), to strengthen international tourism promotion, and to more effectively target key source markets, and streamline visa processes (Australia, Egypt, France, Greece, Italy, New Zealand, Portugal, Slovenia, Turkey, the United Kingdom). In 2014, the Italian Ministry of Culture and Tourism created a policy to help bridge the digital divide within the Italian tourism industry (Box 1.13).

Box 1.13. Italian digital strategy for the tourism sector

The Ministry of Culture and Tourism policy to encourage the tourism sector to embrace new technologies and maximise the benefits associated with the digital economy, consists of three key interventions: 1) the launch of think tank with the aim of developing a digital strategy for the tourism sector together with key stakeholders; 2) the establishment of a tax credit measure to support investments in digital tourism; and 3) the development by ENIT of national digital communication and marketing plans to promote Italian tourism.

1. Laboratory for Digital Tourism (TDLAB) – The TDLAB was tasked with identifying key issues and necessary steps to bridge the digital gap of the Italian tourism industry and integrate multiple layers of digital public administration. The TDLAB was composed of representatives of the Touring Club of Italy, the Italian Digital Agency, the Italian Tourism Board (ENIT), the Automobile Club of Italy (ACI), Expo 2015, TrentoRise and other experts in the field of tourism and digital innovation from academia and industry. In October 2014, the TDLAB delivered a national strategy for digital tourism that addressed three key areas of interventions (interoperability and big data; digital development and promotion, and; commercialisation), and identified twenty-seven priority actions. The proposed priority actions included, for example, the set-up of a national register of tourism facilities, the mapping of Italian cultural and tourism sites, the access to big data and support for vocational training, the creation of a common corporate identity for all tourism public administrations, and the development a digital brand reputation.
2. “Art Bonus” tax credit – The Art Bonus tax credit provides for urgent measures and incentives to help fund the restoration of public cultural patrimony, including digital tourism activities. In practice, it allows a 30% tax credit for the costs incurred in modernisation and digitisation of tourism services in the years 2014-18, including expenditure on i) web sites and web portals; ii) programs to be integrated into websites and social media; iii) programs to automate the process of booking and direct selling of online tourism services; iv) communication, advertising, and marketing services to generate visibility and business opportunities on the web, on social media, and in virtual communities, and; v) the development of apps for the promotion of tourism services, as well as specialised websites.
3. Digital Tourism and a new mandate for ENIT – ENIT is now tasked with developing digital communication and marketing plans as part of its activities to promote Italian tourism (e.g. culture, food products, wine, and arts and crafts).

Countries also recognise the need to develop the capacity of tourism service providers, and particularly SMEs, and are developing policies to facilitate the uptake and effectiveness of digital marketing and the use of social media/networks (e.g. Italy, Finland, Greece, and New Zealand). For example, Greece has established an online platform to provide entrepreneurs with the information necessary to start their own business (including information on funding and legal frameworks). The platform utilises social media to bring people, ideas, corporations, universities and organisations together, and promotes creative partnerships and investment opportunities (www.startupgreece.gov.gr; www.startupper.gr).

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 providing free wifi (e.g. Croatia, France). In Croatia, the Ministry of Tourism implemented a HOT-SPOT programme to support free internet access in tourist destinations. The programme aims to improve the competitiveness of Croatian tourism by providing free Wi-Fi at the most popular tourist areas and stimulate additional tourism expenditure.

The results of a 2014 public consultation on the future of European tourism indicated that the framework governing tech-enabled transactions is not always adequate, in terms of clarity, scope and approach, to meet the requirements of e- and m-tourism. Continuous in-depth stakeholder discussions are necessary to keep pace with areas such as cross-border e-transactions, the sharing economy and big data analysis. Moreover, greater dialogue is needed between the relevant digital and traditional tourism stakeholders in order to create a common understanding over digital developments and their implications for the tourism sector.

The European Commission is taking steps to raise the profile of digital tourism by i) strengthening the digital skills base of tourism SMEs; ii) including small businesses in the digital value chain, and; iii) boosting the ICT-driven innovation potential of tourism SMEs and empowering tourism entrepreneurs in online marketing (Box 1.14).

Supporting a competitive and sustainable tourism industry

All countries put competitiveness at the heart of their policy agenda. Key areas of competitiveness such as tourism prices, visa policy rules, connectivity, 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.

The impact of the global economic and social crisis has also made many countries more aware of the significant value and unique contribution of domestic tourism in their national economies, leading to re-focussed efforts on stimulating domestic holidays. Domestic tourism represents about 80% of internal (inbound and domestic) tourism consumption in the OECD area.

In response, countries are developing and implementing a mix of policies to support a competitive tourism industry. These policies are not always directly presented as tourism support due to their broader scope and include, for example, labour costs, rules and regulations, taxation, infrastructure, accessibility and connectivity. In other words, countries can create a competitive advantage with different policy mixes as there are a range of factors impacting upon their competitiveness as both a destination and a place to do business.

Box 1.14. Raising the profile of digital tourism in the European Union

The European Commission has implemented several actions to boost the competitiveness of small businesses in the European tourism sector, integrate them into global digital value chains, and improve their ability to create more jobs. Actions include a:

- Pilot series of webinars providing support, insight and guidance on digital issues for tourism SMEs. Led by industry experts, the webinars examine recent trends in tourists' use of technology to discover, plan and share their travel experiences. Topics including digital marketing strategies, online reputation and the use of social media, and m-tourism (the use of smartphones throughout the entire customer experience);
- Digital Tourism Network, comprising representatives from the industry and EU countries to discuss how to boost the innovation capacity of tourism entrepreneurs, especially SMEs. The network will serve as a forum to brainstorm on challenges and opportunities for digital tourism businesses, and help shape new actions designed to increase the uptake of digital technologies by the tourism sector and improve SMEs' inclusion in the global digital value chain; and
- Tourism Business Portal designed as a one-stop-shop to improve the establishment, management, promotion, and expansion of businesses and including articles, tutorials, online tools, and links to best practices to help tourism SMEs.

Source: www.ec.europa.eu/growth/sectors/tourism/support-business/digital/index_en.htm.

Seamless transport and travel facilitation

Transport is a key enabler of tourism and plays a vital role in moving tourists from their place of residence to their final destination and on to various attractions. As outlined in Chapter 2 on *Seamless Transport to Enhance the Visitor Experience*, the location, capacity, efficiency and connectivity of transport play an important role in how destinations develop (Box 2.5), and significantly influence the mobility of visitors and the connectivity of tourist experiences within destinations. At the same time the growing number of tourists creates numerous challenges in terms of transport infrastructure, capacity and intermodality (Box 2.1), including border crossings, information provision (Box 2.8), accessibility and seamless connections between the various transport service providers (Box 2.11). As a result, all governments are taking steps to address the linkages between these policy areas (Australia, Ireland, Japan, New Zealand, Norway, Slovenia, Switzerland, and the United States).

In light of the rapidly evolving geo-political situation, which is placing even greater pressure on existing visa and immigration policies, countries, more than ever, recognise the importance of striking a balance between security and adequate border protection on the one hand, and ensuring ease of travel, a positive welcome, and a safe environment for legitimate travellers on the other. This is particularly the case in an increasingly competitive global market, where the visitor experience and perceptions of a destination are influenced by the convenience, cost and efficiency of any necessary visa application process, and the passenger processing experience and sense of welcome at their point of arrival; all before the tourist even steps foot outside the airport, train station or port.

In response, many countries are simplifying visa procedures (including the provision of online or e-visas) and modifying entry processes to enhance the passenger experience while maintaining or improving security at borders. In 2015, the US Department of

Commerce and Homeland Security launched a new national goal to provide a best-in-class international arrivals experience, working closely with industry to identify the key factors that drive a traveller's perception of the international arrivals experience, and including the development and implementation of action plans at 17 of the largest international airports (Box 2.7). In 2016, Canada will introduce an Electronic Travel Authorization (eTA) for visa-exempt foreign nationals who fly to or transit through Canada (Box 1.15).

Box 1.15. Facilitating access and movement for travellers to Canada

Canada's Federal Tourism Strategy was launched in October 2011, with one of the four priority areas being to facilitate the ease of access and movement of travellers while ensuring the safety and integrity of Canada's borders. As of December 2014, Canada had concluded new or expanded air transport agreements covering more than 85 countries. Enhanced border infrastructure and processes help to facilitate access for travellers to Canada, including the introduction of a streamlined and simplified border clearance process for cruise ships; the online posting of forecast border wait times for the 26 busiest land border crossings; and the Canada-United States trusted travellers program, NEXUS, which has more than one million members, is growing in popularity.

In March 2016, Canada will introduce a new entry requirement, known as the Electronic Travel Authorization (eTA) for visa-exempt foreign nationals who fly to or transit through Canada. Exceptions include United States citizens and travellers with a valid visa. The eTA will allow Canada to screen travellers before they arrive, similar to the Electronic System for Travel Authorization (ESTA) in the United States.

Australia and New Zealand are addressing the issue of travel facilitation through the introduction and expansion of the joint SmartGate initiative; an automated passenger clearance system, which is available to eligible ePassport holders from a variety of countries (Box 2.7). In 2015, the Australian and New Zealand governments also offered, for the first time, a joint visa for visitors to both countries for the Cricket World Cup; an initiative that has the potential to lead to a more permanent arrangement.

In other countries, Mexico has signed bilateral air transport agreements with an increasing number of countries and taken actions to simplify visa procedures, modernising and streamlining entry processes at the same time. Greece has introduced a pilot scheme to improve visa facilitation for visitors from Turkey to seven Greek islands in the Aegean. While Japan, is enhancing immigration procedures with the aim of reducing waiting times at airports to 20 minutes or less.

Governments also continue to align their marketing strategies, visa and aviation policies to stimulate growth from China and other emerging tourism economies, including Brazil, the Russian Federation, and India (e.g. Australia, Bulgaria, Egypt, Germany, Hungary, Korea, Netherlands, New Zealand, Poland, Romania, Sweden, Switzerland, and the United States). In 2016, the Republic of Korea will introduce an e-visa service for Chinese group tourists enabling them to complete the visa application online without visiting the embassy in person. Australia has introduced a three-year multiple entry visa for visitors from China as the standard visitor product, and will trial a 10 year validity visitor visa for eligible applicants in China in late 2016 (and has committed to providing all nationalities with access to an online visa product by the end of 2017), and signed an agreement with China to effectively triple the gateway capacity between the two countries by the end of 2016.

While in 2014, the United States and the People's Republic of China concluded a reciprocal visa validity arrangement to strengthen the economic and people-to-people ties between the two countries.

Encouraging SME financing, innovation and entrepreneurship

Many tourism entrepreneurs face difficulties in accessing the finance necessary to set up new businesses and support day-to-day operations and business development, to stimulate innovation and the creation of new products and services, and provide the training and workforce development necessary to ensure a consistent and quality level of service. In response, a number of countries are developing new policy frameworks and introducing specific initiatives and programmes to help tourism SMEs to meet their financing requirements, promote innovation, build workforce and entrepreneurial capacity, and better access global value chains.

While initiatives to improve access to finance for SMEs are not targeted at the sectoral level in many countries, tourism SMEs are able to access public support to improve access to finance for SMEs in general. However, some financing options are better aligned to the needs of tourism SMEs than others (e.g. Austria, Brazil, Colombia, Croatia, Mexico, Portugal). For example, Austria and Switzerland (Box 1.16) are two countries with long-standing, publicly funded financial institutions that play an important role in providing financial assistance to SMEs in the hospitality sector. These institutions focus on mid-to-long-term investment financing projects aimed at strengthening and improving the quality of tourism infrastructure (including accommodation), rather than day-to-day business financing. They provide subsidised loans, grants and government guarantees tailored to the needs of tourism SMEs. In Mexico, the Ministry of Tourism has recently created a unit dedicated to providing financial assistance to tourism SMEs, including start-up, business development and innovation financing and training. While in Croatia, the Croatian Bank for Reconstruction and Development has three targeted loan programmes to support the tourism industry.

Information is also a key issue for many SMEs. In order to avoid information asymmetry and provide SMEs with a greater ability to compete at both domestic and international levels, awareness-raising and information dissemination are potentially important considerations for policy-makers. Similarly, skills are an issue that continue to attract significant attention, particularly as the tourism sector is often associated with low levels of education and limited entrepreneurial and management ability. Building workforce, innovation and entrepreneurial capacity in tourism SMEs is a challenge, but one that countries are taking steps to address, particularly considering the potential benefits associated with enhancing competitiveness, productivity, and promoting sustainable and inclusive growth (Austria, Belgium, Brazil, Iceland, Ireland, Israel, Netherlands, New Zealand, Norway, Poland, Portugal, Russia, Slovenia, Spain, Switzerland).

For example, Greece is encouraging research, technology development and innovation within tourism businesses by promoting co-operation with universities, creating clusters, and encouraging specialisation. Belgium-Wallonia has a working group to enhance the performance of its major attractions and share good practices. In Mexico, "innovation, competitiveness and product development" is one of eight Tourism Cabinet working groups covering key policy priority areas, while the Netherlands has developed action agendas to promote innovation and human capital. Access to finance, entrepreneurship and innovation are priority considerations as part of Portugal's ongoing revision of its

Box 1.16. **Revising policy and regulations for the accommodation sector in Switzerland**

The Swiss Tourism Report from 2013 showed that there was a need for the Confederation to take action to increase support for accommodation. Therefore in 2015 the Federal Government revised the regulations on the promotion of the accommodation sector and the statutes and rules of procedure for the Swiss Society for Hotel Credit (SGH) to optimise accommodation development. The revisions mean that opportunities to support the accommodation sector have become much more flexible. In addition, the implementing provisions have been expanded and clarified. The main reforms are as follows:

- The concept of accommodation has been updated and has become more flexible. In the future, the SGH can participate in the financing of hotels, structured accommodation business as well as any land, buildings, premises, installations and facilities (e.g. health and spa facilities) belonging to them.
- The geographical area of operation of the SGH has been extended beyond the alpine region.
- The maximum loan amount has been increased to CHF 6 million (previously CHF 2 million) and to 40% of the earnings value (previously, 33%). In exceptional cases, higher loan amounts are also possible. This will ensure that the SGH can be more effective in addressing funding gaps faced by the accommodation sector in the future.

The revision of the implementing provisions for the SGH makes a substantial contribution to overcoming the structural challenges of the accommodation sector, in particular those resulting from the discontinuation of the euro rate ceiling.

National Tourism Strategy for 2016-20, while Slovenia is encouraging SME networking to produce efficient and competitive tourist products, improving employee qualifications and skills, and encouraging innovation and diversification.

The Ministry of Business, Innovation and Employment in New Zealand established the Tourism Growth Partnership (TGP) in 2013 to boost innovation and to lift the productivity of the tourism sector. Under the TGP, the Government is making NZD 32 million available over four years to co-invest with industry in demand-led, commercially driven projects. TGP investment is focused on supporting: market development, growth in high-value and emerging visitor markets; improved visitor flows and regional spread; the restoration of visitor numbers to Christchurch and Canterbury and attracting investment to the region; an improved contribution by Maori, leveraging New Zealand's unique cultural attractions; and investment in demand-led products.

Tourism policy-makers can support SMEs to integrate into global value chains by providing relevant infrastructure, improving environment and framework conditions, offering technical assistance, and even through support to other segments (upstream, downstream or even on other value chains). The particularity of the tourism sector is that the final segment is very much anchored at the local level and depends on the destination tourism offer. Starting from an analysis of needs and opportunities at the local level, it is possible to assess the potential of certain policy actions to foster competitiveness (Box 1.17), (OECD, 2015e).

Improving service quality

The improvement of service quality is a top policy priority in most countries' tourism strategies. Service quality is recognised as a main factor for supporting a competitive,

Box 1.17. European Smart Specialisation (S3): An integrated approach to fostering competitiveness

The European Smart Specialization (S3) model is an example of an innovative approach based on the notions of ecosystems and global value chains, Smart Specialization consists of a set of principles and steps to be integrated into policy making. Though it is based on a regional perspective, it strongly encourages cross-border collaboration as well as transnational initiatives. Smart Specialization is considered a way to foster competitiveness through an integrated approach which incorporates SMEs from an ecosystem with related GVCs through participation and information flows as well as co-operation. Though they are usually applied at the regional level and focusing on economic development as a whole, S3 principles can also be used when designing and managing policies to support tourism SMEs.

Adopting the principles of the Smart Specialization model, tourism policy makers would firstly undertake an analysis of the regional context and the potential for innovation and competitiveness in tourism and related sectors. Such a diagnosis of the territory should be evidence-based and consider the relative strengths of the region in order to identify needs and development opportunities and further guide the policy making process. Policy makers should take stock of the existing policy framework, make the design and implementation of regional strategies inclusive and based on the participation of relevant stakeholders and the principle of ownership.

In principle, the design of any Smart Specialization strategy should be an “entrepreneurial discovery process” not limited to the involvement of companies but of all relevant actors from the ecosystem (region or destination). Along this process, a shared vision for the future of the region should be elaborated and held by the stakeholders, leading to the identification of priorities including specialisation niches that should be challenge-oriented. These niches can vary in nature and can be cross/multi-sectorial (tourism and creative industries, medical, agriculture, cuisine etc.).

Eventually, the process should result in the definition of a coherent policy mix as well as relevant roadmaps and a formalised (and realistic) action plan. Monitoring and evaluation mechanisms should also be integrated. One particularity of this approach is that the governance and process should be sustainable (the entrepreneurial discovery process should not stop). They should also be guided by public authorities who adopt the role of moderator. Another key feature of this approach is that it is knowledge-based, valuing existing know-how in the region, whatever its nature, as long as it can lead to the development or strengthening of a comparative advantage. The inclusive nature of the process and types of instruments fostered (such as networks and clusters) also opens the door to a better connection between GVCs and a better integration of SMEs.

Source: European Commission – <http://s3platform.jrc.ec.europa.eu/home>.

sustainable, inclusive and productive tourism economy. The rapid growth of tourism, the fragmentation of the industry and the small size of enterprises all represent challenges that destinations must overcome to deliver and maintain, in every location and at all times of year, high-quality tourism experiences for visitors.

Various streams of action are therefore underlined by countries. For instance, governments are promoting a culture of excellence in tourism through specific quality policies for tourism providers and destinations (Belgium-Wallonia, Colombia), introducing quality management in the system of apprenticeships (Austria), training employees and

seasonally unemployed people (Greece), implementing standards, labels and quality controls to support high quality services (Czech Republic, Germany, Hungary, Iceland, Latvia, Slovak Republic), or undertaking industry-wide quality awareness campaigns (South Africa).

In addition, innovation and sustainability issues are increasingly associated with quality labels and certification (France, Iceland, Latvia). These programs aim to identify high quality service providers and to strengthen consumer awareness (Hungary). In Latvia, there is recognition that quality products must be sustainable, offer innovative solutions, be export-oriented with high quality and a high level of tourist involvement, and added value. Governments are also developing financial incentives to support quality product initiatives. Morocco has launched a quality programme for accommodation providers, including quality audits (Box 1.18).

Box 1.18. **Quality programme for tourist accommodation in Morocco**

In light of technological progress and changing customer expectations, especially in terms of sustainable development, safety and hygiene, the Ministry of Tourism has launched a quality programme in tourist accommodation establishments, which aims to:

- carry out a detailed assessment of service quality in the different kinds of tourist accommodation,
- suggest technical and/or financial measures to support tourist businesses,
- design a global system to improve quality, consisting partly of regulatory changes (mandatory classification with improved procedures and tools) and partly of voluntary quality certifications and labels that will guarantee increased differentiation between tourism establishments.

One of the main innovations is the introduction of the quality audit in the form of undercover visits by specialised inspectors, especially at the top end of the market (hotels, clubs, B&Bs, *riads* and *kasbahs* with three or more stars). A transitional phase has been planned to prepare the relevant parties for implementation of the new system. This phase includes: training a body of specialist inspectors; raising the awareness of all stakeholders in the quality of tourist accommodation in Morocco; carrying out mock audits to produce recommendations for quality improvement and prepare the market for the new classification system.

Simplifying regulations and adjusting to growth of the sharing economy

Many countries are taking specific steps to simplify the regulatory framework supporting tourism, in order to create a more favourable business environment (particularly for SMEs), reduce bureaucratic obstacles, and provide appropriate financial and other incentives (e.g. Austria, Bulgaria, Chile, France, Germany, Hungary, Malta, Mexico, the Netherlands, Poland [Box 1.19], Slovenia, South Africa, Spain, Switzerland, and the United Kingdom). Malta, for example, having accumulated a large number of regulations to govern tourism service providers such as accommodation, catering establishments, travel agents and tourist guides, identified the need to revisit the regulatory framework. In 2014/15 a major exercise was undertaken with the dual objective of:

- Simplifying the extensive regulatory framework by removing overlaps and narrowing the number of relevant legal notices to a more manageable and logical quantity.

- Changing the spirit of the law to ensure that the regulatory framework is better equipped to react and adapt to the rapid change prevailing in the industry rather than continue to act as a deterrent.

Box 1.19. **Deregulation of tour services in Poland**

In January 2014, the law was changed so that tour leaders, city and land guides no longer require a formal qualification or special license, previously issued by the head of the regional government. Instead, anyone working in these capacities has simply to meet a basic set of basic requirements (age 18 or over; completion of secondary-school education or higher; no record of any offence in connection with the profession of a tourist guide or a tour leader). The previous requirements for prior training and qualification were removed, as was the legislative framework for inspecting the work of training providers. These changes do not apply to mountain guides, however, due to their responsibility for the life and health of tourists in mountain areas.

In the time since the reform was introduced, a first attempt has been made to investigate the economic impact on the market for tour services. This preliminary assessment has identified both positive and negative effects for the industry. An accurate and reliable analysis will only be possible once the reform has been in place for a few years and patterns and trends in the market for the services of tourist guides and tour leaders have become more stable. Only then will it become possible to understand more fully the impacts of deregulation on aspects such as levels of employment, mobility, earnings and quality of service.

In an effort to boost skilled labour for the tourism industry, Germany regularly reviews and modernises vocational training regulations, with the help of experts from industry, trade associations, trade unions, and vocational schools in order to integrate new content and requirements. In Switzerland, the Federal Government has revised the regulations on the promotion of the accommodation sector and the statutes and rules of procedure for the Swiss Society for Hotel Credit (SGH).

Several countries have implemented initiatives to harmonise tourism-related regulations. Hungary has harmonised regulations in line with European Union directives, to eliminate administrative burdens encumbering tourism businesses and to simplify formalities for tourists arriving from non-European Union countries. In Spain, significant progress has been made over the past two years in the development of a national strategy to support harmonisation of regulations across seventeen regional authorities, the cities Ceuta and Melilla in North-Africa and seventeen activity subsectors. In addition, South Africa is conducting a study to investigate ways to harmonise tourist guide training standards with those in neighbouring countries, and tourism sustainability certification.

Similarly, some countries are implementing various generic deregulation measures to provide a more competitive business and investment environment, from which tourism businesses can benefit. In Slovenia, these include: reducing administrative barriers in term of taxes; speeding up the issue of construction licenses; reforming spatial planning; reinforcing activity in research and development; privatising state-owned enterprises; promoting the use of e-commerce and e-governance; and promoting the establishment of new SMEs. France has deregulated the market for long-distance buses/coaches, and relaxed the opening-hours for shops in main tourist areas.

While the great majority of regulatory reform has resulted in reduced regulation, there are exceptions, with Bulgaria being one example of a country strengthening regulations to combat excessive development in seaside and mountain resorts. Similarly, Greece has introduced or amended a range of laws and regulations to support the National Strategic Plan for Tourism 2014-20, including a law defining the criteria for agro tourism, to facilitate the provision of support for appropriate investment.

As outlined in Chapter 3, the rapid growth of peer-to-peer platforms, often referred to as the sharing economy, is creating new marketplaces in areas as diverse as transportation, accommodation, travel and dining experiences. These developments present opportunities for governments to determine how citizens can benefit from participating in the sharing economy, but also pose challenges for established operators, and raise broader policy questions in areas such as consumer protection, taxation and regulation. In a complex, fast-moving environment, it is imperative that tourism policy makers quickly grasp the key issues surrounding the sharing economy and position their jurisdictions for success. In response to the rise of the tourism sharing economy, most OECD country responses can be categorised as being either proactive, reactive, or non-responsive (Box 1.20).

Box 1.20. Policy responses to the tourism sharing economy in OECD countries

Proactive: Some policy makers are taking a proactive, welcoming response to the sharing economy by introducing or amending laws to accommodate the growth of new enterprises. Examples of this type of approach include loosening zoning and regulatory requirements to permit short-term rentals by homeowners without any formal registration and introducing legislation to create a new classification for ride-sharing platforms in cities. These responses typically involve a level of threshold and standard-setting that sharing economy enterprises must comply with, whether falling below a certain usage amount or abiding by particular taxation, insurance or inspection requirements, with the end result being a formally recognised, and endorsed, business activity.

Reactive: In other cases, policy makers are taking a more reactive stance against sharing economy enterprises. These responses have been seen most forcefully with ride-sharing companies like Uber, which has faced outright bans, fines and threats of criminal prosecution. This type of reaction has been common around the world, at both local level, as in Paris and the East Hamptons, and national level, as in Germany in relation to UberPOP. These responses have often been at the strong urging of existing operators, who see their livelihoods threatened by new competitors. In other instances they have been at the instigation of the authorities in order to protect the operability of the existing markets (e.g. taxi trade) as well as consumers, as was the case in Germany.

Non-response: Many governments have taken a hands-off role to date in regulating emerging sharing economy platforms, particularly those that operate at a community and local-level and are not as high-profile or contentious as the larger ride-sharing and accommodation platforms. In these cases, new platforms and service providers have been operating without restrictions, as their activities are viewed as either immaterial from a public policy perspective or as not requiring immediate attention from a regulatory perspective. As more information about the impacts of the sharing economy becomes available, it can be expected that non-responses may eventually shift into either proactive or reactive responses over time.

Fostering long-term investment

Another area where governments can strengthen strategic capacity and foresight to address multi-sectorial issues that affect tourism and improve overall competitiveness, is designing and implementing stable and predictable policies that aim to build business confidence and foster long-term private sector investment (both domestic and foreign). Country approaches include introducing mechanisms to improve the stability and reliability of processes necessary to obtain licences, permits, concessions and other requirements for the installation and operation of tourism enterprises (Brazil, Greece), and targeting and facilitating investment in accommodation and other tourism-related infrastructure (Croatia, France [Box 1.21], Israel, Switzerland).

Box 1.21. Mobilising investment for tourism development in France

In October 2015, France has implemented a new integrated initiative led by the group Caisse des Dépôts (the national long-term investment agency) whose ambition is to mobilise nearly EUR 1 billion over the next five years to support the tourism economy, with three main targets: 1) accommodation; 2) equipment and infrastructure; and 3) businesses. This new platform for investment dedicated to the development of the tourism sector in France is composed of three main actions, with distinct investment aims and targets:

1. Investment for accommodation – The creation of this real estate fund (Foncière de Paris), open to investors, aims to support capacity improvement and quality accommodation in tourism destinations. The fund will primarily invest in physical infrastructure for the construction or the renovation of hotels and tourist residences in destinations with a strong potential for development. A fundraising strategy will be launched targeting institutional investors with a target of EUR 500 million, with the Caisse des Dépôts participating in the initial investment.
2. Investment for equipment and infrastructure – Caisse des Dépôts capital will be mobilised for investment in tourism infrastructure facilities (marinas, exhibition centres, spas, cultural tourism attractions etc.) in all types of territories/destinations, including for accommodation that would not be targeted by the specific fund (see above). The funding will be close to EUR 400 million and investment will involve private co-investors in each case.
3. Investment for tourism SMEs – A capital development fund (France Tourism Investment) has been created by the public investment bank (Bpifrance) for tourism SMEs, with a proportion of investments earmarked to financing innovation and e-tourism. This fund will be open to third party contributors and fundraising of between EUR 80 million and EUR 100 million is expected with a commitment of Bpifrance for EUR 50 million.

Source: Ministry of Foreign Affairs and International Development, Bpifrance, Caisse des Dépôts.

In addition, Italy launched a government-controlled Tourism Investment Fund in 2014 as a bridge between public assets in need of development and the private real estate market, with the mission to invest in Italian tourist industry in primary locations. While the Australian Government is encouraging new investment and undertaking reforms to improve Australia's tourism competitive advantages in order to fully realise the opportunity presented by a growing Asian middle class and the strong global demand for unique tourism experiences (Box 1.22).

Other country initiatives include: Egypt – a Tourism Development Authority working primarily on setting and implementing regulations for tourism projects and investments,

Box 1.22. **Tourism investment attraction programme in Australia**

Tourism Australia and Austrade are working in partnership to deliver a tourism investment attraction programme. The partnership is delivering on its objective to generate strong international investment interest in tourism assets.

The Australian Government offers a range of services to assist foreign investors identify new investment opportunities in Australia's tourism sector (www.tourisminvestment.com.au/), including:

- ❖ initial co-ordination of all investment enquiries and assistance,
- ❖ identification of suitable investment locations and partners in Australia,
- ❖ market and industry intelligence and investment opportunities,
- ❖ advice on Australian government programs and approval processes,
- ❖ information on the Australian business and regulatory environment.

Through the Tourism Major Project Facilitation (TMPF) service, established in 2012, significant tourism projects are assigned a case manager to assist with navigating the Australian Government approvals process. TMPF case managers can provide potential investors with guidance on:

- ❖ identifying the range of federal approvals required and facilitating introductions and meetings with the relevant approving agencies,
- ❖ providing support and expertise on government programs and processes,
- ❖ assisting investors to access relevant Australian Government support programs,
- ❖ helping broker solutions to problems that arise during the course of obtaining approvals.

Once an investor has an interest in a specific site, location or opportunity, State and Territory Governments can assist by providing investors with:

- ❖ detailed intelligence on specific sites within the state,
- ❖ advice and assistance on planning approvals and preferential zoning,
- ❖ information on industry assistance programs, employment and training incentives.

Government and industry continue to work together to reduce investment barriers and streamline regulation in order to encourage investment interest and commitment to the Australian market.

by assisting with the provision of land and facilitating access to loans for developing infrastructure projects; Finland – the shutting down of the Finnish Tourism Board (FTB) as a separate agency and incorporated its functions into Finpro, the largely state-funded organisation responsible for supporting Finnish businesses in international markets and encouraging foreign direct investment; Mexico – the National Fund for Tourism Development (FONATUR) acts as a facilitating instrument for foreign investors, with the objectives to promote investment, create jobs, improve social welfare and encourage national and regional development. FONATUR's functions include conducting feasibility studies, developing destination master plans, project management, executing infrastructure projects and engagement with various forms of financing; Portugal – in its capacity as a financing agency with a network of partners (e.g. banks, venture capitalists, Business Angels), Turismo de Portugal is developing a new framework to support tourism start-ups, offering intervention when external experience and operational capacity can make a difference.

Stimulating domestic tourism

Many countries are developing actions to stimulate domestic demand (Colombia, Czech Republic, Greece, Hungary, Japan, Korea, Mexico, New Zealand, Portugal, South Africa). South Africa for instance is implementing a Domestic Tourism Growth Strategy to reduce its historical dependence on international arrivals. The objectives are to increase domestic tourism revenues and volumes, to improve measures aimed at addressing seasonality and equitable geographical spread, and to promote a culture of travel among South Africans. Korea is promoting a better work-life balance through the expansion of national leisure time and the reduction of the average number of working hours; a new holiday system including two tourism weeks associated with school vacations have been introduced, and people have been encouraged to take their paid holidays. New Colombia tourism clusters and Japan tourism regions support regional development and favour a better spread of domestic and inbound visitors.

Several European countries have active policies combatting seasonality and promoting “Tourism for all” (Czech Republic, France, Greece, Hungary) which are primarily targeting the domestic market. These policies should lead to higher occupancy rates and an extended tourism season, thus enhancing employment and improving the profitability of the industry. It includes the development of new products and support initiatives with regions and service providers. Infrastructure development (e.g. Mexico Magical towns), improvements in the measurement of domestic tourism expenditure (New Zealand) or industry enablement (Portugal) are other types of interesting initiatives to note. A number of countries (Belgium, France, Hungary, Italy) also implement programmes to reduce inequalities and support people with limited access to holidays and tourism. This include for instance holiday funding schemes or targeted actions for persons with reduced mobility.

Strengthening the long-term sustainability of destinations

Sustainability is a central element of the competitiveness of tourism destinations. Sustainable tourism development guidelines and management practices are applicable to all forms of tourism in all types of destinations, including mass tourism and the various niche tourism segments. Sustainability principles refer to the environmental, economic, and socio-cultural aspects of tourism development, and a suitable balance must be established between these three dimensions to ensure its long-term sustainability (UNEP and UNWTO, 2005).

A key policy issue for OECD member countries is to understand how they can strengthen the position of their tourism economies in response to current global economic challenges and remain competitive with emerging destinations, within a sustainable development context. Innovative approaches are required to identify emerging issues and trends, as well as to identify and deal with the unique trade-offs and synergies associated with developing and setting policies that address multiple policy objectives and promote the long-term sustainable growth of tourism.

In response, the great majority of countries are implementing initiatives to improve sustainability in individual sectors, and promote sustainable tourism development and/or growth more generally, such as the launch of a sustainable destination standard in Norway, which aims to develop a commercial concept of sustainable tourism (Box 1.23). In addition, several countries have developed tourism specific national strategies, such as Chile’s National plan for sustainable tourism development 2014-18, Costa Rica’s National Plan for Sustainable Tourism (Box 1.24), and Egypt’s Sustainable Tourism Strategy 2020.

Box 1.23. Sustainable destination standard for Norway

The national tourism body, Innovation Norway, launched a “Sustainable Destination” standard in 2015. The standard includes 45 criteria and 108 indicators to be measured, registered and monitored. These cover nature, culture, environment, social values, community involvement and economic viability of destinations.

The development of the Sustainable Destination standard builds on work started in 2009, when four pilot destinations were identified (from 30 applicants) to represent the full range of tourism in Norway as part of a three year project. Their mandate had been to develop the commercial concept of sustainable tourism, to increase sustainable practise in the destination, and to involve and integrate their development in the work of the relevant destination management organisation.

In 2011, a decision was taken to work towards a common set of criteria and indicators to define a standard for a destination working towards sustainability. The clear goal has been to have the certification brand recognised by the Global Sustainable Tourism Council.

With the launch of the new label *Sustainable Destination*, Norway is taking a leading role in international efforts to promote sustainability in tourism and destination development. To be eligible to receive *Sustainable Destination* certification, destinations must demonstrate a consistent effort to plan for sustainable tourism, support and strengthen environmental programs over time, as well as working to preserve the destination’s history, character and nature. In addition, certification places demands on the development of the destination’s businesses and society, requiring adherence to the principles of sustainability.

Tourism operators and local authorities must co-operate to have a destination certified, and to date, each of the four pilot destinations have achieved the Sustainable Destination standard.

Source: www.visitnorway.com/uk/where-to-go-uk/eco-friendly-destinations-and-activities-in-norway/.

10YFP Sustainable Tourism Programme

The 10-Year Framework of Programmes on Sustainable Consumption and Production Patterns (10YFP) is an ambitious global framework of action to accelerate the shift towards sustainable consumption and production in both developed and developing countries. The programme will contribute to the 2030 Agenda for Sustainable Development. The 10YFP Sustainable Tourism Programme (STP) supports sustainable consumption and production practices in the tourism sector resulting in enhanced environmental and social outcomes, and improved economic performance.

While a number of governments are already taking steps to accelerate the shift towards sustainable consumption and production in tourism (Box 1.24), it can be expected that this trend will accelerate in line with the 2030 Agenda for Sustainable Development. Most countries have already integrated sustainability principles and actions in their tourism strategies (Bulgaria, Costa Rica, Croatia, Egypt, Estonia, Finland, Japan, Latvia, Lithuania, Malta, Morocco, Norway, Portugal, Romania, Spain, Switzerland and United States), but it remains difficult to assess to what extent some of these policies are actually implemented.

The most significant actions underlined include community-based tourism (Brazil, Israel), eco-tourism programmes (Chile, Costa Rica), quality and environmental certification and standards (Colombia, Iceland, Israel, Korea, Luxembourg, New Zealand, Norway, Spain), self-assessment tools for the industry (Canada), sustainable destination initiatives

(Finland, Spain, Sweden), social responsibility, measurement and monitoring (Morocco, Slovenia, Switzerland), alternative forms of tourism (France, Greece) and prioritisation of low carbon forms of tourism (Finland).

Box 1.24. Enhancing patterns of sustainable consumption and production in tourism

Korea – in conjunction with Ecotourism Korea, the Korean government has implemented a certification system for ecotourism enterprises and developed guidelines for environmentally friendly tourism. In addition, in an effort to reduce the greenhouse gas emission of international airlines that accounts for 30% of total carbon emission, the Korean government has developed a plan in co-operation with airlines and Airport Corporation, to improve fuel efficiency by 1.3% on average per annum, until 2025.

Morocco – is tracking sustainability through the use of indicators that are being rolled out nationwide. It also seeks to use tourism in the protection and promotion of ecological sites and has undertaken pilot projects on the impact of tourism on local residents.

New Zealand – Tourism New Zealand jointly owns Qualmark, which administers Qualmark Environmental – an official quality assurance system to evaluate the level of environmental sustainability of tourism businesses. Qualmark assesses its licence holders (tourism operators) against a set of environmental criteria that relate to practices including water conservation, energy efficiency, waste management, and environmental conservation and community support.

Slovenia – is currently undertaking pilot testing of sustainability indicators in selected destinations (in compliance with basic sustainability criteria of the EU Agenda of sustainable and competitive EU tourism). The results of the pilot project will be the base for further actions in this field to introduce permanent sustainability monitoring mechanism in all sustainable tourism destinations.

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PART I

Chapter 2

Seamless transport to enhance the visitor experience

This chapter examines the interdependent relationship between transport and tourism, the importance of seamless connections at transport hubs, and key factors to enhance the visitor experience, including: convenient multimodal transport options to access destinations; efficient connections between interregional and local modes; integrated ticketing; multilingual user information and way-finding; baggage transfer and storage options, and; ease of access for travellers with limited mobility. The chapter encourages tourism and transport policy-makers to work more closely together to design transport services and infrastructure that respond to the needs of all travellers. It concludes that if transport and tourism development strategies are not well synchronised, destinations may not be able to accommodate actual or potential visitor numbers and flows, and mobility around the destination will be restricted, potentially decreasing the quality of visitor experiences.

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.

General trends in tourism and transport

Tourism represents a significant share of the services economy for many countries around the world. In 2014, it accounted for, on average, around 4.1% of GDP and 5.9% of employment and 21.3% of exports of services in OECD member countries. At around 80%, tourism exports also generate higher than average domestic value added.

International tourism demand closely tracks economic conditions in the major generating source markets. When economies grow, levels of disposable income also increase, resulting in higher spending on tourism and travel. As such tourism was not able to avoid the impacts of the global financial crisis. Apart from depressing overall tourism demand, the crisis contributed to shifts in 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. The relative values of major currencies continue to fluctuate, with impacts on the relative competitiveness of destinations.

According to the United Nations World Tourism Organization (UNWTO), the number of international arrivals reached a record 1.1 billion in 2014. A resurgence in travel to advanced economies saw arrivals to the OECD (6.4%) increasing at a faster rate than the global average (4.2%). Notwithstanding this, arrivals to emerging economies are projected to grow at double the rate for advanced tourism economies up to 2030, when international arrivals are expected to reach 1.8 billion. More specifically, the UNWTO's long-term forecast – *Tourism Towards 2030* – envisages above average growth for Asia, the Pacific, the Middle East and Africa, while the more mature tourism regions of Europe and the Americas are anticipated to show lower than average growth rates.

In line with the shift in global economic balance towards emerging economies, the rapid growth of tourism in countries such as Brazil, China, India, Indonesia, the Russian Federation and South Africa, is altering patterns of travel flows and demand. These require new marketing and servicing skills and appropriate product development. Simultaneously, in developed countries, changing social values, lifestyles and demographics are reflected in changes in tourism demand. For example, travellers are also getting older, with 23% aged over 55 in 2012, and holidays remain by far the major reason for taking an international trip (71%) ahead of business travel and visiting friends and relatives (IPK International, 2012).

The effects of these changes can be seen in the growing fragmentation of tourism markets, and in the emergence of new niche markets. In OECD economies, for example, holidays for singles, the retired, and money-rich/time-poor short-break travellers, are developing into major market segments. Other emerging niches include trends for adventure experiences, indulgent and luxury travel (e.g. cruise tourism), a search for unique experiences, self-fulfilment, and a demand for authenticity. Customers are increasingly experimental, willing to try new products, foods and attractions, and less willing to give a second chance to destinations providing poor products or services. 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.

Transport is a key enabler of tourism and plays a vital role in moving tourists from their place of residence to their final destination and on to various attractions. Transport connects the markets in tourism generating regions to destinations and facilitates the internal movement of visitors between components of the tourist experience (e.g. attractions, accommodation, commercial services, etc.), and can be a major element of the attraction or an experience in their own right (e.g. Queen Mary II, the Orient Express, world heritage listed Semmering Railway). The location, capacity, efficiency and connectivity of transport can therefore play an important role in how a destination physically develops, and significantly influence the mobility of visitors and the connectivity of tourist experiences within destinations. At the same time the growing number of tourists creates numerous challenges in terms of transport infrastructure and capacity, including border crossings, intermodality, information provision, accessibility and seamless connections between the various transport service providers. As a result, governments have an important role to play in addressing the linkages between these policy areas.

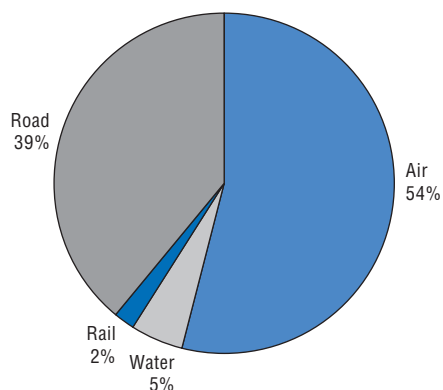
Transport, like tourism, is a complex area of policy-making, incorporating multiple levels of government and multiple agencies responsible for different modes including land, sea and air transport. There is also an increasing array of public-private partnerships and governance arrangements associated with transport infrastructure provision and service delivery.

A major objective of government transport policy is to achieve a co-ordinated and integrated transport system that is efficient, safe, secure, sustainable, accessible, financially viable and competitive, and meets both the short and long-term needs of the economy and the community. Transport policy is therefore closely aligned with economic development policies (including tourism), given that an efficient, competitive and sustainable transport system is a prerequisite for the movement of goods and/or people, and ultimately the efficient and competitive functioning of the economy. Within this context, governments, working closely with the private sector, have a significant role to play in facilitating and enabling the provision of transport infrastructure and the regulation of transport networks and services.

From an international tourism perspective, the dominant role that air transport plays in delivering tourists to destinations is clear. In 2014, for example, the UNWTO estimates that air transport accounted for just over half (54%) of all international arrivals, while travel by road accounted for 39%, water 5%, and rail 2% (Figure 2.1). Historically, the trend has been for air transport to grow at a faster pace than surface transport. The past three decades have seen air travel increase at an annual average rate of 5.2% compared with 3.4% for land/sea. As a result, the overall share of air transport has gradually increased, accounting for around half of all inbound arrivals by 2005 (Figure 2.2). According to the International Civil Aviation Organization (ICAO), international air traffic in 2030, measured in terms of Revenue Passenger Kilometres (RPKs), is expected to be 2.6 times that of 2010; and as a proportion of inbound arrivals, is forecast to remain relatively stable out to 2030.

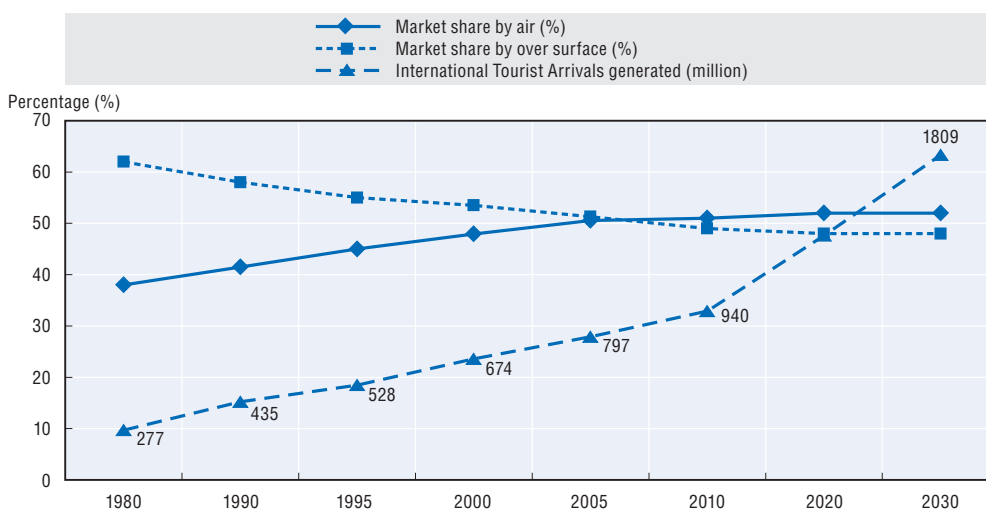
The high proportion of international arrivals by road (39%) is not surprising given the level of convenience that private vehicles afford the user, including the ability to travel point to point without the need for intermodal connections (the interchange between two or more different modes of transport). While air and road are by far the primary choices of transport for international tourists, rail and water, and by extension, cruise terminals and international train stations, have an important role to play in distributing visitors to and

Figure 2.1. **International arrivals by mode of transport, 2014**



Source: UNWTO, 2015.

Figure 2.2. **Forecast inbound arrivals by mode of transport to 2030**



Source: OECD, adapted from UNWTO, 2011.

around their destination of choice (whether that be for leisure, business or visiting friends and relatives).

According to the International Transport Forum (ITF), forecast growth in global road and rail passenger travel to 2050 ranges from 120% to 230%, depending on future fuel prices and urban transport policies. This growth is driven by non-OECD economies, where passenger volumes are projected to grow between 240% and 450%. Similarly, the cruise industry has enjoyed strong growth over a period of 30 years, driven initially by demand from North America and more recently by growing demand from Europe and the rest of the world. Cruise Lines International Association (CLIA, 2015), estimates that over the ten years 2004-14, demand for cruising worldwide has increased from 13.1 million passengers to 22 million (+68%) with 3.4% growth achieved in 2014. In 2018 global passengers are expected to exceed 25 million before reaching 30 million in 2024 (Pallis, 2015).

ICAO argues that the rapid growth in tourism and air transport in particular, in recent decades, is in response to two major factors i) higher incomes and a growing middle class in emerging economies, which encourage greater consumption expenditure, including travel

(by all modes) and; ii) the fact that air travel has become better value for money, as a result of improved aerospace technology and market liberalisation. The air passenger is rapidly evolving, with many people now viewing air travel as routine. Passengers of full-service airlines expect the industry to offer a homogeneous experience, with uniform levels of customer service worldwide. However, most are very price- and value-conscious, and are willing to use unfamiliar carriers, routings and airports to get the best fares – including low-cost carriers to smaller or regional airports, which tend not to be as well connected to other modes of transport, as airport hubs near major cities.

Aviation liberalisation has encouraged competition, fostered the creation of new routes and enabled new airline business models to emerge, such as charter and low-cost carriers, which injected a greater level of competition in the airline industry. Some countries have embraced aviation liberalisation as a means to connect their economy with the rest of the world, including Australia, Chile, Finland, Morocco, New Zealand and the United States. For example, Australia's liberal approach towards foreign ownership of airlines serving the Australian domestic market has led to foreign investment which has benefitted both domestic and international passengers. Also on an international level it has opened access for international services, which has stimulated connectivity and economic growth.

However, like tourism, the centre of gravity of air transport demand is changing. New air routes are fast developing, on the back of new trade flows, and new aviation hubs have emerged. Against this background, some countries have fully integrated aviation into their economic development policies by establishing a policy and regulatory framework which is extremely supportive of aviation growth (e.g. Panama, Qatar, Singapore, Turkey, and the United Arab Emirates). As a result, some existing hubs are increasingly at risk of being bypassed as enablers of direct global connectivity, and this has led some governments to reconsider policies towards liberalisation.

The future growth of tourism and air transport are very much interlinked, and will depend largely on sustained world economic and trade growth, a growing middle class in developing economies, as well as declining ticket prices and airline operating costs, which will be impacted by aircraft technology, improvements in airline resource management and the price of fuel. Airspace and airport congestion could also constrain the growth of selected markets.

Intermodal and multimodal transport systems

The purpose of transport systems are to connect people to each other and to provide opportunities for work and leisure. They involve multiple modes across space and therefore affect a variety of geographic areas, users, and governments at the national and sub-national level. A lack of co-ordination among the many actors involved can result in an inefficient use of resources. For example, fragmented revenue streams and a lack of consensus between the tourism industry and policy makers on the most effective funding solutions can present significant challenges. The need for institutional and stakeholder co-ordination across space, function, and funding is critical to developing an integrated and comprehensive transport system.

In an urban context, where a significant proportion of tourism-related transport activities take place, the challenges of co-ordination across multiple institutions (both public and private) are also evident. In Latin America, for instance, transport systems in

cities like Mexico City or Sao Paulo can stretch across as many as 50 municipalities, each led by mayors with potentially different political agendas. As such, there is often a mismatch between political cycles and the time frames necessary for most transport infrastructure developments, therefore adding a “time” dimension to consider in developing an integrated approach.

Multimodal infrastructure refers to the network of airports, seaports, roads, railways, public-transport systems, and human-powered mobility options that are integrated and co-ordinated to form a transport system to move people or freight from one point to another. While a seamless multimodal experience, might include, for instance, travelling on two or more forms of transport with a single ticket (e.g. rail and air). In general, the more effectively these modes support and interconnect with one another, and the more seamless the intermodal connections (the movement of passengers or freight between modes of transport), the less congestion and stress there will be on any individual component.

In the case of tourism this includes the journey from a tourist’s place of residence until arriving at their final or main destination, and then on to supporting attractions in the area. While many tourists use private or rental vehicles point to point, often a result of the convenience that this affords, the majority of those travelling internationally, travel from their home to an airport, port or train station, and then on from their point of arrival to their destination – for those taking cruises, the ship is also a large part of the experience. These different segments are often referred to as the first- and last-miles of the journey. For the purposes of this chapter the focus will be on ways to enhance the visitor transport experience between the point of arrival at a major transport hub and the final destination, or the last-mile of a tourist’s journey; although many of approaches examined will also be relevant for the first-mile of the journey and would also benefit local users of transport services.

Major transport hubs

Airports, cruise terminals and international train stations offering a range of intermodal connections act as major hubs for moving tourists, and are usually located in or near major cities. These hubs (and some smaller inter-city train and bus interchanges), can generate significant employment, requiring employees to travel to and from their place of work throughout the day and night. Multimodal by definition, these all-day transport interchanges need to be able to move people, passengers and employees from the hub and distribute them efficiently to/within the city and the wider region (Box 2.1). Many transport hubs are diversifying and changing their business models, providing more space for retail or parking as sources of revenue, and to more effectively provide an integrated, one-stop experience for customers and tourists alike; with duty free/shopping, restaurants, bars, and supermarkets just to name a few conveniences.

In fact, according to the Airports Council International (ACI), 43% of total airport revenues worldwide were generated by non-aeronautical activities in 2012. This integrated concept not only generates new sources of revenue for the operators but in certain circumstances can also position hubs as tourism attractions in their own right and, with captive audiences, have the potential to showcase the heritage, arts and culture of the region and/or country (Box 2.2).

Similarly, many port-cities are developing cruise terminals to complement other functions of the waterfront and as a way of developing the urban tourism industry. For example, HafenCity of Hamburg is developing a new cruise terminal to combine cruise and

Box 2.1. Examples of integrated multimodal transport hubs

Hong Kong International Airport (HKIA): Opened in 1998, HKIA is an integrated multimodal transport hub serviced by over 100 airlines operating flights to about 180 locations worldwide. It is regularly included in the internationally recognised Skytrax World Airport Awards Top 10. HKIA employs approximately 65 000 staff and operates 24 hours a day. In 2014, the airport handled more than 4 million tonnes of air cargo and catered to the diverse needs of more than 63 million customers. The airport is served by 2 in-terminal hotels, and from a retail or customer experience perspective, passengers have access to free Wi-Fi, over 280 retail and 80 catering outlets, in addition to an Aviation Discovery Centre, and an IMAX theatre. From a multimodal transport perspective, the airport has over 3 300 car parking spaces and 36 pick-up bays for coaches (www.hongkongairport.com). It provides connections with:

1. local destinations via:

- the Airport Express Line train service, which arrives in Central downtown in 24 minutes,
- franchised bus companies operating 45 routes,
- local tour coaches making around 700 trips a day from HKIA to downtown;

2. the Pearl River Delta (PRD) via:

- mainland Coaches making 550 trips between HKIA and over 110 mainland cities and towns every day,
- ferries at SkyPier arriving at ports in the PRD in 30-90 minutes,
- SkyLimo operating a fleet of 280 vehicles serving HKIA and the PRD cities every day.

Vancouver Cruise Ship Terminal: A mixed use facility, Canada Place is home to Vancouver's cruise ship terminal, Port Metro Vancouver corporate offices, the Vancouver Convention Centre East, the World Trade Centre Office Complex, and a 500-room hotel. The cruise terminal, owned and operated by Port Metro Vancouver, welcomes upwards of 900 000 passengers each year as the homeport for many of the Alaska cruises. The 3-berth terminal can service up to 4 luxury cruise ships at one time. It is estimated that each cruise ship that docks in Vancouver contributes approximately CAD 2 million to the local economy. In addition to direct pedestrian access to downtown Vancouver, Canada Place and the cruise terminal benefit from a variety of connections to the city and beyond (www.canadaplace.ca):

- Car/taxi: A 24-hour 770 space car parking facility (with its own free "park and bike" programme),
- Train: TransLink provides city transit seven days a week via its rapid transit system – the SkyTrain – from Waterfront Station,
- Boat: The SeaBus connects downtown Vancouver at Waterfront Station to the North Shore. BC Ferries provides daily services between Vancouver, Victoria and Nanaimo,

King's Cross and St Pancras International train stations: There has been over GBP 2.5 billion invested in transport infrastructure in King's Cross over the past ten years (including significant upgrades to both King's Cross and St Pancras International), providing commuters and visitors a variety of transport options to explore the city of London, and beyond to the wider United Kingdom and continental Europe. London's five international airports (Heathrow, Gatwick, City, Stansted and Luton) are all within one hour travel, with direct connections to Heathrow, Gatwick and Luton.

Box 2.1. Examples of integrated multimodal transport hubs (cont.)

St Pancras International station was originally opened in 1863, as a masterpiece of Victorian gothic architecture, and re-opened in 2007 as St Pancras International after painstaking restoration and renovation and the home of Eurostar high-speed rail services. The revitalised station is now a retail and hospitality destination in its own right; it provides free wifi and over 30 retail stores and over 20 food and beverage outlets to service both the travelling and general public. The station allows connections between:

- **Underground:** King's Cross St Pancras underground station links six London Underground lines (Circle, Piccadilly, Hammersmith and City, Northern, Metropolitan and Victoria); making it the biggest interchange in the city.
- **National and high-speed rail:** St Pancras International is home to Eurostar which connects the United Kingdom to continental Europe by high-speed rail. There are direct services to Paris, Brussels and Lille. The Eurostar now carries more passengers than all the airlines combined on the same routes. In 2016 these routes will be complemented by high-speed rail to Germany and the Netherlands on the Inter City Express (ICE) trains. St Pancras and King's Cross stations provide access to many of the United Kingdom's major cities via the national rail network.
- **Car/Taxi/Bus:** Dedicated pick up and set down points and a long-stay car park are provided for private vehicles. In addition, there are four car rental companies and two dedicated taxi ranks. King's Cross and St Pancras stations are served by 14 bus routes.
- **Bicycle:** The London bike sharing scheme has several docking stations in the King's Cross area and a new bike interchange will be located between King's Cross and St Pancras stations, making bike parking at the stations easy and secure (www.kingscross.co.uk/transport and www.stpancras.com).

Box 2.2. Transport hubs as showcases for cultural heritage and tourism attractions

Transportation hubs, such as airports and train stations, offer unique opportunities to highlight local art, culture and attractions. Two examples of international airport hubs that take advantage of what is often a captive audience while passengers await flight connections, and to promote the local culture and attractions, can be found in Vancouver, Canada and Seoul, Korea:

- **Vancouver International Airport** has an extensive collection of artwork, including major sculptures that illustrate traditional art styles, plus rotating displays of works by students and well-known regional artists. The airport established an Art Foundation to foster First Nations (North American Indian) arts and artists, which sponsors an annual Youth and Mid-Career Artists Scholarship (e.g. www.yvr.ca/en/about/art-architecture.aspx).
- **Seoul's Incheon International Airport** has year-round cultural performances that include daily concerts and storytelling, a traditional royal parade held four times each day, a Korean cultural street with traditional architecture and food, the Cultural Museum of Korea (provided by the National Museum of Korea), and a traditional Korean cultural experience which allows foreign visitors to learn traditional arts and crafts and try on traditional Korean clothes (http://english.visitkorea.or.kr/enu/SI/SI_EN_3_1_1_1.jsp?cid=609933).

Amenities such as those provided at Vancouver and Incheon Airports improve the travel experience of visitors, including those in transit through a country or city, and have the potential to encourage return visitation.

hotel facilities in the waterfront area of Überseequartier, where shopping centres and entertainment facilities are under development. In Liverpool, the Princes Dock area was developed with the Liverpool Cruise Liner Terminal, which is surrounded with hotels, restaurants, bars, coffee shops, apartments and office building.

The ITF notes that keeping pace with forecast transport and tourism growth in the decades to come will require significant expansion not only of capacity at airports and other hubs, but also in land transport connections. A complicated process, the development of intermodal connectivity for airports, for example, is dependent on factors such as airport size and geographic location, on one hand, and the competitive position of land transport modes vis-à-vis air transport, the relative costs of land transport modes and their external costs and benefits, on the other – further complicated by the fact that many of these factors can change rapidly and substantially over time.

In addition, the concentration of a wide variety of businesses in and around a hub, and the expected passenger flows, must offer opportunities for the providers of other transport services (e.g. bus, coach and rail) to enhance their operations. However, these opportunities are not always apparent due either to a lack of data regarding the potential market, inappropriate assumptions about airport and/or passenger needs, or a lack of consensus amongst the wide range of agencies associated with the delivery of public transport improvements.

Deregulation of the airline industry continues to influence the size and location of airports. In many countries there has been a huge expansion in “no frills” or “low-cost” airlines offering single-class services that are point-to-point rather than integrated into a hub-and-spoke system. Many of these operate either from low-cost terminals in traditional airports, or from smaller regional airports, which are often poorly integrated into the land transport networks of roads and railways. As investment in multimodal interchange nodes and the connecting road and rail links have long time-horizons and significant costs attached. An important question is whether recent changes in market structure will be long-lasting or whether a level of equilibrium is yet to be achieved. However, it is clear that the smaller the airports, and the greater their distance from trunk transportation lines, the harder it will be to contain or reduce the predominance of private cars in connecting air and land transport, with perhaps the exception of bus services to major centres. This is because other modes, such as trains, depend on a high level of activity, given their high fixed costs and economies of scale.

While air-rail connectivity may provide a range of mobility, economic, and environmental benefits, the financial cost of building or expanding these connections can be substantial. This is particularly the case for connections between high-speed rail and air, which can both complement and compete with one another. On routes such as Barcelona-Madrid and London-Paris, high-speed rail services provide significant competition to scheduled air services. However, where high-speed and/or inter-regional rail services are available as an intermodal connection at international airports, the opportunities to distribute the economic benefits of tourism beyond major cities are increased. For example, Thalys (Belgium) and SNCF (France) have partnered with airlines to provide high-speed “Air & Rail” tickets for travel between and departure from Brussels and Paris-Charles de Gaulle airports (and on to/from 12 other city destinations in France), which enables customers to simplify travel between France, Belgium and the rest of the world. Similarly, in 2015, Renfe (Spain) and Iberia launched a joint ticket combining a trip by AVE (high-speed train) from several locations in Spain to over 80 international

destinations utilising the Iberia, Air Nostrum and Iberia Express networks. A similar combined ticket is also being offered in Greece to provide a more convenient and seamless connection for passengers travelling by rail, with the railway operator, TrainOSE introducing the “Trainotaxi” service, which enables customers to purchase a door-to-door combined train and taxi service for services to and from seven cities.

Despite the obvious benefits of air-rail connectivity, in 2005, the ITF noted that private car remained the dominant mode of travel to all types of airport and its share was increasing, even at airports with frequent rail connections, such as Gatwick in the United Kingdom. Public transport, as a share of total transport to and from airports, was greatest in metropolitan areas with airports relatively close to the city centre (e.g. Oslo, Zurich, Amsterdam and Munich). The average patronage of public transport was 21%, 12% for buses and 9% for rail connections. Taxis accounted for a higher share than the average public transport share (ECMT 2005), although it’s unclear what impact the emergence of service providers such as Uber has had on taxi’s share of total transport to and from airports in recent years (see Chapter 3 for further information on transport in the sharing economy).

The use of transport infrastructure is characterised by periods of excess capacity punctuated by peaks of excess demand. A key consideration for transport planners and operators of hubs, therefore, is whether the benefits of investing in additional forms of connectivity (air-rail, cycle-rail etc.) outweigh the often high financial cost involved. However, infrastructure expansion is not the only option to increase mobility and connectivity. There is room to more efficiently utilise existing infrastructure, however, improvements are often dependent upon the availability of data on traffic, and user behaviour/preferences, combined with forecast demand. The availability of such data allows the development of new strategies to better co-ordinate scheduling, ticketing, payment and information provision, to influence user preference and ultimately direct passengers to travel off-peak or utilise modes of transport that they may not have otherwise considered (e.g. local or intercity bus, walking, cycling) to reach their final destination.

Influencing destination development

While tourism is defined as the activities of persons travelling to and staying in places away from their usual place of residence for not more than one consecutive year for leisure, business and other purposes, it is much more than this definition suggests. Tourism involves a host community, a physical setting, accommodation, transport, built and natural attractions, commercial services and infrastructure, and it is the particular combination of these components that make a destination unique, and that contribute to its success and competitiveness. The choice of a destination for leisure tourists depends primarily on its attractiveness (e.g. natural, cultural, and local resources), but is also highly dependent on the costs and time necessary to reach the destination.

Transport, specifically, provides connections between regions (domestically and internationally), and links all other elements of tourism – attractions, accommodation and commercial services etc. – at destinations. Good accessibility is instrumental for the overall competitiveness of destinations. The provision of suitable infrastructure and adequate means of transportation are fundamental requirements to facilitate the mobility of tourists. In order for tourism to deliver on its potential as an engine for economic growth, it is dependent on multimodal transport systems that offer convenience, capacity, reliability and connectivity to suit specific destination types (e.g. integrated seaside resort,

or small scale isolated eco lodge). The efficient operation of these transport systems directly reduces costs and opens up new opportunities for further tourism development.

The market liberalisation of civil aviation since the 1970s is a clear illustration of transport's ability to influence destination development (Graham, Papatheodorou, and Forsyth, 2008), with the overall effect of these policies being an increase in air services and passenger capacity. In addition, the emergence of low-cost and charter carriers has contributed enormously to the accessibility and range of destinations available. At a national level, the effect of these policies has enabled destinations (many supported by regional airports) and their local economies to grow. Many countries recognise the potential economic benefits associated with international air access to regional destinations. In Australia, for instance, the government's Tourism Access Working Group (TAWG), developed awareness packages on the Government's Regional Air Access initiative to encourage more international passenger services to regional airports.

In many countries, and particularly those economies heavily dependent on international tourism, aviation policy and tourism policy are tightly bound. Tourism destinations that adopt a position as an aviation gateway and are well serviced by air connections and have access to a wide range of markets, can play an important role in stimulating the development of regional and national economies. In much the same way that air travellers can be enticed to spend a stopover in a hub destination, maritime transport policies can encourage the development of cruise hubs as gateways to port cities and into nearby destinations. Singapore is an example of a destination that has been successful at utilising the development of both aviation and cruise hubs to maximise the economic impacts of tourism (Box 2.3).

Box 2.3. Aviation and cruise hubs as catalysts for tourism in Singapore

Changi airport, as an aviation hub, has transformed Singapore into a significant destination by leveraging tourism/transport policy synergies. Opened in 1981, there are three factors critical to its transformation: i) strategic geographic location between markets, ii) good airport facilities, and iii) a high level of co-ordination of air schedules. The airport originally functioned as a node in long haul services between Europe and Asia. Aviation and tourism policy makers recognised that the high numbers of transit passengers moving through the airport represented significant potential for the development of tourism. However, the extent to which the airport hub could assist in the development of tourism, and stimulate the local economy was dependent upon the capacity of the destination to create the right environment for investment and the development of tourism infrastructure, services and facilities.

With visitor numbers, tourism receipts, room revenue and average length of stay showing consistent year on year growth. Singapore is now recognised as an important destination for leisure and business travel and not simply a transit node. This has been achieved through liberal air transport policy as a catalyst for aviation growth coupled with extensive development of hotels, resorts, retail precincts and attractions driven by the Singapore Tourism Board. The airport serves as a multimodal transport hub providing visitors with access to the city and beyond by train, bus, taxi or limousine.

Singapore's approach to maximising synergies between aviation and tourism has also been extended to cruise tourism. Taking advantage of global growth in the cruise industry, Singapore has completed an upgrade of its existing terminal facilities and the development of new facilities. The Marina Bay cruise facility has the capacity to accommodate new generation cruise ships, and includes a terminal of 28 000 m² with over 80 check-in counters and 27 coach bays to facilitate the mobility of visitors within the destination. The success of these developments clearly demonstrates the importance of considering tourism/transport policy synergies and taking a long term-approach to transport infrastructure planning and development.

However, apart for aviation, the link between tourism and transport policy is not always clear. For example, local public transport is often the mode of choice for tourists, with accessibility, cost, efficiency and other dimensions of service quality having important implications on the visitor experience. Yet network planning and scheduling is often undertaken with consideration only to residents' needs and often only minimal attention is placed on the needs of visitors or their impact on demand (Albalade and Bel, 2010).

Tourism is a key element in promoting national and regional economies but it is a highly seasonal activity. As a result, demand and supply for transport services often don't align, placing pressure on existing transport services and infrastructure, particularly at the local level. There is often overwhelming demand during high seasons, or during an event, followed by reduced demand in low seasons. Cities and regions are, therefore, faced with absorbing seasonal tourist flows while delivering adequate transport network performance. Many rural and particularly isolated tourism areas, with smaller populations and lower levels of year round travel demand, face additional challenges in the form of limited or no scheduled transport services from urban centres, and in providing and maintaining sustainable and seamless transport systems serving both locals and tourists in the long run.

Improving co-ordination between transport and tourism policy can improve visitor mobility to and within destinations, enhance visitor satisfaction, and help to secure the economic viability of local transport systems by servicing both residents and tourists. However, obstacles to improved co-ordination, and particularly in rural areas, include the fact that transport services are generally administered, purchased and financed by different authorities. While there is significant potential for savings and economies of scale through improved co-ordination, a range of institutional and management systems can limit opportunities for improved efficiency. The recent establishment of a "tourist boat line" to service the Stockholm archipelago, and requiring the co-operation of seven municipalities, is an example of how such obstacles can be overcome (Box 2.4).

Box 2.4. **Stockholm Archipelago "tourist boat line"**

The Stockholm Archipelago transport project (Sweden) is one of five destinations selected as part of the three-year national "Sustainable Destination Development" project. The project brought seven archipelago municipalities, the City of Stockholm, regional authorities and regional industry organisations together in a steering committee to determine how better to utilise ferry services/schedules to promote tourism development in the archipelago. The end result was the launch of a north-south "tourist boat line" providing increased opportunities to travel from Stockholm, to link up with transverse services, to increase route and destination choices and in particular, provide access to some of the smaller islands with limited accessibility under the existing ferry route structure. The project brought archipelago municipalities and around 150 SMEs and non-profit organisations along the route to work together to promote innovation, skills development, and business development for tourism companies and attractions. Launched in 2015, after a relatively short preparation and limited marketing, the tourist boat line attracted over 13 000 travellers during an unseasonably cold and rainy summer; a result considered satisfactory by many of the key stakeholders.

Another area where governments at the national level can more efficiently utilise existing infrastructure to influence destination development by seeking to spread the economic benefits more widely and manage visitor impacts over time, is in the area of

tourist routes. In its most basic guise, and utilising existing roads, tourist routes are a relatively low-cost approach, with four main steps: i) identify routes with high levels of natural or cultural attraction; ii) develop branding and identity; iii) implement a way-finding strategy and signage; iv) implement a marketing and communications strategy. From this position, and depending on their length, tourist routes can be further tailored by the development of rest areas or points of interest, or sub-route experiences (Box 2.5). One

Box 2.5. Tourist routes: Invigorating rural and regional communities

National Tourist Routes (Norway): In the early 1990s, Norway examined the opportunity to boost economic development in rural areas, by exploiting the synergies between the existing road network, the natural landscape, and tourism development. The resulting National Tourist Routes network is an example of how transport planning can increase trade and tourism in the regions by more effectively utilising existing infrastructure. The network, which is the responsibility of the Norwegian Public Roads Administration, is an attraction in its own right, which consists of 18 selected stretches of road from north to south and which pass some of the country's most beautiful natural landscapes. Along each stretch, viewing points, rest areas modern architecture, and artworks that reinforce the visitor experience of the landscape are being constructed. All of the motoring routes were signposted as National Tourist Routes in 2012, with different stretches reaching different levels of development. From 2014, more than 100 new viewing points and rest areas will be constructed as part of the 18 fully fledged routes by 2023. The objective of the initiative is to attract both international and domestic tourists, and to inspire the development of tourism services to cater to increased visitation, and as a result help to invigorate villages and towns in rural areas (www.nasjonaleturistveger.no).

The Wild Atlantic Way (Ireland): Ireland's first long-distance touring route, the Wild Atlantic Way stretches along the Atlantic coast from Donegal to West Cork. The overall aim of the project is to develop a long-distance touring route that will achieve greater visibility for the west coast of Ireland in overseas tourist markets. The Wild Atlantic Way is one of Fáilte Ireland's signature projects to rejuvenate Irish tourism (www.ireland.com/wild-atlantic-way). Once fully realised the project will:

- assist in increasing visitor numbers, dwell time, spend and satisfaction along all parts of the route,
- re-package the Atlantic seaboard as a destination to overseas and domestic visitors,
- improve linkages between, and add value to, a range of attractions and activities,
- improve on-road and on-trail interpretation, infrastructure and signage along and around the route,
- direct visitors to less-visited areas,
- build on the work completed in these areas already and assist businesses, agencies, local groups and other stakeholders along the area to work together,
- re-inforce the particular strengths and characteristics.

Nga Haerenga, the New Zealand Cycle Trail (NZCT): The NZCT was established in 2009 with the aim of addressing the economic downturn by stimulating regional economies and creating jobs and new tourism flows. The Government has since contributed NZD 54 million, with a further NZD 30 million from local communities to create 19 off-road cycle trails, covering some 2 600 km. A rigorous assessment and selection process was used to determine which regions received funding for trails, known as "Great Rides", with selection

Box 2.5. Tourist routes: Invigorating rural and regional communities (cont.)

influenced by the ability to showcase landscapes, culture and heritage. Four existing trails have been granted “Great Ride” status and added to the network. Sixteen trails are now complete, creating 1 200 jobs during the construction phase, and many ongoing economic benefits including the creation of new business opportunities in the form of cafes, cycle shops, transport operators and accommodation providers. Trail use has grown rapidly, with an estimated 125 000 users, many of whom were overseas visitors, in the month of January 2015 alone. This represents a 29% increase over the same period in the previous year. Governance of the NZCT has now passed from the Ministry of Business, Innovation and Employment, to an independent, membership-based organisation, although the Ministry continues to administer an ongoing fund to maintain and enhance the trail infrastructure.

EuroVelo Cycle Routes: The European Cyclists’ Federation is co-ordinating the development of a network of high-quality cycling routes that connect 46 countries across Europe. The routes promote economically, environmentally and socially sustainable travel and can be used by long-distance cycle tourists, as well as by local residents making daily journeys. EuroVelo currently comprises 14 routes and it is envisaged that when complete (approximately 2020), the network will total over 70 000 km. At 10 400 km, EuroVelo route 13 – the Iron Curtain Trail – is the longest route, while EuroVelo route 15 – the Rhine route – is the first to be awarded the European Route Certification Standard, ensuring an exemplary level of infrastructure throughout (www.eurovelo.com).

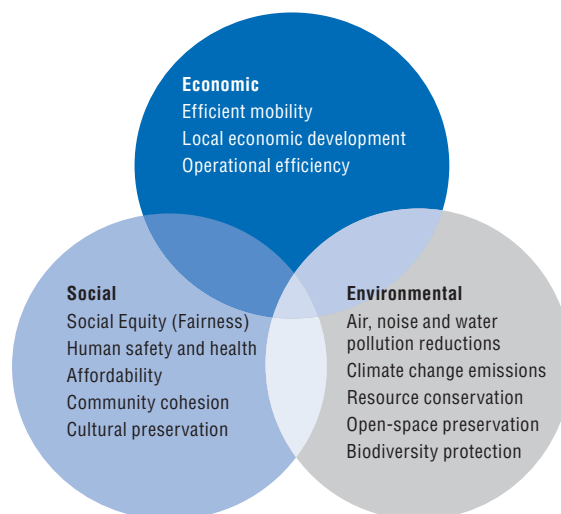
of the objectives for developing tourist routes is to invigorate villages and towns in those rural and regional areas with limited or no transport access other than by road, through increased demand for tourist services such as hotels and restaurants, and the wider supply chain opportunities to support these services.

Influencing more sustainable transport choices

Sustainable transportation planning recognises the integrated nature of human activities and therefore the need to balance economic, social and environmental objectives (Figure 2.3). It strives to ensure that individual, short-term planning decisions support strategic, long-term goals.

This has important implications for tourism transport planning. To be sustainable, tourism transport must be resource efficient, sensitive to cultural and environmental impacts, and benefit (or at least avoid harming) disadvantaged groups. Sustainable transport planning should:

- reflect comprehensive evaluation which considers all significant economic, social and environmental impacts, including those that are long-term, indirect and non-market;
- favour win-win solutions, which help solve multiple problems, such as congestion reduction strategies that also help reduce parking problems, and emission reduction strategies that improve mobility options for non-drivers;
- apply accessibility-based analysis, which recognises the important roles that walking, cycling and public transportation can play in an efficient and equitable transport system, and the impacts of land use factors such as development density and mix;
- favour resource-efficient modes (walking, cycling and public transport), transportation demand management, and smart growth land use policies that help increase transport system efficiency;

Figure 2.3. **Components of sustainable transport**

Source: Litman and Burwell, 2006.

- apply least-cost planning, which implements the most efficient solutions to transportation problems, considering all impacts.

By promoting the development of intermodal hubs and gateways, transport policies can be used to attract, manage or direct visitor flows to particular destinations, and facilitate change to eco-friendly transport options, which can help consolidate a destination's reputation as sustainable. However, if transport and tourism development strategies are not well synchronised, destinations may not be able to accommodate actual or potential visitor numbers and flows, and mobility around the destination will be restricted, decreasing the quality of visitor experiences. Making public transport easier to use by tourists and encouraging greater use of human-powered mobility options (e.g. bicycles, walking) can help to mitigate negative environmental impacts and manage seasonal peaks. However, the environmental impact of long distance transport remains a significant challenge

Transport systems and services themselves can be at the heart of tourist activities. This includes sustainable tourism based around rail, walking and cycling. In Switzerland, the benefits for both visitors and service providers of promoting sustainable mobility options are widely recognised. With virtually no detectable emissions, the extensive non-motorised transport network, SwitzerlandMobility has helped to enhance the perception of Switzerland as an “environmentally friendly” destination, offering tourism service providers access to a promising new market. The rediscovery of human-powered mobility as form of transport and tourism is growing significantly and shifting tourism from traditional urban locations to natural sites. The promotion of this new form of tourism requires close collaboration between transport providers, and local and regional authorities to provide the appropriate infrastructure, services (including the provision of space for bicycles on trains and buses), connectivity, signage on walking and cycling routes, attractions and accommodation options. Ensuring good linkages (information and physical connections) with traditional transport services for intercity travel is fundamental to encouraging a sustainable and also memorable tourism experience (Box 2.6).

Individual motorised transport volumes continue to grow, and represent a key challenge in the restructuring of global tourism and transport systems. Urban transport

Box 2.6. Facilitating sustainable mobility

SwitzerlandMobility: Established in 2008, SwitzerlandMobility is the national network of non-motorised traffic for leisure and tourism activities, with the aim of positioning Switzerland as a global leader in the area of sustainable leisure and tourism mobility. The network meets a significant need of the Swiss population and visitors for recreation and relaxation in a healthy environment with unspoiled landscapes and scenery. It focuses on the development, co-ordination, communication, and preservation of the most beautiful national, regional and local hiking, cycling, mountain biking, skating, and canoeing routes in Switzerland. In 2014 SwitzerlandMobility encompassed a total of 23 national routes, 150 regional routes and over 500 local routes that earned the distinction “Best of Switzerland”. The website www.switzerlandmobility.ch registers over 5 million visits per year. SwitzerlandMobility co-ordinates the collaboration between the cantons and acts as a consultant at the municipal level. At the core of this arrangement is a harmonised strategy for the development of non-motorised transport across Switzerland with standard guidelines regarding route planning, development standards, signage, environmental requirements, interconnection with the tourism industry, and communication.

AlpInfoNet (Slovenia): As a popular tourism destination, the Alpine Space faces a significant problem that less than 10% of tourists arrive by public transport. As a result, destinations in the Alpine Space are burdened by motorised private transport. This not only threatens the attractiveness of the regional but also the sustainable development of destinations. A lack of information on sustainable mobility options was identified as a key factor in the low levels of utilisation. The AlpInfoNet project aims to close the information gap by providing travellers with comprehensive information on sustainable transport choices, drawn from existing sources, with the aim of stimulating the use of public transport in the Alpine Space and reducing the environmental impacts of motorised private transport in the Alps.

systems are one system where there is great potential to change transport behaviour. For example, an European Union White Paper on Transport foresees a ban on combustion engines from cities, the introduction of smaller vehicles, higher shares of collective transport, and greater shares of walking and cycling. Specifically, bicycles are increasingly advocated as ideal mobility choices in urban contexts, as they require less area, cause less congestion, contribute to better health, are pollution free, and lead to fewer accidents (Pucher et al., 2010). With regard to these goals, there are various linkages to tourism, as tourists both increase transport demands in cities, though they are also likely to have a great interest in alternative forms of mobility.

At the destination or city level, there are significant advantages in taking a long-term approach to developing transport and tourism policy synergies, particularly where a destination is positioning itself as environmentally-friendly. Transport is a major component of tourism and tourism-induced energy consumption has been identified as a growing contributor of greenhouse gas emissions. Therefore, a key challenge for destinations seeking to position themselves as sustainable is to identify and implement policies and innovative business practices that effectively encourage visitors to choose more eco-friendly transport options when available, such as rail and more locally, public transport and even walking.

In Copenhagen the city has sought to involve tourism in its vision of a bicycle city, with specific brochures addressing visitors. Bicycle tours are also available, and the city’s free

bike system is very popular, with an estimated half of all available bikes used by tourists. Notably, an increase in cyclists also changes the character of the city, which becomes more relaxed, less noisy, less polluted – all attributes making Copenhagen a more attractive tourism destination (Gössling, 2013).

Similarly, tourism businesses can also encourage customers to make sustainable transport choices by offering incentives to utilising public transport and/or resource efficient transport modes. For example, in Vienna, the Boutique Hotel Stadthalle, markets itself as “the world’s first city hotel with a zero-energy balance”, and offers a 10% Green Bonus (discount) to guests arriving at the hotel via eco-friendly transport (e.g. train, electric vehicle, bicycle – not including public transport from the airport). The hotel stores bicycles and recharges guests electric vehicles free of charge, and also uses local, organic food and rents out bicycles and electric scooters for the use of guests.

Providing a positive transport experience

Tourists, like any other users of the transport system, seek to move safely from origin to destination with an adequate trade-off between speed, comfort and cost. In an ideal world, tourists could complete this travel using a single mode of transport point to point. While certainly the preferred option for tourists, this outcome may not be compatible with the structure of the available transportation network and therefore, tourists are forced to add one or more intermodal connections. The aim, therefore, from a tourism transport planning perspective, is to minimise connections and where necessary, make them as efficient as possible.

While almost every trip starts and ends with walking, and most involve one or several other modes, transport is rarely organised along the lines of one single, seamless, door-to-door transport experience. Arguably, private vehicles (cars and motorcycles) most closely approach the “seamless transport” ideal and this goes some way to explaining their enduring attraction. In reality, providing a seamless transport experience is more a function of adapting infrastructure, operations, fare structures and payment systems, and providing the necessary information to deliver a more convenient travel experience. Countries are increasingly recognising that the visitor experience and perceptions of the destination are influenced from the moment international tourists disembark at their point of arrival. In response, many countries are modifying entry processes to enhance the passenger experience while maintaining or improving security at borders (Box 2.7).

It may be argued that convenience is related to “absence of effort” in utilising transport services that are “fit for purpose” in the way they are operated. Key to improving the convenience and seamlessness of public transport and more broadly multimodal transport systems, is minimising i) walking time at any stage of the journey; ii) waiting time, including time spent transferring between services or modes; iii) being bound to scheduled/limited services; iv) transfers within or between modes; v) variability in travel time; vi) a lack of relevant information, and; vii) crowding (Wardman 2014).

The issue of convenience is important to a variety of stakeholders including existing and potential public transport users, policy makers and regulators, funding bodies, and operators for the following reasons (Wardman 2014):

- It is a significant element of the overall attractiveness of public transport, directly impacting on the wellbeing of travellers;

Box 2.7. Improving the passenger arrival experience at borders

Australia/New Zealand: SmartGate is a two-step automated passenger clearance system that is available to eligible ePassport holders: i) arriving at and leaving major international airports in New Zealand; and ii) arriving at Australia's eight international airports. At special kiosks, the SmartGate reads an embedded microchip to validate the ePassports. Biometric data and photo-matching technology are used to confirm that the passenger is the passport holder, providing effective and efficient automated clearance for eligible passengers. For example, in New Zealand, SmartGate users took, on average, 16 minutes from aircraft arrival at air-bridge to clearing Customs, compared with 20 minutes for non-SmartGate users, in March 2012. Passengers are subject to the same alert or watch list checks as for manual processes. A number of trials are in progress to add new countries to the eligibility list.

United States: In 2015, the United States Department of Commerce (DOC) and Homeland Security (DHS) launched a new national goal to "provide a best-in-class international arrivals experience, as compared to our global competitors, to an ever-increasing number of international visitors." To meet the new national goal, the DOC and DHS are establishing an interagency task force, co-chaired by the Deputy Secretaries of both agencies, that will leverage the expertise of industry stakeholders to identify the key factors that drive a traveller's perception of the international arrivals experience – from the moment they step off the plane, through primary passport inspection, until they collect their bags and exit through final baggage inspection – and how it influences decisions to travel to the United States. A range of other initiatives to facilitate smoother arrivals for international travellers to the United States, include:

- Developing and implementing new Airport Action Plans at 17 of the largest international airports – accounting for nearly three out of four international travellers to the United States – to improve the arrivals process for international travellers,
- Announcing USD 20 million in public-private partnerships supporting the Airport Action Plans to install 340 additional automated passport control kiosks that reduce wait times by up to 30%,
- The DHS taking steps to improve the arrivals process at all airports, including eliminating the need for air passengers to complete the paper 6059b Customs Declaration form upon arrival by the end of 2016.

- Poor performance provides a significant barrier to use, thereby thwarting policy efforts to switch more people to sustainable modes of travel;
- There are ever-rising expectations for convenience;
- Improving convenience is particularly important in efforts to attract discretionary travellers to public transport (such as those who would otherwise drive), and therefore contribute to strategic planning objectives to reduce traffic and parking congestion, vehicle accidents and pollution emissions;
- There is a relationship between improved convenience and the financial performance of public transport;
- Transportation planning in practice often involves trade-offs between public transport convenience and other objectives.

The core challenge in providing seamless urban mobility is overcoming the mismatch between the way in which customers approach trips – as single, end-to-end journeys – and the way in which transport authorities plan and allocate resources to various networks. As

such, achieving seamless transport is as much a function of moving minds as it is moving people; whether they are commuters, or tourists visiting a city, region or country.

Improving planning and co-ordination among levels of governments and across ministries is crucial in order to provide well connected transport modes and more seamless transport services, to meet the needs of all user groups. In the post global financial crisis era, limited public or private finances remain available to invest in transport infrastructure. This has resulted in a shift in transport policy, with a greater focus on maintaining existing infrastructure, complemented by low-cost improvements, including integrated ticketing, installing wifi in public transport, providing better information, better accessibility, combined payment/smart cards, co-ordinated scheduling, cross-mode reservations and even developing co-located exchange facilities.

There are very sensible reasons why modal operators should focus only on their own mode, however, from a tourism policy perspective there are significant benefits in taking a horizontal approach to understand and improve intermodal connections in order to facilitate access to destinations, and enhance the visitor experience. Tourism at the destinations level requires an efficient, integrated transport system that responds to diverse tourist, employee and freight travel demands. This does not necessarily require special facilities or services, as tourists typically use the same airports, roads, footpaths, taxis and public transport services as local residents. However, tourists have a variety of needs that can impact the overall visitor experience and where possible should be considered, including: convenient multimodal transport options to reach their final destination; efficient connections between interregional and local modes; integrated ticketing; multilingual user information and signage; baggage transfers and storage, and; increasingly ease of access based on universal design principles.

The following areas of focus can help ensure that transport systems respond to the increasingly diverse demands of customers and provide a positive and seamless transport experience for tourists and locals alike.

Network design

Network design is a fundamental aspect that needs to be carefully considered to provide a seamless transport experience, particularly because public transport exhibits network economies. This means that the unit cost of delivering a service decreases as the number of passengers increase. A careful public transport network design that exploits network economies can help turn a “vicious cycle”, where declining demand translates into less convenient service, into a “virtuous cycle”, where higher demand allows better, more seamless services and where routes and timetables of various modes (e.g. train and bus) are co-ordinated with each other to provide convenient transfer services.

For example, when adding one more buses on a particular link (e.g. one which connects a major intercity transportation hub to a specific tourist destination or area with a high concentration of hotels), the frequency of service rises for all passengers using the route, including locals, and waiting and transfer times decline. Similarly, adding stops reduces walking times, and using bigger buses saves on operating costs per passenger. Opportunities to reap network benefits are often missed, perhaps because of a lack of focus on cost-effectiveness in the network design stage.

There are two kinds of approach for linking one place to another in a public transport network: hub-and-spoke and point-to-point. In general, passengers may be better off if

they can travel without transfer, based on the point-to-point approach, but services may be less frequent unless there is enough demand. On the other hand, the hub-and-spoke approach can share trunk lines and provide frequent services between hubs. However, this is not always economically viable because it implies higher investment as well as operation costs and it cannot respond flexibly to changing demand.

Developing the surrounding environment and providing facilities for a range of transport modes (including, walking, cycling/bike scheme, local buses and rental or private cars) can enhance access to public transport terminals. In particular, bike- and car-sharing programmes can significantly improve access while integrating public transport terminal development with land-use planning can also contribute to improved accessibility.

Information provision

In addition to good accessibility, efficient connections between modes, and convenient baggage accommodation and traveller services, tourists' require convenient user information and signage. From the point of arrival until the return departure, tourists in general, suffer from a transport information deficit when compared to local residents. Whether due to a lack of familiarity with the surroundings or a language barrier, tourists require additional assistance to navigate their way around or between different transport networks.

In response to this need, local authorities and transport operators can provide clear information on ticketing and payment options, way-finding travel guidance, including websites, smartphone apps, maps, guidebooks, and signage in predictable locations such as airports, railway and bus stations, walking trails, and roads, that both help visitors to navigate new and unfamiliar surrounds and feel welcome. As much as possible, signage should use symbols rather than words, and translate information into multiple languages to accommodate people with limited communications abilities (Box 2.8). Real-time information, such as in-transit announcements provided in multiple languages and indicating the next stop and how to access local attractions, can also help tourists to

Box 2.8. "Visit Paris by Metro" smartphone app

Visit Paris by Metro is a smartphone app, which is available free of charge and provides access to a wide range of services that help visitors utilise the Paris metro system with confidence during their stay. An initiative of the RATP (Régie Autonome des Transports Parisiens/Autonomous Operator of Parisian Transports), the app is fully translated into ten languages (English, German, Dutch, Italian, Spanish, Japanese, Chinese, Brazilian Portuguese and Russian), with most of the app's functionalities accessible offline, increasing the convenience for those not wishing to utilise data roaming. For example the app allows the user to (www.ratp.fr/en/ratp/r_90744/visit-paris-by-metro/):

- find out about the various types of tickets issued by the RATP and, using the simulator, choose the most suitable ticket for each journey,
- access information on tourist attractions, the metro system, and transfers to railway stations and airports (available offline),
- check railway routes (available offline) and calculate itineraries from metro stations to key tourist locations,
- access useful phrases translated into English, German, Italian, Spanish, Dutch and Japanese, such as "Excuse me, where is the Metro?" and "I want to buy a ticket to..."

confidently navigate a city or region. Similarly, information provided on public transport web-sites and mobile applications, which highlight journey times and/or CO₂ emissions utilising alternative forms of transport, can help locals and visitors to make informed transport decisions.

Effective signage and way-finding in urban areas has the potential to provide win-win solutions for policy makers, because by making walking (and even cycling in those cities with bicycle hire schemes) more convenient and attractive for visitors, it encourages the use of these resource-efficient modes, and as such helps achieve multiple planning objectives. These include reduced congestion on roads and public transport, energy conservation and pollution emission reductions, while at the same time enhancing the visitor experience and increasing opportunities for greater visitor expenditure on local attractions and in local retail stores. For example, Legible London is city-wide pedestrian way-finding system with more than 1 300 signs designed to encourage visitors to navigate the city by foot. It has won multiple design awards and has become a model for other cities (Box 2.9).

Box 2.9. “Legible London” way-finding system

Legible London is a city-wide pedestrian way-finding system managed by Transport for London. It provides an integrated set of maps and signs with distinctive and intuitive design features. These include freestanding signs, called “monoliths”, located at tube stations and bus shelters. These signs are topped with a distinctive yellow beacon cap and walking person icon. These features makes the signs easy to spot within the urban environment and when viewed from a distance. Each monolith has two maps, a finder map which displays a 5-minute walking circle, and a planner map which displays a 15-minute walking circle. The maps illustrate significant landmarks in 3D, helping users identify the urban environment and also serving as “mental navigational tools”. Both planner maps and finder maps are “heads-up” (as opposed to “north-up”), which many people find easier to use. (www.tfl.gov.uk/info-for/boroughs/legible-london).

Electronic ticketing/smart cards

To improve traveller convenience (both commuters and tourists), many jurisdictions are creating integrated electronic payment systems, including smart card and mobile phone apps, which can be used to pay for various transport services, including public transportation, taxis, parking and tolls, and attractions such as museums and recreation centres. Many of these are marketed to tourists through visitor information sources.

From a purely transport perspective, electronic ticketing with smart cards has reduced waiting times in front of ticket offices and machines to buy paper tickets, and reduced boarding times on buses. A major benefit of smart cards is that, unlike conventional paper tickets, they allow operators to know where, when, and how people travel. Using this information, operators can optimise services according to anticipated travel demand. E-ticketing continues to evolve, and while available in some cities now, will likely become more integrated into bank cards (e.g. on Transport for London services) and smartphones (e.g. Madrid – currently in pilot phase). In the future it is likely that users will not need to hold separate smart cards for public transport and will pay credit card or smart phone bills that include ticketing costs.

Potential synergies between tourism and local transport are also well demonstrated in the development of destination smart cards (e.g. also known as welcome cards, adventure cards and city cards), as outlined in Box 2.10. Widely available in many large cities in Australia, Europe, the United States, and some destinations in Asia and Africa, some destination smart cards offer an integrated ticketing system often combining multimodal local or regional transport and entry into selected/major visitor or cultural attractions. They can also be used to promote the use of more environmentally friendly modes of transport and reduce congestion. For example, the TirolWest Card, in Austria, provides access to the regional bus network and inclusive offers with attractions in the region, for those visitors booking accommodation for one or more nights. Similarly, the Leap Visitor Card, available only from Dublin Airport Leap Card outlets, offers tourists 72 hours of unlimited travel on the services of the Luas (light rail), Irish Rail DART and commuter rail, and Dublin Bus, and includes transfers to and from the city.

Box 2.10. **Integrated payment systems to improve traveller convenience**

Integrated electronic transport ticketing in the form of smart cards such as the Swiss Travel Pass, the Dutch Trans Links System and the Korea Smart Card (at the national level), combined with city-based initiatives such London's Oyster Card make travel more convenient and can encourage visits to regional and local tourist destinations respectively. At the city or local level, destination smart cards such as the Oslo Pass, which incorporate additional tourism related services, can enhance the attractiveness of destinations, encourage the use of public transport, and reduce congestion on roads.

Swiss Travel Pass: With arguably the densest public transport network in the world; train, bus, ship and mountain railway services operate with closely co-ordinated timetables. From a tourism perspective, the aim for authorities is to reduce individual motorised traffic (e.g. rental cars), while generating income to help cover the costs of the Swiss public transport network infrastructure. The Swiss Travel System comprises over 250 transport companies and is marketed by the Swiss Rail Service. The Swiss Travel Pass is advertised as the flagship ticket and provides foreign guests with unlimited travel throughout the entire network during a specified period (3 to 30 days). It has become one of the best-selling unlimited transport passes in the world.

Oslo Pass: in addition to travel on all public transport in the city, includes (for a set fee based on 1, 2 or 3-day use): i) entry to more than 30 museums and attractions; ii) parking in municipal car parks; iii) entry to outdoor swimming pools; iv) participation in walking tours; v) discounts on sightseeing, a ski simulator, Tusenfryd Amusement Park, concert tickets, climbing, ski and bike rental; and vi) special offers in restaurants, shops, entertainment and leisure venues (www.visitoslo.com/en/activities-and-attractions/oslo-pass).

For tourists, the benefits of smart cards (and particularly those that do not require a refundable deposit and are disposable) is that they simplify the visitors' experience by providing cashless access to local transport and attractions; they extend visitors' knowledge of the range of attractions available; and they allow visitors to focus on the attraction and experience rather than on how to get there. From the suppliers' perspective, smart card technologies can increase market reach, provide marketing intelligence and can be used to bundle products and influence consumer choices by delivering additional benefits such as information, discounts, loyalty schemes and other benefits. From a policy perspective, the implementation of destination smart cards requires collaboration

between a range of transport and tourism policy agencies and stakeholders that may have divergent objectives for participation.

Although destination smart cards have received widespread support and have been instrumental in developing tourism in many cities, it can be difficult to establish and consolidate the wide variety of collaborations across different sectors necessary to make the card attractive to consumers. For this reason, destination smart cards have sometimes taken a partial approach, e.g. remaining limited to attractions and/or transport within one location or extended through supplementary modules. Issues such as the challenges associated with the distribution of income between transport operators and the difficulty of horizontal co-operation (e.g. co-operation between attractions) within a destination are challenges to the implementation of the destination smart card. The relevant destination marketing and government agencies (e.g. transport, culture and heritage, treasury) need to work together to create the right collaborative conditions and physical infrastructure so that greater coherence of the destination experience can be achieved.

Accessibility/universal design

Universal design refers to transport systems that accommodate diverse abilities and needs. This ensures that facilities (airports, terminals, footpaths, etc.) and transport services (planes, trains, buses and taxis) accommodate travellers with limited mobility (including older tourists and those with a disability), limited communications ability, heavy baggage, and other special needs. Universal design can expand potential tourist markets to include people with special needs, whilst also benefitting travellers without mobility impairment. For example, walkway ramps provide access for those tourists with limited mobility or wheelchair users, but also convenience for those with wheeled luggage or parents travelling with a child in a push chair.

For example, according to research undertaken on the Australian market for accessible tourism (Frye, 2015):

- some 88% of people with a disability in Australia take a holiday each year; accounting for 8.2 million overnight trips,
- the average travel group size for people with a disability is 2.8 people for a domestic overnight trip and 3.4 for a day trip,
- the total tourism expenditure attributable to the group is AUD 8 billion per year or 11% of overall tourism expenditure,
- if including expenditure by people travelling with a disabled person, this figure increases to AUD 24 billion or 30% of total tourism expenditure.

Similarly, a recent study commissioned by the European Commission highlights the growth potential for accessible tourism in Europe. The study shows that accessible tourism demand by people with special access needs from the European Union currently generates a total economic contribution of EUR 786 billion in terms of total output and EUR 356 billion in terms of gross value added or EUR 394 billion in terms of GDP within the European Union. This scale is equivalent to about 3% of total GDP of EU27 in 2012. Furthermore, it estimates that if European Union tourism destinations were improved to achieve almost complete accessibility of buildings, hotels, restaurants, museums, and various accessible services, by 2020 demand would increase almost 44% resulting in a potential rise of 39% in economic contribution (Miller, 2014).

With an ageing global population, public transport terminals need to be carefully designed and operated to cater for customers with limited mobility. For example, the ITF highlights evidence from Korea that shows some of the major impediments to the use of high-speed trains by travellers with reduced mobility are poor access to stations and inconvenient transfers from trains to local transport modes. Better access to and from terminals as well as convenient transfer design and operation between modes can boost passenger use and make destinations more accessible and attractive to tourists with limited mobility (Box 2.11).

Box 2.11. Improving accessibility to enhance seamless transport in Japan

Under Japan's New Barrier-free Law 2006, newly-built or renovated public transport facilities (vehicles and stations) must conform to the Accessibility Standards so that elderly or disabled users can travel smoothly. The standards demand, for example, that railway stations provide step-free access from street level to the platform, adequate lighting and accessible lavatories; buses must accommodate wheelchairs, be low-floor vehicles and be equipped with visible and audible information systems. Transport operators are also requested to make best efforts to upgrade existing stations and that cars be compliant with the standards. The Law also demands that certain categories of roads, buildings, parking facilities, and parks be accessible for elderly and disabled persons. Examples of accessibility improvements include:

- Stations (air, rail, bus, and ferry) with more than 5 000 passengers per day; 85.5% with step-free access vehicles in 2011, up from 28.9% in 2001; 83.2% with accessible lavatories in 2011, up from 0.1% in 2001;
- 27.9% of buses with low-floor access in 2011, compared with 2.2% in 2001;
- 379 Local Accessibility Plans in 2011, up from 249 in 2006 – an increase of over 50%.

Source: OECD/ITF (2012c).

Summary and policy considerations

Transport policy aims to achieve strong connectivity and seamless transport where there is demand. However, the economic and social geography that determines demand for mobility does not necessarily align with the geographic boundaries of the various authorities involved in developing transport policy. Transport policies affect not only the travel experience of locals, but also tourists as they navigate the “last-mile” in the journeys; from arriving at transport hubs until reaching their final destinations. Providing seamless transport between cities or across borders requires co-ordinated responses to technical, institutional and financial issues from a variety of stakeholders.

Many of the underlying difficulties in meeting the associated infrastructure challenges can be attributed to governance issues that span infrastructure planning, policy, regulation, financing, procurement and management. The importance of institutional co-ordination and a horizontal approach cannot be stressed enough when it comes to the seamless operation of multimodal transport systems. Good governance at all levels of government and co-operation with the private sector is needed to improve decision-making and create incentives to invest in connectivity. There is a need to think in terms of mobility systems rather than modes and modal networks. An integrated governance structure is critical, which can be driven by a political champion, an integrated authority, and/or stronger national government involvement.

The multi-scalar, multi-agency, and multi-jurisdictional complexity of transport and tourism policy areas, present significant challenges to understanding the various inter-linkages and synergies. At a national level, rail, road, cruise and aviation policies are usually developed within separate agencies in relatively compartmentalised processes, although there is often a range of consultative mechanisms that facilitate communication and co-ordination. Planning for airport infrastructure, for example, requires not only forecasting of international and domestic travel growth, but also an understanding of the characteristics of these markets in order to determine the level of services required and the need for connectivity between the transport hub and destinations. The effectiveness of information exchange, learning, communication and co-ordination across policy sectors therefore determines how transport interests are balanced in tourism policies, and vice-versa.

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

By promoting the development of intermodal hubs and gateways, transport policies (e.g. integrated multimodal transport systems) at the national and sub-national level can not only help attract, manage or direct visitor flows but also facilitate a shift to more eco-friendly transport options, which can help consolidate a destination's reputation as sustainable. However, if transport and tourism development strategies are not well synchronised, destinations may not be able to accommodate actual or potential visitor numbers and flows, and mobility around the destination will be restricted, potentially decreasing the quality of visitor experiences.

There is much that tourism policy makers and promotional organisations can do to help ensure that strategic transportation planning supports tourism goals. Improving institutional co-ordination with transport policy makers and operators, and adopting strategies such as those outlined below can help facilitate the development of transport systems that will enhance the experience of tourists and locals alike:

- Ensure that the medium- to long-term needs of the tourism industry are considered as part of the transport access and infrastructure planning process. Encourage tourism and transport policy-makers to work closer together to design transport services and infrastructure that respond to the needs of all travellers;
- Better understand and communicate the economic importance of tourism to transport actors, including the travel demands and fare revenues generated by tourists and tourism industry employees;
- Identify factors that affect the travel demands of tourists, including daily, weekly and annual cycles, as well as the effects of holidays, weather, economic conditions and special events. Work with transport actors to improve forecasting and develop strategies that take such factors into account;
- Investigate latent demand (travel that would occur if conditions were changed), to determine, for example, if potential visitors have concerns/perceptions of inadequate or expensive transport;

- Encourage integrated ticketing/pricing and destination smart cards to provide a convenient and comfortable travel experience. The relevant destination marketing and government agencies should work together to create the right collaborative conditions and physical infrastructure so that greater coherence of the destination experience can be achieved;
- Apply accessibility-based analysis, which recognises the important roles that walking, cycling and public transportation (bus, light rail, train, etc.) can play in an efficient and equitable transport system, and contribute to mitigating negative environmental impacts and managing seasonal peaks;
- Promote the benefits of timely and accurate information and way-finding (e.g. signs, maps, websites, apps, available in multiple languages) to accommodate people with limited communications abilities and to help tourists confidently navigate a city or region;
- Apply universal design principles to cater for tourists of all levels of mobility, and encourage transport providers to offer appropriate services, such as wheelchair accessible buses and taxis;
- Encourage critical evaluation of the total transport experience, including the quality of connections between travel modes, the convenience, comfort and attractiveness of transport hubs, and solicit feedback from tourists through existing mechanisms to better understand the problems they encounter and potential ways to enhance their experience.

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PART I

Chapter 3

Policies for the tourism sharing economy

This chapter discusses what the growth of the sharing economy means for the tourism sector and assesses key policy implications. The rapid growth of peer-to-peer and shared usage platforms is creating new marketplaces in areas as diverse as transportation, accommodation, travel and dining experiences. These developments present opportunities for governments to re-think how tourists experience their country and how citizens can benefit from participating in the sharing economy, but also pose challenges for established operators and raise broader policy questions in areas such as consumer protection, taxation and regulation. In a complex, fast-moving environment, it is imperative that tourism policy makers quickly grasp the key issues surrounding the sharing economy and position their jurisdictions for success. This chapter is intended to provide a starting point in that regard and offer guidance to policy makers on how to move forward.

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.

New technologies and business models referred to collectively as the sharing economy are changing the tourism landscape by giving people new options for where to stay, what to do and how to get around. These developments present opportunities to expand consumer options and grow the tourism economy, but also pose challenges for established operators and raise broader questions in areas such as consumer protection, taxation and regulation.

While there is no strict definition for the sharing economy (also known as collaborative consumption or the participative economy), the term generally is used to describe the new marketplaces that allow services to be provided on a peer-to-peer or shared usage basis. This includes peer-to-peer tourism services that offer alternatives to traditional tourism activities – for example renting part or all of one’s residence to short-stay visitors or providing private transportation services in a personal vehicle – and shared assets where consumers get membership and temporary access instead of ownership. While informational services (such as Tripadvisor) and intermediary booking services for traditional tourism businesses (including online travel agencies) are complementary to the sharing economy, they play different roles and are not considered part of it.

Informal, part-time and independent providers of alternative tourism services have long been a prominent feature of global tourism. In the past five years, the surging popularity of the sharing economy, enabled by technological innovation, has rapidly brought this segment of the economy to a scale that presents significant competition to traditional tourism service providers, which operate in a highly regulated environment in many countries. While the sharing economy is more prominent in certain branches of the sector (in accommodation more than dining, for example) the fast-paced growth and evolution of the sharing economy raises a number of questions for governments looking to promote thriving and sustainable tourism sectors that generate significant economic and social benefits for their citizens.

In light of this changing context, it is essential for policy makers to better understand how the sharing economy is changing tourism, in order to capture the benefits of innovation while addressing the challenges it presents in an informed manner. This chapter draws on survey responses from OECD countries and partner economies to establish the context for the sharing economy in tourism and assess the relevant policy implications. It concludes by outlining a path forward for policy makers.

Growth of the sharing economy in tourism

The sharing economy had an estimated worth of approximately USD 26 billion in 2013 and has been growing at a rapid pace ever since (Economist, 2013). This exceptional growth is expected to continue and to reach a global value of USD 335 billion by 2025 (PwC, 2014). Much of this growth is in the tourism sector, where peer-to-peer services offer an alternative to professional tourism services on an unprecedented scale (Table 3.1). As a result, some

Table 3.1. **Tourism sharing economy in numbers**

Platform	Description	Number of users	Annual turnover	Valuation	Area of operation
Accommodation					
Airbnb	Short-term accommodation rental platform – primarily generates revenue through commissions paid through service fees by renters and travellers. Founded: 2008	Close to 2 million accommodations made available by hosts. Over 60 million guests since commencing operations. On one peak night in 2015, almost 1 million people stayed in Airbnb accommodation.	Total revenue in 2013 was USD 250 million. Expected to reach USD 900 million in 2015.	Valued at USD 25.5 billion (as of June 2015).	Global – more than 190 countries, 34 000 cities
HomeAway	Vacation rental platform – primarily generates revenue through subscriptions paid by homeowners. Also owns Bookabach and VRBO. Founded: 2005	Over 1 million paid listings.	HomeAway report total revenue increased 28.9% to USD 446.8 million in 2014 from USD 346.5 million in 2013. Nearly 2 000 employees.	Valued at USD 3 billion (as of February 2015).	Global – 190 Countries
Couchsurfing	Hospitality exchange and social networking platform – initially non-profit, has been restructured as for-profit organisation. Founded: 2004	Approximately 10 million members.	Data not reported. Registration and participation is free, platform only generates revenue through optional verification.		Global – 200 000 cities
Transportation					
Uber	Ride-sharing and technology platform, including peer-to-peer UberX or Uber POP service – driver partners pay company a fee to collect and emit payment. Founded: 2009	More than 1 million active driver partners, defined as taking 4 or more trips per month. More than 3 million trips each day.	Estimated USD 1.5-2 billion revenue in 2014. Projected to reach USD 10 billion in 2015.	Valued at USD 62.5 billion (as of January 2016).	Global – approximately 400 cities in 68 countries.
Lyft	Ride-sharing platform – driver is paid for ride, company collects 20% commission. Founded: 2012	Around 100 000 registered users. Average 2.5 million trips each month.	Gross revenue estimated to be USD 1.2 billion in 2015. Forecast to increase to USD 2.7 billion in 2016.	Valued at approximately USD 2.5 billion (as of March 2015).	National – 60 cities in 29 states in the United States
BlaBlaCar	Ride-sharing company based on sense of community – prices are capped so drivers do not profit and passengers pay only for running costs. Founded: 2006	Over 20 million registered users Approximately 3 million rides each month. Growth of 200% year-on-year.	Business Insider estimates USD 72 million in annual revenue (based on costs and average rides).	Raised over USD 100 million in funding for international expansion. Based on similar firms this would value the company at approximately USD 1.2 billion (as of September 2015).	Founded in France, Operates in 19 countries: BeNeLux, Croatia, France, Germany, Hungary, India, Italy, Mexico, Poland, Portugal, Serbia, Spain, Romania, Russia, Turkey, Ukraine, United Kingdom
Dining					
VizEat	Meal-sharing platform connecting hosts and guests – hosts are paid for the meal, platform collects 15% commission. Founded: 2013	Over 20 000 registered users.			International – 50 countries
EatWith	Shared dining platform to arrange dinner parties with host chefs – company collects 15% commission. Founded: 2012	500 hosts in 2014.		Valuation figure unavailable. Received USD 8 million in recent funding rounds.	International – 160 cities in 30 countries
BonAppetour	Web platform targeting tourists – allows users to arrange meals and cooking classes in the home of a local person. Founded: 2013	Over 500 hosts registered online.			International – 80 cities, strongest presence in Italy and France
Travel Experience					
Vayable	Online marketplace for personal tours and travel experiences. Founded: 2011	Does not disclose total number of registered users.	In 2013, booking revenue in June was around USD 350 000, jumping to USD 1.4 million in July.	Received USD 2.1 million in funding.	International
ToursByLocals	Online platform connecting travellers with locals for private tours. Founded: 2008	1 645 guides and 350 000 travellers registered online.			International – 134 countries

Source: OECD, adapted from www.Airbnb.com, www.HomeAway.com, www.Couchsurfing.com, www.Uber.com, www.Lyft.com, www.BlaBlacar.com, www.VizEat.com, www.EatWith.com, www.BonAppetour.com, www.Vayable.com, www.ToursByLocals.com and industry sources including Business Insider, CNBC, CNN, Financial Times, Forbes, Fortune, Guardian, Reuters, Telegraph, Wall Street Journal and the Washington Post.

travel and tourism services, such as traditional hotel and car rental, may see new models disrupt, transform, or even replace, entire sectors of the industry (Forbes, 2015a).

There are several drivers of this growing popularity. Technology is a key enabler, as the digitalisation of the economy has created new ways for consumers and providers to interact and has led to new patterns of consumption and production. While peer-to-peer activities are not a new phenomenon in tourism, digital distribution platforms have made these activities more visible, accessible and widely used. Smart phones with location services and secure payment systems have become affordable and ubiquitous, with mobile broadband penetration reaching 78.2% in OECD countries – although data roaming while travelling remains expensive in many countries (OECD, 2015a). Technological advances such as data storage and analytics for match-making have also allowed innovative sharing applications to enter the market and increase the speed of the sharing economy's growth (Rauch and Schleicher, 2015).

A cultural shift means people are increasingly open to the idea of sharing resources, as well as to new flexible work opportunities that create a supply of service providers using these applications. Tourism consumers are more comfortable with digital experiences and have come to expect them in many of their transactions. Consumers now have an ever growing variety of options to obtain the same product or service, creating potential for more personalised or varied experiences to cater to a wider range of tourist tastes, needs and price points.

The sharing economy disrupts existing markets and changes the way consumers think about and use traditional services. When new and innovative firms enter these markets, it increases competition. Incumbent firms are forced to respond, often by lowering their prices and improving the quality of their services in order to remain competitive – two very favourable conditions for consumers. A study of taxi complaints in New York City and Chicago bears out this conventional wisdom – the arrival of Uber (www.uber.com) and other transportation network companies which use online platforms to connect passengers with drivers saw a reduced rate of complaints, pressuring existing operators to improve services (Technology Policy Institute, 2015).

Another stark example of how the sharing economy transforms and rapidly opens up markets can be seen in the impact of ride-sharing firms on the value of taxi licences, which have traditionally been restricted in number. This creates a secondary market for their purchase and sale as well as a strong interest in preserving the status quo from licence holders keen to see their investment maintain its value. In New York City, taxi medallions fell in value by nearly 25% between 2013 and 2015 as a result of new competition from ride-sharing firms, and other cities have seen similar impacts (New York Times, 2015a).

Sharing as part of the tourism experience

Tourism is a prime market for the expansion of collaborative consumption business models due to the nature of its services. Travel consumers are increasingly experimental and willing to try the type of new and unique tourism experiences which the sharing economy can offer. This growing desire for authentic and engaging experiences is resulting in the fragmentation of tourism markets and the emergence of new niche markets, facilitated by technology platforms.

The impact of the sharing economy and level of penetration of different platforms in delivering tourism services varies across countries and sub-sectors. The market is more

developed in countries in North America and Western Europe where sharing economy platforms have been operating for a number of years, but is rapidly expanding around the world, notably in Asia and the Pacific region. The United States has been at the forefront of these developments, with sharing economy start-ups emerging and expanding at significant rates. The tourism sharing economy is smaller in other countries, but there is widespread acknowledgement of the strong potential for further growth and the need to better understand the implications for tourism (Box 3.1).

Box 3.1. Evidence on the changing face of tourism accommodation in the sharing economy

Limited data is available to quantify the scale and impact of the fast-evolving and relatively new phenomenon known as the sharing economy. Available data is largely composed of estimates based on listings and information from the main sharing economy platforms. For example, the business association representing the European hospitality industry, HOTREC (2014), estimates that the accommodation sharing economy is more than double the size of traditional tourism accommodation sector in Europe, based on listings on the main platforms. The rapid growth and size of listings on sharing economy platforms, relative to beds available in traditional accommodation, provides some indication of the importance of these developments. Information on overnights may give a more accurate picture of penetration, as many of these beds are only on the market for part of the year and may be listed on multiple platforms. Sharing economy transactions and exchanges are not currently captured by existing systems to collect and collate tourism statistics. Work is currently being done in Colombia to measure the impact of the sharing economy in tourism using the Tourism Satellite Account. Capturing more data on sharing services in tourism is needed to better understand the impact and inform policy responses. In the absence of robust data, a number of studies on the tourism sharing economy are helping to build the evidence base, including:

- In a study to quantify private accommodation provision in France, the Ministry for Economy, Industry and Digital Affairs (2015) estimates that from a total supply of 8.8 million beds, 3.8 million are sharing accommodation offerings. Holiday rentals represent 183 million overnights, bed-and-breakfasts almost 8 million, home exchange almost 2.5 million and couch surfing around 2 million.
- According to a study by the Hellenic Chamber of Hotels (2015), HomeAway has more than 6 500 properties listed in tourist areas in Greece, 53% of which were situated in Crete and the island groups of Cyclades and the Dodecanese in October 2014. This compares with 9 677 hotels with 401 332 rooms offering 773 445 beds, 46% of which are located in these tourism areas.
- A study by Exceltur (2015), which represents tourism businesses in Spain, highlights the exponential growth in volume and concentration of peer-to-peer rentals in recent years. The analysis points to a 59.7% rise in the number of international tourists staying in rented homes between 2010-14, with the 2.7 million beds in holiday rental homes surpassing the 2.4 million regulated beds, notably in core tourism zones like Barcelona and Malaga. Two thirds (65%) of this supply is concentrated on 3 platforms – Airbnb, HomeAway and Niumba. Exceltur estimates the total economic and employment contribution from this activity to be significantly lower compared with the formal sector – estimated economic benefit 84.8% lower, with 9.8 jobs per 100 beds in tourist rental accommodation compared with 53.3 jobs in regulated businesses.
- Research by Bocconi University and Assolombarda-Confindustria (2015) in Milan in the lead up to Expo 2015 identified approximately 8 500 listings through the most popular online platforms, in a city with 455 hotels and 398 official non-hotel accommodation offerings. Analysis of Airbnb listings (sample size 505, or 60% of total) found that the majority (84%) were for private rental of an entire property, with 40% of hosts renting more than one property on Airbnb, while 20% also had properties to rent in other destinations.

Source: Exceltur (2015), French Ministry for Economy, Industry and Digital Affairs (2015), Hellenic Chamber of Hotels (2014), HOTREC (2014), Bocconi University (2015).

The rapid growth of sharing firms in the tourism sector has occurred primarily in four major subsectors: accommodation, transportation, dining and travel experience.

Shared accommodation arrangements are the most well-established, with platforms such as Airbnb (www.airbnb.com) and HomeAway (www.homeaway.com) leading these developments. This involves an individual offering all or part of their home for a short-term rental that visitors can book online. Airbnb for example had over 1 million properties in almost 200 countries in 2014, compared with global chain Hilton Worldwide which had 215 000 rooms in 76 countries (Federal Reserve Bank of Richmond, 2014). Airbnb is the third most valuable venture-capital backed company in the world with a valuation of USD 25.5 billion (as of June 2015). By comparison, Hyatt Hotels Corp has a market value of about USD 6.7 billion (Reuters, 2015).

Smaller local or niche platforms operate alongside the major global players in many countries. In New Zealand, for example, Bookabach (www.bookabach.co.nz) connects owners of holiday homes (known as “baches”) with people, mainly domestic tourists, looking to book a holiday home. Operating since 2000, Bookabach lists over 50 000 baches and was recently acquired by HomeAway.

Non-traditional forms of accommodation have grown in popularity in recent years, from glamping (high-service camping) and couchsurfing to staying in unique and unusual places. The growth in accommodation sharing options can be seen as an extension of this, facilitated by the sharing economy platforms. In countries like France, this growth can also be seen as a response to a lack of investment in new hotels (French Ministry for Economy, Industry and Digital Affairs, 2015).

Another well-established area is transportation, which includes car-pooling, ride-hailing and bike-sharing. Uber, Lyft (www.lyft.com) and Blablacar (www.blablacar.com) are among the most prominent transformative models in the tourism sector. Car-sharing platform Uber operates in around 400 cities worldwide and was valued at approximately USD 62.5 billion in January 2016; it is one of the most lucrative start-up firms in history (Wall Street Journal, 2015a). Uber has gained prominence with business travellers, while car-pooling platform Blablacar caters to the leisure market and inter-city travellers. These services facilitate the movement of people and offer an alternative to, and may lead to improvements in, taxi and other transport services, particularly where supply or quality is inadequate.

It is important to note that platforms have adopted significantly different business models even within a sector. For example, UberX or UberPOP involves ordinary individuals offering rides in private vehicles and is fundamentally a profit-driven enterprise, both for drivers and the platform itself. By contrast, Blablacar drivers do not profit as passengers pay solely for expenses like fuel, although the platform does collect a transaction fee. These different approaches highlight the diversity within the vast range of sharing economy platforms, some of which closely mimic traditional commercial enterprise values and culture while others appeal to users’ sense of community.

Two other tourism subsectors where the sharing economy has been gaining popularity are dining and travel experiences. Collaborative gastronomy enables tourists to buy home-cooked meals as an alternative to takeout, or attend organised dinner parties with local residents. Companies like EatWith (www.eatwith.com), BonAppetour (www.bonappetour.com) Feastly (www.eatfeastly.com) and VizEat (www.vizeat.com) are leading the development of the meal-sharing trend globally, which offers people the opportunity to dine at the home of a host who prepares a meal. For tourists, this presents a unique chance to engage in a culturally

authentic experience by eating local cuisine and getting to know local residents in a relaxed, convivial setting. Another example is Restaurant Day (www.restaurantday.org), a worldwide event that began in Finland. Taking place four times a year, it is a festival of one-day restaurants set up by anyone with an interest. Approximately 2 000 restaurants participate in each edition, with 72 different countries taking part since its inception in 2011.

A number of sharing economy companies are also involved in travel planning. Companies such as Vayable (www.vayable.com) and Sidetour (now part of Groupon), as well as ToursByLocals (www.toursbylocals.com), WithLocals (www.withlocals.com) and VoomaGo (www.voomago.com) allow residents to use their local knowledge to provide personal and customised experiences to tourists. These platforms offer tourists the opportunity to connect directly with locals who can plan entire trips, or portions thereof, in either individual or group settings as an alternative to traditional tour operators, typically at a lower cost.

While meal-sharing offers the unique experience of dining in someone's home, travel planning platforms facilitate connections with locals who provide tours or itinerary assistance. These are two examples of how the sharing economy can cut across vast geographic differences to make a local, authentic experience available for the average tourist. Israel and Korea (Box 3.2) have recognised the potential of these “global meets local” opportunities and are actively promoting their growth.

Box 3.2. Sharing City Seoul in Korea

In Korea, Seoul has successfully established itself as a true sharing city. Through its Sharing City, Seoul initiative launched in 2012, the Municipal Government has taken a multi-pronged approach to embrace the sharing economy. The city is well placed to establish leadership in this area with its dense population, advanced IT infrastructure and extremely high broadband penetration. An important aspect of Seoul's initiative has been the online ShareHub platform, facilitated by Creative Commons Korea, which provides public education, news and information on various sharing services and projects (ShareHub 2015).

Through the Seoul Innovation Bureau, the Government provides financial and organisational support to selected sharing enterprises. These include Zipbob (www.zipbob.net), which is an online social dining platform, and local travel guide services like My Real Trip (www.myrealtrip.com) and Play Planet (www.letsplayplanet.com). Local government approval as an official sharing company acts as an incentive to businesses to participate. The Government also makes public building spaces and vacant parking lots available for residents to book for various community activities. The initiative has also introduced a vehicle sharing service as part of its transportation network called Nanum-Car, comprised of SoCar (www.socar.kr) and Green Car (www.greencar.co.kr). The intention is to encourage citizens to use public transportation in the first instance, with car-sharing as an alternative option. Those who spend more than KRW 40 000 per month on public transportation get a 5% discount on SoCar, and low-income families receive a KRW 10 000 coupon each month (Kojects, 2013). The service is available in 292 locations city-wide with 492 vehicles which can be booked and paid for via internet or smartphone with a credit card.

As the sharing economy matures, so too do the business models and services available. Business travellers are increasingly using the likes of Airbnb and Uber and sharing economy brands are adapting their offerings to the managed travel market (CarlsonWagonlit Travel, 2015). Airbnb, for example, has evolved its business model to cater

to both the leisure and business market. The company has launched a dedicated Airbnb for Business service to tap into the corporate travel market, which includes a central billing system and dashboard for travel managers to track employee expenses.

There are also examples of integration between sharing economy actors, and with traditional tourism service providers. One such example is the partnership between Hilton and Uber, whereby Uber rides can be booked directly from within Hilton's HHonors app, which will have access to Uber rider data. The intention is to use Uber data to point guests to local restaurants and other popular spots. The initiative aims to provide a seamless travel experience and enhance the guest experience.

In its purest form, the sharing economy refers to services provided on a peer-to-peer or shared usage basis, but the nature of these exchanges is continuing to evolve as entrepreneurs recognise opportunities to leverage the sharing economy's principles to drive profits and better service delivery. True peer-to-exchanges are increasingly taking place in parallel with more commercial exchanges (CREDOC, 2014). Uber is perhaps the best example of a firm leveraging sharing economy techniques, such as harnessing the value of under-utilised assets, to create significant commercial opportunities for the platform and its investors.

As sharing services become more professionalised and awareness of them increases, it can be expected that the scale and nature of the sharing economy will continue to accelerate, with more predominantly commercial enterprises taking a role in this emerging space. Market dynamics also dictate that larger, more vibrant platforms that have more users may crowd out smaller, less populated marketplaces. However, the constantly evolving nature of consumer preferences and trends and the intensely local nature of many sharing economy experiences means that small, peer-to-peer enterprises will likely continue to play a key role in the future of the sharing economy.

Innovation and tourism development

The sharing economy is changing how people travel in ways that can benefit tourism, as well as creating challenges.

By providing a more diverse offering, the sharing economy may draw in or expand consumption by a new and different profile of tourists. Some may be attracted to the collaborative nature and unique, local experiences, while lower prices and digital accessibility may appeal to youth and budget travellers. The appeal to younger tourists is a consideration for tourism policy makers, given the opportunity to establish long-term relationships with future travellers today.

Survey data from Spain showed that budget and accommodation options based on the size and needs of the travelling group were the primary motivators for staying in tourist rental homes (Exceltur, 2015). A study from France, meanwhile, reinforced the opportunity offered by the sharing economy to provide the authentic local experiences that are increasingly pursued by tourists (French Ministry for Economy, Industry and Digital Affairs, 2015). In Japan, for example, sharing accommodation services are expected to offer a new alternative for international visitors interested in experiencing daily Japanese life, complementing existing hotels and traditional inns. The relevant ministries are working together to consider the implications and framework conditions necessary to support this.

These new products and services may tap into and better cater to neglected market segments and may also create new niche markets. Sharing economy developments can employ existing under-utilised assets and resources to generate value and expand the size

of the market, without the need for significant investment. They can provide alternative service options and additional capacity to satisfy demand. This in turn can moderate price pressures in the industry, as has been the case in cities like Dublin and Paris, where traditional accommodation services are at saturation point. In Finland, peer-to-peer private accommodation in rural areas allows communities to scale up offerings in response to festivals and events and also provides overnight options in areas which lack tourism services, such as along the Iron Curtain Cycle Trail. Transport sharing options like Uber, meanwhile, can help to facilitate traveller mobility as tourists familiar with these services do not have to try and figure out local public transport systems or find a taxi stand.

At the same time, these platforms can bring tourists to new destinations that were not previously popular, especially those that lack significant tourism infrastructure. These new areas can include more remote destinations as well as major cities. For example, a study by the Observatoire Valaisan du Tourisme (2014) looking at the impact of Airbnb on the tourism sector in Switzerland found that the services offered through the platform are a popular alternative in cities like Geneva and Zurich, as well as in alpine areas. The high cost of hotel stays in urban centres is a challenge in Switzerland and accommodation sharing has largely opened up a niche market that did not previously exist. While tourism services have typically been focused on ski-related resorts and activities in alpine and rural areas, the market for city breaks has been largely neglected. Airbnb accounts for around 8% of total bed capacity in Switzerland.

There is some evidence that the innovation and expansion in tourism services introduced by the sharing economy is leading to a net increase in the size of the sector. In the United States, for example, a substantial increase in the Airbnb market (10%) in Texas was associated with a slight decrease in hotel revenue (0.4%) (Zerbas, Prosperio and Byers, 2015). Elsewhere, a rebound in the hotel construction pipeline is reported to have coincided with Airbnb's hottest pockets of growth including San Francisco, demonstrating the opportunity for complementary growth (Slate, 2015). An impact study by Airbnb (2015) in Montreal, Canada, found that Airbnb guests spent an average of 5 nights and a total of CAD 909, compared to 2.7 nights and CAD 760 by visitors in traditional accommodation. This experience is consistent with Airbnb survey results in other cities, indicating that sharing visitors spend less per day, but stay longer and may be a complement to, rather than a substitute for, existing markets. Expanding tourism services in this way may advance a country's economy while requiring little to no additional investment.

By attracting additional tourists and creating new travel experiences, the sharing economy thus brings innovation to the tourism sector that can provide opportunity for traditional actors as well as other segments of the economy that today see less benefit from tourism. Increasing the supply and variety of tourism services and experiences can expand consumer options and complement conventional tourism offerings. While this may lead to some transfer of demand from traditional businesses, it also has the potential to grow tourism as a whole. The sharing economy also pushes traditional service providers to be more innovative and to re-think their service offering and business models in the face of new approaches and competitive pressures.

To date, the development of sharing economy services for tourism have largely emerged from outside the conventional tourism sector and are likely to have a growing influence on choices of tourism consumers in the future. Traditional tourism actors need to be proactive and innovative in responding to these developments. Tourism agencies

also need to engage and work with sharing economy actors as they play a bigger role in tourism.

Many tourism ministries in OECD countries have emphasised in their strategic policy goals the need to reduce seasonality and spread the economic benefits of tourism throughout the year and across the territory. Linked to this, governments are putting more focus on special interest or niche travel, in contrast to more seasonal mass tourism models geared towards sea-sand-sun locations. Governments are also looking for ways to boost competitiveness of the tourism offering in their countries. The authentic experiences provided by sharing economy platforms can particularly play an important role in expanding cultural tourism and attracting young travellers. At the same time, these platforms can complement existing strategies for sustainable tourism development that many countries are in various stages of implementing.

However, while the growth of the sharing economy creates opportunities for tourism, at the same time these developments present challenges for traditional tourism actors and raise broader policy issues. Governments must find a way to harness the opportunity to stimulate innovation and support the expansion and development of tourism as a whole, while addressing these challenges.

Challenges and implications for tourism policy

When considering the significant growth of the sharing economy in the tourism sector, it is important to keep in mind that different actors are affected in different ways. Crafting effective public policy frameworks for the sharing economy requires an ability to strike a balance between these varied interests (Johal and Zon, 2015). Table 3.2 identifies the key sharing economy players as they relate to tourism and their respective interests – tourists, traditional tourism businesses (Box 3.3), sharing economy platforms, service providers and destination communities.

The rapid growth of the sharing economy is placing pressure on existing policy frameworks. This raises a number of important questions for tourism policy makers about how they should approach the sharing economy in areas such as regulation, taxation, economic growth and even the design of the social safety net. The availability of robust, credible data is an important constraint on forward-looking policy making in many of these areas. The sharing economy is a new phenomenon and much of the information about its development is from the platforms themselves, making it challenging to draw meaningful trends from impartial data sources.

Consumer protection, safety and service quality

Existing frameworks for consumer protection, safety and quality assurance can be difficult to translate to the sharing economy model given the much more diffuse and distributed nature of the marketplace, and the more informal nature of the transactions. On the one hand, rules designed to protect consumers could run against their core purpose by limiting the spread of the sharing economy – consumers are served by competition. On the other hand, the sharing economy model raises new consumer protection issues such as data privacy and financial accessibility, given the primacy of credit cards and smart phones in using these platforms.

Traditional service providers are subject to rules and standards which aim to promote the provision of quality tourism services in a safe and secure environment. In many cases

Table 3.2. **Key players in the tourism sharing economy**

Key players	Interests
Tourists	<p>Tourists benefit from the innovation and increased competition made possible by the growth of the sharing economy. The sharing economy also affords access to a wider range of experiences and enhances the local cultural and travel experience for tourists. Sharing economy developments provide new forms of trust and verification to promote safety and improve experiences, including reputational feedback systems and the ability to use globally-recognised platforms when travelling in different countries. However, many of these new tourism services challenge existing approaches to consumer protection, safety and quality assurance, as they may not be covered by regulations and standards in these de-professionalised marketplaces.</p> <p>Consumers have generally responded well to these new tourism services. According to the World Travel Market (WTM) 2014 Industry Report, one in ten holiday makers in the United Kingdom had booked using a peer-to-peer platform in their travels. Of these, 86% had a good experience and would use the service again.</p>
Traditional tourism businesses	<p>Traditional industry operators (e.g. hotels, restaurants) are among the most visible and vocal players in sharing economy discussions. In many cases, these businesses are licensed by governments or are otherwise subject to prescriptive regulatory frameworks, with implications for the operational flexibility and cost base. Typically organised through industry associations, these businesses raise concerns about the risk of unfair competition from new sharing economy competitors that are either not subject to, or are not compliant with, the same rules. They also highlight the potential negative impact on the quality of the overall tourism experience. It is important for policy makers to distinguish requests for fair play from pressure from market incumbents to preserve advantages against new entrants.</p> <p>Business operators have not generally responded well to these new services and have been slow to see the opportunities for innovation. According to the WTM 2014 Industry Report, one in five polled tourism businesses said they had been impacted by sharing economy firms, with 68% saying the impact was negative. There is some evidence the impacts are not evenly distributed – a study by the French Ministry for Economy Industry and Digital Affairs (2015), for example, found that low- and mid-range hotels were more impacted by this new competition than upscale hotels.</p>
Platforms	<p>The technology platforms for sharing economy activity in the tourism sector are a mix of global companies, like Airbnb and Uber, and smaller, local entities. In some cases they identify with the tourism sharing economy, in other cases they see themselves as strictly technology companies.</p> <p>The platforms' interests are in clearing the way for their marketplaces to operate, whether by creating new rules or resisting the application of regulations altogether. While in many cases there is recognition of the need for some regulation of the sharing economy, in general platforms have called to be regulated differently than traditional industry actors.</p>
Service providers	<p>The individuals who provide services in the sharing economy have interests that are distinct from the platforms themselves – the interests of the Uber driver are not the same as for Uber the company, for example. The interests of these service providers are complex and often poorly articulated in policy discussions, given the large and diffuse nature of this group.</p> <p>The growth of the sharing economy represents new, entrepreneurial and flexible income opportunities for service providers, allowing them to use existing assets to take advantage of the tourism activity in new ways. However, these new market entrants may be unaware of the legal obligations and implications of engaging in these activities. Service providers may also fall outside of protections in place to prevent exploitation by platform businesses or by consumers. The nature of the arrangements may lead to displacement of traditional employment relationships by more precarious independent contractor arrangements without benefits, for example.</p>
Destination communities	<p>Governments at the national, sub-national and local level play an essential role in setting the operating environment for the sharing economy in destination communities. They must balance the interests of these parties and consider implications for other public policy objectives, including revenue, accessibility and public safety.</p> <p>In some cases, the sharing economy may allow destination communities to attract more mainstream tourism where they have limited capacity in traditional infrastructure – this has long been the case in Cuba, for example, where there is a long tradition of visitors renting accommodation in private homes. The sharing economy may also allow for the benefits of tourism to accrue to a wider share of the local population.</p>

Box 3.3. **HOTREC charter for a sustainable and responsible hospitality sharing economy**

According to the business association representing the European hospitality industry, HOTREC, the growth of short-term private accommodation rentals available through peer-to-peer platforms is resulting in unfair competition for its members and is creating risks in consumer protection and safety. HOTREC has called on public authorities in Europe to assess the true impact of these new business models on small businesses, local communities and social and economic cohesion. It has also called on the platforms facilitating these transactions to co-operate with regulators by sharing data and support enforcement of existing laws. HOTREC have set out a number of recommendations and action points for policy makers and sharing economy platforms:

Box 3.3. HOTREC charter for a sustainable and responsible hospitality sharing economy (cont.)

- Integrate short-term private accommodation rentals in legislation as tourism accommodation.
- Establish processes for registrations, permits.
- Measure short-term private accommodation rentals in tourism statistics.
- Enforce requirements and carry out inspections for safety and security.
- Comply with fiscal obligations.
- Verify visitor identity according to Schengen Convention requirements.
- Protect employees' rights and benefits.
- Protect quality of life in neighbourhoods.
- Clarify and ensure proper distinction between residential and commercial property.
- Control the dispersal of short-term private accommodation rentals.

Source: HOTREC (2015).

these rules may have become cumbersome and require modernisation. Sharing economy services which are exempt or operate outside this system may be able to unfairly compete because they are subject to lower, or no, regulatory standards. Some may argue that, in the long-run, if safety or service quality issues emerge, certain services may be perceived as less safe or of lower quality, with implications for brand management and the positioning of the destination. It should be emphasised that public authorities have a responsibility to protect consumers, including their safety and security.

Most existing consumer protection policies are premised on the assumption that consumers hold a weak bargaining position and are in need of protection from powerful firms. In a peer-to-peer marketplace, this dynamic is upended, and small-scale providers of tourism services in the sharing economy should also be considered in any policies to correct failures in these more equitable markets (European Commission, 2013).

While sharing economy participants may not require protection from large powerful firms with unequal bargaining power, there are broader issues of public safety to be considered that may require new interventions. With new value-chain dynamics of disintermediation, matters of liability arise when consumers engage in economic activity which may not be covered by existing legal instruments and with fewer middle men to be held accountable. There is also potential for some existing consumer protection regulations to become obsolete with the use of reputational feedback systems (Bracy, 2015).

Trust, or reputational capital, plays a vital role in peer-to-peer exchanges and reputational systems have been valuable in driving the sharing economy's growth in tourism. This trust factor is particularly salient in tourism. Travel is an experience good for which value is very difficult to assess prior to purchase and requires consumers to research carefully in order to reduce the costs involved in market exchange. These include financial, time and personal costs around safety and risk (Sigala, 2015). An important dynamic that motivates the sharing economy is the impact that disaggregated consumption has on reducing these transaction costs. In many cases, the sharing economy makes the cost of exchange between two individuals relatively cheaper than co-ordinating an exchange with a firm (Australian Institute of Public Affairs, 2014).

Many sharing platforms allow both buyers and sellers of products and services to rate their satisfaction with the transaction for the benefit of future users. These rating systems help reduce uncertainty and information asymmetry between parties to the exchange. They can also make consumers more willing to pay and incentivise the provision of high-quality goods and services by sellers. User ratings and peer reviews allow consumers to communicate the value of these services to each other and, ideally, push out bad behaviour. In this way, these systems may act as a secondary invisible hand that guides individuals towards market choices based on social norms and often against typical self-interest (Thierer et al., 2015).

However, these systems may be of limited use when it comes to certain issues, such as determining whether a vehicle is mechanically sound, a host has a troublesome criminal background or wider public safety and security impacts. User rating and review systems based on subjective individual views and preferences have accuracy and bias limitations. These limitations are recognised by the platforms themselves, which have a responsibility to both end-users and service providers. Uber drivers, for example, are subject to criminal background and motor vehicle record checks.

Furthermore, these reputational mechanisms are based on intense collection of data. While this data is valuable, it raises wider concerns around data security and use. It also creates pressure on privacy issues when platforms can use their market power to extract more data than consumers are comfortable with. This has the potential to result in price discrimination, and targeting or exclusion of marginalised users (Bracy, 2015).

Platforms have the capacity to use these rating and reputational systems to identify and exclude problematic or unscrupulous service providers and users. This requires the platforms interests to align with the interests of consumers and the wider public, which may not always be the case. Even if platforms do exclude problematic or unscrupulous providers and users, these individuals can move to other platforms. The role and responsibilities of platforms in protecting the public interest therefore also warrants consideration.

It should also be borne in mind that these reputational mechanisms by themselves do not amount to a consumer protection framework, although they can provide an important means of building trust in the market. Public authorities are strongly encouraged to take steps to better understand the main issues and overall context, and take the necessary measures to address these, where appropriate, such as adjusting existing regulations or adopting new rules to protect consumers and third parties who may be negatively impacted.

Regulatory requirements

In many countries, the provision of tourism services is highly regulated. This can include licensing or standards for accommodation, transportation, tour and other service providers, as well as operating standards related to health and safety, accessibility, hygiene and cleanliness, noise controls and employment conditions. Regulated services often cover a large majority of the tourism sector, although some countries like Austria and Ireland also have a well-established segment of alternative, private or unregistered services. Tourism transactions in the sharing economy often exist outside most or all of these regulatory approaches. The co-existence of highly-regulated providers with unregulated competition creates a strong risk of unfair competition and regulatory arbitrage, as is evident from concerns about the use of sharing economy platforms by businesses to bypass regulations.

Governments are being called on to begin re-thinking current legislation to include sharing activities that do not neatly fit into existing regulatory frameworks. There have been a number of recent moves to map the responsibilities of sharing economy actors under existing regulations and clarify how these apply, such as in Austria (Box 3.4). There may be a lack of awareness or knowledge about the rules and regulations with which individuals offering services via sharing economy platforms need to comply, or the wider implications of engaging in these activities, such as the impact on rental tenancy agreements. While acknowledging the need to bring the activities of the sharing economy into the formal economy, the platforms for their part emphasise the fundamentally different nature of these new business models.

Box 3.4. Review of legal framework for sharing accommodation in Austria

In 2015, the Austrian Federal Ministry of Science, Research and Economy commissioned a study to analyse the legal aspects of renting private accommodation under the current legislation. The study contains a description of possible forms of contracts, the legal context and regulations with regard to registration and local/regional planning, including the specifics in different federal states, as well as to taxes, fees and charges. The aim is to inform individuals offering private beds, rooms or apartments for rent about the applicable rules and regulations and to raise awareness of the relatively complex legal environment when embarking on renting private accommodation. With this in mind, the Ministry has produced a short document providing information on the main provisions and laws which must be observed. This includes tenants checking the terms of their rental lease and consulting with the owner, getting written agreement of other residents in apartment buildings and checking additional state-level restrictions which may apply. Private accommodation rentals involving more than 10 beds are subject to the industrial code in Austria and require a business licence.

Source: Austrian Federal Ministry of Science, Research and Economy, www.bmwf.wg.at/Tourismus/TourismusstudienUndPublikationen/Seiten/default.aspx.

Tourism is a particularly fragmented industry, composed of many different products and services that are overseen by several government ministries at national and sub-national levels. This makes it challenging for policy makers to co-ordinate and implement regulation as a means to level the playing field for all participants in the economy. Regulatory frameworks should not have the unintended consequence of negatively impacting tourism growth by inhibiting innovation, stifling new business creation or protecting market incumbents, but should support transparent and open competition as well as the wider public interest. This is particularly difficult where regulatory responses are not co-ordinated at a regional or national level, as enterprises may face vastly different regulatory requirements and compliance costs within a single national market, creating both disincentives to investment and growth and confusion for tourists and service users.

The growth of the sharing economy may therefore present an opportunity to reassess the overall regulatory framework for the tourism sector, to ensure it best responds to the current realities in the sector and optimises opportunities for the future. A public consultation conducted by the European Commission (2014) indicates that the framework governing tech-enabled transactions is not always adequate in terms of clarity, scope and approach to the modern realities of e- and m-tourism.

An important aspect of regulation in the tourism sector are requirements related to insurance, protecting buyers and sellers, as well as parties external to the exchange who may be negatively impacted. To date it has generally been very difficult for sharing economy service providers to obtain third-party insurance given the novel and unique nature of the arrangements. This can lead to market failures where personal offerings are inadequate and commercial offerings are prohibitively expensive.

In some cases, new market responses are emerging to address gaps, whether initiated by platforms – such as Airbnb’s USD 1 million Host Guarantee for loss and damages in excess of the homeowners existing insurance – or new offerings from insurance companies targeted at the needs of sharing economy providers (Queensland Tourism Industry Council, 2014; British Insurance Brokers Association, 2014; Insurance Business America, 2015).

Even with these responses, gaps in the insurance market remain one of the major obstacles to growth in the sharing economy. Efficient and easily accessible judicial procedures are required in order to resolve disputes and issues as they arise. However, some observers have argued that government regulators should not be too quick to intervene, leaving time for legal and liability norms adjust to new patterns of behaviour (Koopman et al., 2015). Evolution of the regulatory framework, including the insurance system, will support growth and development of the sharing economy in the longer term.

Tax implications

Beyond regulation, the sharing economy in tourism also presents implications for taxation. This can include taxes specific to tourism, such as hotel or bed taxes, as well as more general treatment of part-time and informal activities for the purposes of value added taxes, personal income taxes and social security contributions. The decisions and enforcement actions taken by governments could either place pressure on tax bases, if services move into an informal sector with lower compliance rates, or increase the tax base, for example if hotel or tourism taxes are collected on stays in peer-to-peer accommodation. While the sharing economy may push more activity to micro-entrepreneurs it does not necessarily increase the size of the informal economy given the heavy use of data and digital payments, making transactions easier to track.

The classification of sharing economy activity does not need to be difficult, but the way that many of the platforms operate exacerbates definitional issues, such as mixed use (personal and business) property and employee/independent contractor issues (Oei and Ring, 2015). However, individuals offering peer-to-peer services may also not see themselves as businesses, or may be unaware of their tax obligations related to these activities and the payment process involved. Policy makers are also trying to keep up with the rapidly evolving situation and clarify how these activities fit into existing rules and regulations.

Where possible, compliance requirements should be tailored to the business models of sharing economy service providers and the tax administration should provide effective education and support. Furthermore, given the heavy use of digital services by these businesses, especially in relation to the use of booking and payment methods, there is considerable scope for the design of tax efficient processes by both the tax administration and third parties that support these activities.

Simplifying rules and communicating them as clearly as possible to raise awareness and lower the time cost of compliance is an important part of any response on taxation; the

tax system itself should not be an obstacle to compliance (OECD, 2015b). The Australian Tax Office, for example, provides clear and direct guidance to sharing economy participants by providing a short, plain-language website that explains the tax implications of earning income in different sharing economy businesses (Box 3.5).

Box 3.5. Sharing economy compliance with taxation rules in Australia

In May 2015, the Australian Tax Office released a statement advising that the tax laws which apply to activity conducted in a conventional manner apply in the same way to activity conducted in the sharing economy. There may be goods and services tax (GST) implications if a person is carrying on an enterprise and has earnings turnover of AUD 75 000 or more. These people will be required to register for an Australian Business Number and for GST. Those that provide accommodation services in the sharing economy may not need to register, irrespective of turnover, because most of their supplies are input-taxed residential rents which do not count towards turnover. This can be compared to a room in a hotel, hostel, bed and breakfast or other like establishment, which are normally subject to GST. There are also income tax implications if a person is earning assessable income.

Source: Australian Tax Office, www.ato.gov.au.

Platforms can also play a role in providing clarity around tax obligations and supporting compliance, either by providing appropriate information to providers and governments, or even directly – for example in some jurisdictions, such as France, Airbnb collects and remits bulk payments of accommodation tax on behalf of hosts, or provides information on tax compliance and statements to support the preparation of tax returns. France recently made changes to its tourism tax system to require platforms to take on this role and to simplify the process for individuals as well as platforms. In doing so, France cited an interest in levelling the playing field and capturing lost government revenue.

Inclusive economic growth

The sharing economy has potential to drive economic growth and job creation by stimulating innovation and developing new experiences, creating new entrepreneurship opportunities and making the economic prosperity generated by tourism more inclusive.

The sharing economy also has implications for the distribution of economic benefits that come from a thriving tourism sector. It may generate added value by directing tourist flows beyond heavily visited tourism zones and encourage tourists to disperse to less well-known destinations. This can help bring tourists to areas that have lacked traditional tourism infrastructure, benefiting their economies and promoting their service and cultural sector businesses. It may also mean increased economic opportunity for segments of the population that otherwise would not benefit directly. A PwC (2015) survey in the United States found that providers were well-distributed throughout the spectrum of age and household income brackets. In most cases, this participation supplements rather than replaces their income.

Yet as an independent contractor with fewer legal protections than an employee, these opportunities may come with uncertainty and risk of exploitation for the hosts, drivers and other individuals delivering the services. These labour classifications have already been the subject of legal battles in various aspects of the sharing economy, notably regarding the

employment situation of Uber drivers. This has implications for the responsibilities of the platforms towards service providers with respect to employment rights and social insurance and impacts the nature and quality of employment. Governments may need to reconsider the way they provide social benefits, especially where they are tied to traditional employment relationships (Financial Times, 2015b).

Growth of the sharing economy in tourism may have positive spill-over effects, by reducing the ecological footprint of travel and creating a better understanding and exchange of cultural values. It may help to democratise travel, delivering benefits to people who may be unable to afford or access traditional tourism (Sigala, 2015). A study by New York University found that the lower costs of services in the sharing economy disproportionately benefit less affluent travellers, opening up a wider range of options and allowing them access to tourism experiences (Fraiberger and Sundararajan, 2015).

The sharing economy may also generate negative externalities. Accommodation sharing services in particular may impact neighbours and local residents, due to noise and other disturbances. In a worst-case scenario, poorly managed growth of these services may also have a detrimental impact on the historical fabric of destinations and reduce the appeal of areas as places to live and visit. One implication that has raised concerns is whether the growth of peer-to-peer accommodation rental places further pressure on housing affordability in expensive cities. The impacts here are ambiguous.

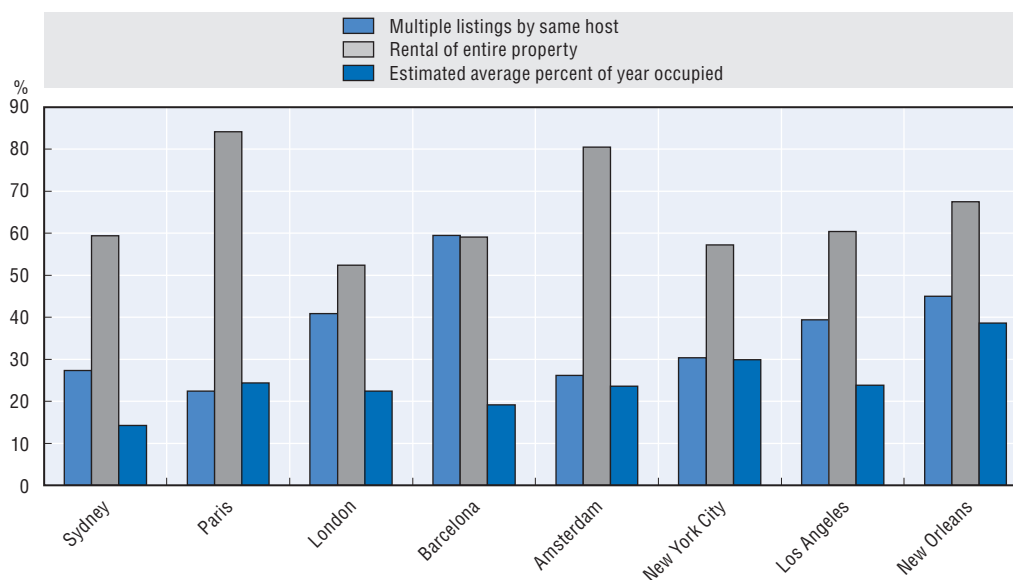
Evidence in the United States suggests that the scale of Airbnb usage does not to date present a significant factor in most major housing markets, and sharing may provide a supplemental income to support residents' ability to afford pricey housing (New York Times, 2015b). There is however some anecdotal evidence of landlords opting for short-term rentals as a more lucrative or flexible business model, lowering the rental housing supply (Los Angeles Times, 2015). Research in Spain indicates that the growth of peer-to-peer accommodation has been accompanied by a simultaneous increase in house prices and decrease in resident population in central tourist areas, notably in Barcelona's Old Town and Madrid Centre (Exceltur, 2015). In Paris, which is the number one city on Airbnb with over 40 000 properties, 70% of Airbnb listings are outside of the main hotel corridor. However, the explosive growth has led to both positive economic benefits and local backlash from neighbours concerned about neighbourhood change (Wall Street Journal, 2015b).

While it is difficult to distinguish between homes being converted into short-term tourist accommodation as a business and those being shared on occasion, some data collected by *www.insideairbnb.com* sheds light on the prevalence of full-time short-term accommodation rental. Looking at the share of people renting their entire home and the average share of the year that they are rented through Airbnb (Figure 3.1), a pattern emerges in which a significant share of the residential units being offered through the platform are being operated as tourism businesses, rather than occasional peer-to-peer transactions. This prevalence varies significantly in different cities however.

Balancing the interests of tourism and sharing economy actors

How have governments reacted to the rapid growth of the sharing economy in the tourism sector? To date, the responses of policy makers can broadly be characterised as “wait and see”. The full implications of the sharing economy for tourism are not yet clear and as a result, governments have adopted a relatively cautious approach to introducing new or amended rules that might capture the value the sharing economy offers or, conversely,

Figure 3.1. Profile of Airbnb rentals in selected cities



Source: Insideairbnb.com, used under Creative Commons Public Domain licence.

protect against the threats it may pose to existing operators, revenues and the broader public interest. At the national and local level three distinct patterns of responses can be identified, linked with the nature of the regulatory environment and degree to which the self-responsibility principle guides government intervention – proactive, reactive and no response (Box 1.20). These are likely to further develop and distinguish themselves as policy makers consider their options and determine the appropriate level of oversight.

Some examples of creative, nimble approaches that have been employed by local and national governments within OECD countries and partner economies are outlined below. These policy responses offer insights into how policy makers can harness the opportunity and innovation offered by the sharing economy while still ensuring that the public interest is safeguarded.

Policy responses have been primarily at the local level, as the regulation of zoning of buildings, public health and safety initiatives as well as transportation are often administered by municipal governments. Because much of the relevant regulation happens at this level, there is a diversity of approaches within countries (Box 3.6). This can lead to inconsistent approaches for those who are travelling to different areas within the borders of one destination country.

Accommodation services

Numerous cities have taken steps to permit short-term rentals by homeowners, in recognition of the explosive growth of companies like Airbnb and HomeAway. The City of Portland (2015a) in the United States introduced regulations in July 2014 to permit short-term rentals if the host resides in the residence for at least nine months of the year, while requiring hosts to apply for a permit at a cost of USD 180, pass a safety inspection and notify their neighbours of their intent to apply for a short-term rental permit. Non-compliance with these requirements could result in fines of USD 500 for both hosts and platform providers. Airbnb will also collect and remit a tax of 11.5% on behalf of renters in

Box 3.6. Local responses to the hospitality sharing economy in Germany and Spain

In **Spain**, the new sharing accommodation models are subject to regulation at the level of the autonomous regions. In Catalonia, the importance of bringing unauthorised tourism accommodation under control was clearly identified in the Catalonia Strategic Tourism Plan 2013-16. The Plan estimated that half a million beds were provided in unauthorised accommodation, making it the destination's main accommodation offer. The Regional Government has taken steps to regularise this activity and engage with the platforms to ensure compliance. Private accommodation rentals must now be licensed and registered with the Tourism Register of Catalonia. Airbnb was fined the highest sanction possible, EUR 30 000, for listing properties considered illegal and another EUR 1 500 for not removing these listings from their website (WTM, 2014). Since introducing these measures in 2012, the number of unauthorised private rentals in the region has fallen by almost 50% (Government of Catalonia, 2015). In Madrid, meanwhile, the Municipal Government decided to regulate private rentals through a licensing scheme that requires applicants to meet a set of minimum standards. Under rules approved in July 2014, tourist accommodation rentals must be registered and are subject to a minimum stay of five nights, along with other requirements including provision of a telephone number in case of emergency and Wi-Fi, transparent pricing policy and prohibition of use as a permanent residence.

Germany has seen different approaches within its borders. While the city of Hamburg has, subject to certain conditions, made it legal to rent out a primary residence on a short-term basis without the need to ask permission, Berlin has banned short-term rentals without the express permission of local government authorities in an attempt to ensure a reasonable supply of rental housing stock for residents. Different cities face different sets of circumstances – Berlin for instance, has significant concerns regarding housing stock and prices that may not be an issue elsewhere.

Portland, with a portion of those revenues going towards a fund to increase rental housing affordability in the city (City of Portland, 2015b).

Amsterdam has taken a similar approach, introducing a policy in 2014 creating a new accommodation category for private rentals that permits hosts to let out their residence for up to two months per year, under certain conditions. The property can be rented to a maximum of four guests at any one time and must comply with fire safety regulations. Permission must be obtained from the landlord or the owner-occupiers' association and there is a dedicated procedure for handling noise or nuisance complaints made by neighbours (City of Amsterdam, 2015; Airbnb Policy News, 2015). A subsequent agreement between the city and Airbnb spells out how the platform will collect a tourist tax on hosts' earnings, send twice annual updates to hosts reminding them of local laws and requirements and work with city officials to address illegal hotels (City of Amsterdam, 2014). Amsterdam has sought to position itself as a leader in the field of the sharing economy and was named as Europe's first Sharing City in 2015.

San Francisco, London and Paris are some of the other major cities that have also moved forward in the past two years with legislative and regulatory amendments to legalise short-term sharing rentals by home owners. In late 2015, San Francisco's residents voted to reject a proposal to limit short-term private rentals to 75 nights per year instead of the existing 90 day limit. The proposals would also have required guest and revenue

reports from rental hosts and hosting platforms every three months and included measures to ensure such private rentals are paying hotel taxes and following city code.

In other cases, although less common, these legislative changes are being implemented at national level, ensuring consistency for a tourist in that destination country. Greece, for example, recently made changes to its holiday rental licensing scheme through the Ministry of Economy, Development and Tourism (competent regional tourism offices). Short-term private home rentals are now freely permitted, while a simplified process was created in 2013 for rentals that qualify as a luxury villa. The latter require structural, fire, health and safety inspections, and are taxed at a rate dependent on the amount of income generated (Box 3.7).

Box 3.7. Liberalisation of private accommodation rental in Greece

In recent years, Greece has been active in introducing legislation aimed at reducing red tape, simplifying procedures and facilitating business growth in non-hotel accommodation establishments, including villas and apartments. Until 2013, individuals wishing to offer accommodation for short-term holiday rentals had to register as a tourism business for tax purposes, obtain a licence from the local tourism authority and comply with a series of other requirements. In 2013, these procedures and standards were significantly simplified and short-term private home rentals by individuals were permitted for the first time. Under certain circumstances, individuals were permitted to rent out a privately owned detached house without the need to register as a business or get specific insurance cover. Conditions included: minimum size of property, location, compliance with legislation regarding building permits, fire safety, hygiene, duration of the short-term home rental and granting of operating licence by the competent authority.

While houses that qualify as luxury villas remain subject to the 2013 regulations, as of 1 November 2015 other privately owned houses or apartments can now be rented on a short-term basis without the need to fulfil specific conditions and without the obligation to register as a tourism business. Private short-term rentals remain subject to income taxation – any income generated from a systematic short-term rental is considered as income generated from enterprising activities and is therefore subject to the corresponding tax rates in force. The impact of the 2013 legislative reform permitting the rental of privately owned luxury villas has so far been encouraging. It is too early to assess the impact of the 2015 legislative reforms, but licensing remains a key concern to ensure a level playing field. A study prepared by the Hellenic Chamber of Hotels (2015) in advance of the 2015 reforms identified a number of areas for action, including the need for a better understanding of the impacts of the sharing economy and the interaction with tourism, ensuring fair competition, promoting innovation and building on the strengths of the hotel sector.

Portugal has approved new legislation to monitor service quality and tax the growing sharing accommodation offer in the country. The aim is to support these sharing economy developments while ensuring such services are part of the formal sector. Since 2014, it is mandatory for sharing accommodation providers to inform their municipality of their status and activities. This can be done by submitting an online declaration through the website of Turismo de Portugal or the local municipality. Failing to do so will result in fines of up to EUR 35 000 and a 2-year ban from providing sharing accommodation services. Following the introduction of this procedure, the number of legal local accommodation

registered in official databases increased tenfold within weeks, providing the authorities with all data necessary to supervise and collect taxes.

While some governments are pursuing legislative changes in response to these new tourism trends, others believe such arrangements are no different than existing alternative accommodation services. Ireland for example has a long-standing tradition of home-stay accommodations that are very similar to sharing economy platforms like Airbnb. In fact, existing tourism legislation already outlines the compulsory requirements for protected establishments (e.g. hotels) and voluntary system for other forms of accommodations (Box 3.8).

Box 3.8. Welcome Standard for alternative accommodation in Ireland

Ireland has a long-standing tradition of bed-and-breakfast and home-stay accommodation. These establishments are very similar to sharing economy platforms which provide private rentals on a short-term basis. In a regulatory environment that is accustomed to these ideas, the increasing popularity of sharing arrangements may have very limited disruptive impacts. Currently, the *Tourist Traffic Acts 1939-2011* outlines the compulsory requirements for hotels and other accommodation establishments that use certain protected titles, including quality assurance approval as well as a listing system. Voluntary participation by other types of tourism accommodation in the listing system is strongly encouraged, as listed accommodations are eligible for training and business skill development initiatives and are promoted by tourism agencies. Ireland's national tourism development authority, Fáilte Ireland, recognises consumer tastes are changing and a wide range of new accommodation options are becoming available – not only through the sharing economy but through other unique experiences desired by tourists, such as pods, yurts and lighthouses. In response, Fáilte Ireland has developed the Welcome Standard, which is a code of ethics and set of minimum standards for all accommodation which does not fit into the existing quality assurance system. The new system aims to improve the tourism experience for guests, while maintaining authenticity, individuality, character and innovative ideas in tourism. The new Welcome Standard will bring many more operators into tourism's approved family as complementary additions to the traditional tourism accommodation stock.

Similarly, short-term holiday rentals are already regulated and taxed at municipal level in Hungary as they are covered by the commercial accommodation services regulation under other accommodation facilities. These facilities must meet minimum standards and operators must provide data on guest stays to the local government on an annual basis. Since 2014, Costa Rica has undertaken a survey to identify the location and owners of properties available on sharing economy platforms, and determine if they are complying with regulatory and tax obligations. The survey was undertaken with the help of the local government and chamber of tourism.

Transportation services

A number of sub-national governments in the United States have introduced legislation to recognise the existence of what are referred to as transportation network companies like Uber and Lyft. States including California, Illinois, Massachusetts, Nevada and Wisconsin have adopted largely similar legislation that requires companies to purchase a licence,

obtain liability insurance and conduct background checks on prospective drivers. These regulations recognise ride-sharing as a distinct entity from traditional taxi services.

The City of Boston has taken these regulations one step further and entered into a data-sharing agreement with Uber, under which the city would receive anonymised trip data that could be used to ensure the company is adequately serving all neighbourhoods and also to improve the city's own services in areas like traffic flow and congestion, transit routes in under-served neighbourhoods and optimal levels of parking availability (The Washington Post, 2015a; Uber Newsroom, 2015).

In Ireland, the Government took the opportunity of a recent review of the Taxi Regulation Act to clarify where Uber and other transportation network companies fit in the regulatory approach and to make clear which rules they are expected to follow.

Similarly, the New Zealand Transport Agency, Ministry of Transport and national police are undertaking a review of the regulatory framework for small passenger service vehicles, including how this framework applies to Uber. The goal is to ensure that the regulatory environment is fit for purpose and sufficiently flexible to accommodate new technologies. The process included data sourcing, research and stakeholder engagement with taxi and private hire services, governments, public representatives and technology services. Any proposed legislative changes will be subject to further public consultation. Uber has publicly welcomed the review, having previously expressed concerns about how the existing regulation was being interpreted and indicating the outcomes of the review could reassure the public about the quality and safety of Uber's services.

Given the rise of digital platforms, the Netherlands is actively looking at how to provide sufficient space for innovation and entrepreneurship while taking into account the public interests which must be protected by regulation. The Government is considering amending or abolishing some legal rules governing the taxi market in the short term, in order to create room for new initiatives and innovations and reduce the administrative burden. The discussions are also looking at the rental of private homes to tourists.

France has adopted different regulatory approaches for different segments of the sharing economy in transportation. Blablacar, which allows for inter-city ride-sharing, is embraced as a digitally-enabled version of car-pooling. On the other hand, France's version of the peer-to-peer UberX service, UberPOP, has been banned with criminal charges laid against the company and executives (Box 3.9).

Dining and travel experiences

As Table 3.1 clearly demonstrates, the sharing economy is less developed when it comes to dining and travel experiences. Though shared dining activities are likely subject to local health and safety regulations, there has been scant government attention paid to these companies to date, likely due to the grey zone they straddle between the regulated restaurant sector and casual invitations to share meals with acquaintances.

Israel's Ministry of Tourism has actively embraced this sharing economy tourism opportunity, training EatWith hosts and promoting the website, while health officials have conducted inspections of home kitchens in Spain (BBC Travel, 2015). Both Feastly and EatWith have also adopted their own insurance policies to protect hosts from any type of incident that might occur while guests are at their homes (TechHive, 2014).

In 2012, the Korean capital launched the Sharing City Seoul project. This includes 20 different programmes and policies designed to promote the sharing economy by directly

Box 3.9. Distinction between for-profit and not-for-profit ride-sharing in France

Uber's peer-to-peer ride-sharing service UberPOP was launched in France in 2014. At its peak, 10 000 private drivers provided ride-sharing services to individuals via the Uber platform, charging between 20-40% less than traditional taxi services. UberPOP generated strong reactions from traditional taxi drivers and newer chauffeur-driven car services, resulting on occasion in road blockades and clashes with UberPOP drivers. Following legal action questioning UberPOP's legality, Uber suspended the service on 3 July 2015. On 22 September 2015, France's Constitutional Court ruled that the UberPOP service is illegal and subject to a penalty of up to two years in prison and a fine of EUR 300 000, under the 2014 Thévenoud Law governing competition between taxi services and chauffeur-driven car services. In its ruling, the Court made a clear distinction between not-for-profit peer-to-peer ride-sharing services, such as that offered by BlaBlaCar, and for-profit services like UberPOP. Uber's chauffeur-driven car services – UberPOOL, UberX, Blackcar and Van – continue to operate in France.

Source: Le Monde, www.lemonde.fr.

providing access to unused public facilities and supporting sharing economy enterprises. Zipbob was one of the companies chosen for city support. It started as a meal-sharing platform and has broadened its activities to a range of social activities such as book clubs and excursions (Box 3.2).

Similarly, there has been little to no response from policy makers for the travel planning aspects of the sharing economy, perhaps as they closely mimic existing tour companies but operate on a more local level and at a much smaller scale than other sharing economy platforms. These activities have also not generated the same level of reaction from traditional tourism actors in these areas as has been the case for the accommodation and transport sectors.

Path forward for tourism policy makers

For policy makers considering how the sharing economy will impact the tourism sector, there are three key areas that should be considered: strengthening the strategic operating framework, re-thinking existing political incentives and adopting modern regulatory approaches (Johal and Zon, 2015).

Strengthening the strategic operating framework

Awareness of the issues related to the sharing economy is a critical first step. Developing a strategic operating framework that articulates key considerations and preferred policy objectives will help guide future decisions and provide a frame of reference for complex, difficult challenges.

An example of this approach in practice occurred when the United Kingdom commissioned an independent review of the sharing economy in 2014 and subsequently issued a government response to the review outlining how the country can become a global leader for the sharing economy (United Kingdom Department of Business, Innovation and Skills, 2014, 2015). The French Government has also issued a wide ranging study of the sharing economy and the major public policy issues that it raises (French Ministry for Economy, Industry and Digital Affairs, 2015).

At European Union level, a Collaborative Economy, New Business Models and SME Task Force has been established to focus on how to better capitalise on sharing economy opportunities and consider the impacts on traditional businesses, jobs and consumers. Tourism is included in the work of this horizontal taskforce, which is intended to connect the work of various Directorate-Generals in the European Commission active on sharing economy issues (Box 3.10).

Box 3.10. EU taskforce on collaborative economy, new business models and SMEs

The Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROWTH), which has responsibility for tourism, established the Collaborative Economy, New Business Models and SME Task Force in early 2015. The main aim of the taskforce is to inform DG GROWTH's perspective on these issues, with a view to recommending possible policy initiatives, as needed. Its overall purpose is to contribute to policies and actions creating growth and jobs in the European Union by better capitalising on the opportunities from new business models in the sharing economy. The taskforce also recognises that the sharing economy has a direct impact on the traditional business environment of various sectors, job quality and consumers. These issues need to be taken into account for effective and evidence-based policy development. The taskforce's mandate for the next two years is to act primarily as a creator and co-ordinator of synergies between existing activities in DG GROWTH and to reach out to other interested DGs across the European Commission which are also examining issues related to the sharing economy, in order to mainstream this work. DG GROWTH is working closely with DG's responsible for Communications Networks, Content and Technology (CNECT), Mobility and Transport (MOVE), Justice and Consumers (JUST) and Taxation and Customs Union (TAXUD), amongst others. The taskforce's work will contribute to the policy debate and fill knowledge gaps in the understanding of the economic impact of sharing economy on the various sectors of industry and economic activity in the European Union, including tourism.

In many cases rules that govern sharing economy enterprises will not be unique to tourism alone and therefore should be considered within a broader policy framework. Governments looking to establish a framework around the sharing economy and tourism should consider:

- **The impacts of the sharing economy on broader policy objectives.** For example, many countries have developed strategies around sustainable tourism that focus on reducing the carbon footprint of tourism, resource conservation and social cohesion. This policy priority is clearly aligned with many aspects of the sharing economy, which is premised on harnessing the value of under-utilised assets and establishing connections between individuals. How might an expansion of the sharing economy drive towards more sustainable modes of tourism? A broad range of policy objectives such as economic growth, affordable rental housing and accessible transportation networks are also potentially impacted by the sharing economy and should be carefully considered by policy makers.
- **The scope of the informal economy.** Many sharing economy transactions fall into a grey zone, with similar features as undeclared transactions which typically are not captured by government rules and regulations. However, the digital trail created by sharing

economy platforms means that regulators may have the opportunity to trace transactions that hitherto had been invisible. Informality is an issue in the tourism sector throughout the OECD, although the degree varies significantly by country. Balancing governments' interests in protecting against the erosion of their existing tax bases, ensuring the efficient and equitable taxation of different businesses, minimising compliance costs and supporting innovation in the market will be important.

- **The role of government in the marketplace.** In some instances, policy concerns may be addressed by sharing economy platforms or other private enterprises. For example, TaskRabbit (www.taskrabbit.com) recently instituted a site-wide minimum wage, and Instacart (www.instacart.com) is offering part-time employment status with benefits to its in-store shoppers. Challenges around the appropriate insurance for ride-sharing drivers are being addressed by companies developing new products that cover both personal and commercial use of their vehicles. Assessing the adequacy of standards and guidelines self-adopted by sharing economy platforms will be a key focus for governments moving forward.
- **Impacts on social programmes and policies.** Whether and how more citizens shifting into part-time, non-standardised forms of work might impact their well-being and their eligibility for public social programmes should also be carefully considered. In some instances this may lead to the creation of new unions or co-operatives to protect workers' rights (Financial Times, 2015b).

Fundamentally, governments must consider whether they want to adopt a precautionary approach to the sharing economy, under which potential harms are deemed illegal, or a permissionless approach, under which innovation proceeds until it is proven to be harmful (Thierer, 2014). The appropriate route may depend upon which aspect of the sharing economy is under consideration. True peer-to-peer transactions at a small scale that see people share meals with tourists or occasionally let out a room to a visitor may be less concerning than disruptive shifts that fundamentally change the transportation or housing sector in a city or destabilise an entire segment of the labour force.

Re-thinking political and cultural incentives

Governments should also carefully undertake a self-assessment to better understand the relevant features of their own operating environments, including:

- **Political leadership and transparency.** Above all, the sharing economy quickly and starkly brings the clash of interests between different stakeholders into the light. Existing operators have a strong interest in preserving the status quo (e.g. preserving the form of current taxi or hotel regulations) in the face of new market entrants. Consequently, quiet and not so quiet forms of lobbying and political pressure are brought to bear on politicians and policy makers. Adopting a transparent, open approach to the decision-making process is particularly vital when considering market entry and barrier issues to ensure that decisions are being made in the public interest.
- **Bureaucratic incentives.** Civil servants should be encouraged to experiment and test the ideas and opportunities afforded by new technologies that may not easily fit within existing regulatory models. Greater use of policy or innovation labs (such as Denmark's MindLab [www.mind-lab.dk]) that bring together diverse stakeholder interests to brainstorm, test and assess new approaches in the tourism sector should be encouraged.

- **Adopting an end-user mind-set.** Too often, government policies and programmes are designed from the perspective of governments themselves, and not the citizen or consumer. Are tourists and tourism operators being well-served by existing regulatory frameworks? If not, how can they be better served? Designing rules that make sense and are easy to understand should be encouraged to promote greater compliance and effectiveness for both existing and new market participants (OECD, 2000).

Modernising policy and regulatory approaches

Since they rely on harnessing existing assets that they themselves typically do not own, sharing economy platforms do not face significant obstacles to growth from capital constraints. Rather, policy and regulatory frameworks pose the biggest obstacle to the operation and growth of these platforms in most countries. Therefore, understanding how existing frameworks might unnecessarily or unintentionally impede the growth of sharing economy enterprises, or otherwise stand in the way of fair competition between the sharing economy and traditional economy, is critical. In this regard, the following issues should be considered:

- **Adopting a whole-of-government perspective.** Many of the issues raised by sharing economy enterprises cut across departmental or level of government mandates, such as employment standards, competition, defining taxable activity and local zoning matters. As a result, the greater the horizontal and vertical co-ordination in a country, the more likely thoughtful, forward-looking approaches can be developed. For tourism policy makers, regulations that touch on transportation, accommodation and restaurants will necessarily involve officials from a range of ministries and potentially levels of government. Developing a taskforce of relevant officials from local, sub-national and national government departments to consider key short-term critical issues as well as longer-term matters for consideration is one potential approach to fostering a whole-of-government perspective.
- **Greater adoption of performance-based and self-regulatory approaches.** In some cases, command and control regulatory approaches are the best way to protect the public interest. However, there is growing recognition that in many areas, exhaustively listing the requirements businesses or individuals must comply with does not promote and may in fact stifle innovation (OECD, 2007). Policy makers should explore the development of flexible approaches to ensure that rooms for rent, or cars for hire, are safe. They should also explore working directly with sharing economy platforms to handle more complex regulatory requirements such as tax remittances and avoid imposing additional burdensome requirements on individuals. This is an opportunity to develop better approaches for all actors in the tourism sector, whether they are participating in the sharing economy or not.

Approaches that rely on self-regulation also make sense in situations where a business' incentives line up with the public's interests and their actions can be monitored independently. For example, EatWith has an incentive to ensure that the meals people prepare and host on their platform are of a high quality, and as a result it claims to only accept 4% of prospective hosts and requires interviews and demonstration dinners to ensure quality (BBC News, 2015). Sharetrade (www.sharetradeinternational.org), a new initiative to recognise trusted sharing economy platforms with a common service quality certification, is another example of self-regulation at a broader, sharing economy-wide level.

- **Utilise the data and reputational information gathered by sharing economy platforms.** Many transactions in the sharing economy are rated by both parties to that exchange. These rating systems help to generate trust and the expectation that people will receive the service they expected and paid for. They also expose clients who do not show up or leave a room dirty or damaged. Governments should explore how they can leverage these rating systems to identify problematic service providers and target compliance resources towards high-risk, low-quality providers rather than those who receive uniformly excellent ratings from clients. Ensuring the accuracy and reliability of this data (e.g. preventing platforms from withholding unfavourable information) is a critical issue that will be challenging, due to the knowledge asymmetries about proprietary systems between platforms and regulators. Given the significance of the sharing economy for the tourism sector, it is also important to capture data collected by the platforms in regional and national assessments of performance and trends in tourism.
- **Waivers and exemptions.** In the absence of evidence about how sharing economy platforms impact existing marketplaces, it can be difficult to craft effective rules. Granting temporary waivers or exemptions to new enterprises can give regulators sufficient time to observe market dynamics and assess what, if any, types of rules make sense (The Mandarin, 2015). This approach has been used for ride-sharing in United States jurisdictions including New York City, Detroit and Pennsylvania.

In addition to these specific approaches, there are some systematic strategies that governments may wish to consider as they grapple with the impacts of new technology on the tourism sector. These include:

- **Periodic regulatory reviews.** Regulations tend to be written to capture a very particular time-period and often do not age well as technology, the economy and society progresses. Regular reviews or automatic sunset clauses for regulations that are particularly susceptible to technological progress is one way to ensure rules stay relevant to today's realities.
- **More transparency around consultations.** As regulatory frameworks are revisited, the more open and transparent the consultation process, the less likely that rules will be written to the advantage of a particular stakeholder group or lobbying interest, to the detriment of the broader public interest. Consumer welfare and market competition matters often privilege existing firms that have particular knowledge of how to game the system to their own advantage. Policy makers should consciously look to overcome that risk by ensuring broad, deep consultations with all relevant parties.

Towards an evidence-based tourism policy agenda

The sharing economy has grown quickly and attracted both significant acclaim and criticism over the past five years. Policy makers the world over are struggling to understand what these new forms of business mean for economic opportunity and social patterns between citizens and how they will affect existing businesses across a range of sectors. Very few national or regional governments have presented a comprehensive policy or regulatory approach, and receptiveness by governments and by communities has been inconsistent. The body of research on the sharing economy is growing exponentially, but some particular areas are worthy of greater focus with respect to the tourism sector, including:

- Measuring the impacts of the sharing economy on the tourism sector, including the collection of baseline information prior to entry of sharing economy platforms and its

comparison with data that demonstrates economic impact (e.g. GDP, number of transactions, number of FTE positions created/eliminated/affected). Sub-sector information in areas such as accommodation, transportation and tours would be particularly valuable to assess how the sharing economy is either growing the economic pie or perhaps redistributing it differently.

- Understanding the experiences of key stakeholders who are involved or impacted by the sharing economy. What are the perspectives of local taxi, tour guide and hotel operators? How are individual citizens partaking either as providers or users of the sharing economy? Are tourists more or less likely to engage in certain kinds of sharing economy transactions when on holiday, as opposed to when they are at home? What is the role and business model of different platforms and what is their relationship with the service providers? What platforms and service providers offer the most peace of mind to tourists who are unfamiliar with local customs or languages? What are the implications for access to financing for tourism businesses? These types of perspectives will help policy makers gain a more nuanced understanding of the on-the-ground impacts of the sharing economy on the tourism sector.
- Better understanding the impact of the tourism sharing economy – especially peer-to-peer accommodation – on local communities. These effects are ambiguous and can point in multiple directions. For example, peer-to-peer accommodation may drive up housing costs but also offer a flexible additional source of income. Bringing tourism into new areas without dedicated infrastructure may increase noise and congestion but also additional customers for local businesses.
- Continued sharing of best practices and experiences amongst all levels of government (national, sub-national, local), particularly with regards to best practices in terms of regulatory responses will be vital as jurisdictions can learn from others that are facing similar challenges and opportunities. Connecting and collaborating on the policy issues around the sharing economy will ensure that best-practice models are adopted more easily and quickly.

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PART II

OECD Country profiles

Australia

Tourism in the economy

The Australian economy has recorded 24 years of economic growth, which is expected to continue despite adjustments to account for the end of the boom in resources investment. The country's many natural attractions provide a competitive advantage. Deloitte Consulting has recognised tourism as one of five industries that has the potential to drive Australia's prosperity into the future.

In the 2013/14 fiscal year, direct GDP contributed by Australia's tourism industry was AUD 43 billion (2.7% of national GDP), an increase of 3.4% on the previous year. Direct tourism gross value added (GVA) amounted to AUD 40 billion (2.7% of national GVA), an increase of 3.4%. The tourism industry directly employed 534 000 people in 2013/14, amounting to 4.6% of national employment.

Tourism consumption totalled AUD 113 billion in 2013/14, 3.7% higher than in the previous year. Domestic travel accounted for 76% of this total.

In 2013/14, all domestic trips (including day trips) increased by 0.5%, with overnight domestic trips up by 5.1% but domestic day trips down by 1.6%.

International tourism consumption increased by 10% to AUD 33 billion in 2014/15. This equates to 8.2% per cent of total exports. There were 7.1 million international visitor arrivals to Australia, an increase of 6.6% on 2013-14. Growth in arrivals from key international markets was strong: New Zealand (up 3.6%), China (up 21.9%), the United States (up 9.1%) and India (up 19.3%). Arrivals from the United Kingdom remained steady.

Tourism governance and funding

The Australian Trade Commission (Austrade) works closely with Tourism Australia and the Department of Foreign Affairs and Trade (DFAT) to co-ordinate the delivery of "whole-of-government" tourism objectives.

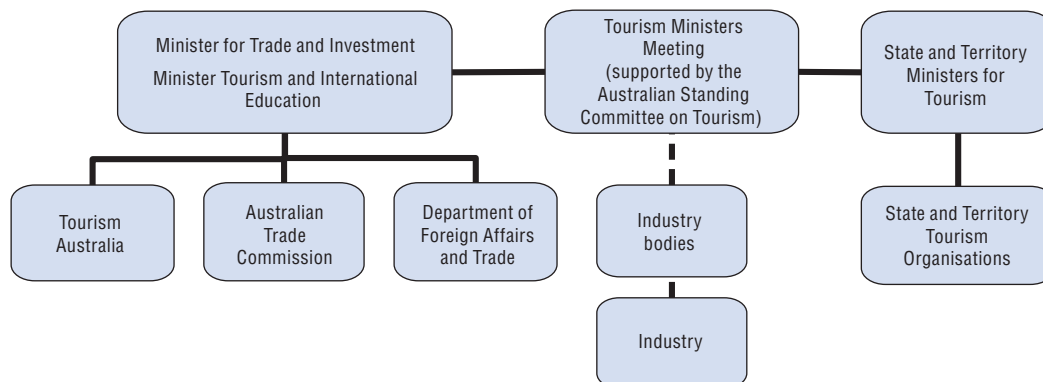
Austrade is responsible for tourism policy, projects, programmes and research. Within Austrade, Tourism Research Australia (TRA) provides international and domestic tourism intelligence, including statistics and analysis.

Tourism Australia is the Australian Government agency responsible for attracting international visitors to Australia both for leisure and business events. Formed under the *Tourism Australia Act 2004*, it delivers a wide range of marketing activity.

DFAT works to strengthen bilateral tourism relationships with important tourism markets and to leverage key multilateral tourism bodies.

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.

Australia: Organisational chart of tourism bodies



Source: OECD, adapted from Australian Government, 2016.

Tourism Ministers' meetings are chaired by the Australian Government Minister for Trade and Investment and bring together tourism ministers from the Australian, state and territory governments to discuss tourism policy matters of mutual interest. The tourism ministers are supported by the Australian Standing Committee on Tourism (ASCOT), which is made up of the Chief Executive Officers of each state and territory tourism organisation and has the collective responsibility for implementation of the national tourism strategy, Tourism 2020. Representatives from the tourism industry are an active voice at Tourism Ministers' and ASCOT meetings.

To facilitate a whole-of-government approach on tourism issues, Austrade has initiated the Tourism Inter-Departmental Committee. The Committee is represented by decision makers from a broad range of agencies across the Australian Government to ensure cross portfolio collaboration on key tourism reforms.

In the 2015/16 fiscal year, AUD 177 million has been provided for tourism and area promotion. This includes AUD 151 million allocated to Tourism Australia to market Australia internationally. A further AUD 14.3 million was allocated to the Tourism Demand-Driver Infrastructure programme to support the delivery of infrastructure projects across Australia that contribute to tourism outcomes by driving demand, improving quality and increasing tourism expenditure. Other additional resources include AUD 4.4 million allocated to the Tasmania Regional Tourism Package and AUD 2.6 million allocated to the Approved Destination Status (ADS) Scheme to provide tour quality monitoring arrangements that underpin the Chinese inbound tourism market.

Australian Government funding does not include funding from the states and territories that have their own respective budgets for tourism covering marketing, events and programmes.

Tourism policies and programmes

Australia's national tourism strategy Tourism 2020, introduced in 2011, seeks to increase overnight visitor expenditure to between AUD 115-140 billion by 2020. It has two

policy pillars at its core: i) that supply and demand side considerations must be addressed together; and ii) that a partnership approach is required between all levels of government and industry.

Six key priority reform areas agreed in the Tourism 2020 Implementation Plan 2015-20 include:

- Increase cross portfolio collaboration within all levels of Australian governments to plan and drive reform of the visitor economy,
- Improve visa arrangements to encourage more people to visit Australia, improve visitor experiences and the competitiveness of Australia,
- Improve aviation connectivity and the customer experience to enhance access and provide flexibility to meet demand in the tourism transport environment,
- Develop a more productive labour system to better service the visitor economy,
- Integrate national and state tourism plans into regional development and local government planning to generate effective infrastructure to service regional communities, services to the visitor economy and encourage private investment in tourism infrastructure.
- Identify partnerships, efficiencies and opportunities to drive demand for travel to Australia and improve conversion.

As a long-haul destination, aviation plays a major role in the transportation of international visitors to and from Australia. To meet the Tourism 2020 potential, an additional 2.6 million operated inbound seats are needed to accommodate forecast growth. The Australian Government's approach to international aviation is to continue to liberalise the market, supporting the entry of Australian airlines into foreign markets and negotiating arrangements that remove barriers and ensure the aviation capacity necessary to meet future demand. An example is the approach to China.

Aviation agreement between Australia and China

An example of government cross-portfolio co-operation, achieving a significant outcome for the Australian economy and the tourism sector, was the signing of an enhanced air services agreement with China, which is Australia's most valuable market. For some time, during peak periods Chinese carriers were unable to meet visitor demand for direct services into Australia. This was acknowledged by both governments, and air services talks were arranged to discuss a potential solution. On 21 January 2015, both countries agreed on reconfigured arrangements that effectively triple gateway capacity from China into Australia's gateway airports by the end of 2016.

There is increasing recognition of the importance of efficient international passenger facilitation and maintaining a welcoming reputation. This has been addressed through improving Australia's automated border processing technology, SmartGate, which is being rolled out to all eight major international airports, and extending eligibility to use the fast self-processing option (Box 2.7).

Improvements have been made to Australia's visa product offering, including a three-year multiple entry visa for visitors from China, the announcement of a trial offering 10-year visitor visas for Chinese nationals to start in 2016, and a commitment to provide all nationalities with access to an online visa product by the end of 2017. In 2015, the

Australian and New Zealand governments offered, for the first time, a joint visa for visitors to Australia and New Zealand for the Cricket World Cup. This initiative has the potential to lead to a more permanent arrangement.

Tourism infrastructure has been endorsed as one of the Australian Government's five investment priorities, capitalising on the close proximity to a growing Asian middle class and the strong global demand for unique tourism experiences. To fully realise this opportunity, the Australian Government is encouraging new investment and undertaking game changing reforms that will improve Australia's tourism competitive advantages.

In 2012, Tourism Australia and Austrade entered into a five-year partnership to deliver a tourism investment attraction programme. The partnership is delivering on its objectives with strong international investment interest in tourism assets (Box 1.22).

Through the Tourism Major Project Facilitation service, established in 2012, significant tourism projects are assigned a case manager to assist with navigating the Australian Government approvals process. The service has helped support projects by providing proponents with guidance on federal approvals, processes and support programmes, pursuing solutions to investment barriers, and providing access to federal and state government officers to help progress projects.

The Australian Government's tourism investment attraction strategy has been further bolstered by the appointment in 2014 of a dedicated Tourism Senior Investment Specialist (SIS) from the private sector. The SIS has a facilitation and advocacy role for strategically important investment opportunities, and works with states and territories to bring investment to fruition and to promote reinvestment by major investors.

Tourism Australia focuses its global marketing resources on those markets that represent the greatest potential for growth in expenditure. Its marketing campaigns seek to convert consumer interest in Australia into bookings by generating urgency to visit, increasing knowledge and building a strong consumer image of Australia's tourism offering. Tourism Australia actively partners with commercial businesses and the state and territory government tourism marketing organisations, to increase the impact and reach of its campaigns. The Restaurant Australia campaign is a good example of this partnership approach: www.restaurantaustralia.com.

Statistical profile

Table 1. Australia: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	223 218	227 264	242 216	243 125	244 333
Overnight visitors (tourists)	68 143	70 977	73 369	75 268	79 096
Same-day visitors (excursionists)	155 075	156 287	168 847	167 857	165 237
Nights in all types of accommodation	264 260	266 235	278 348	286 056	294 980
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	5 790	5 771	6 032	6 382	6 868
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
New Zealand	1 146	1 156	1 185	1 193	1 241
China	446	533	619	709	839
United Kingdom	660	622	608	658	652
United States	463	447	471	501	553
Japan	391	326	348	324	326
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	7 103	7 788	8 212	8 768	9 114
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
New Zealand	1 062	1 099	1 102	1 175	1 194
Indonesia	740	880	913	950	1 083
United States	685	800	865	947	950
Thailand	450	553	624	631	569
United Kingdom	480	511	511	562	555
TOURISM RECEIPTS AND EXPENDITURE, MILLION AUD					
Inbound tourism					
Total international receipts	33 990	33 475	23 298	34 714	37 935
International travel receipts	31 176	30 803	20 807	32 374	35 524
International passenger transport receipts	2 814	2 672	2 491	2 340	2 411
Outbound tourism					
Total international expenditure	30 286	32 877	34 012	36 491	35 287
International travel expenditure	24 541	26 488	27 111	29 652	29 146
International passenger transport expenditure	5 745	6 389	6 901	6 839	6 141

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Source: OECD Tourism Statistics (Database).


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Table 2. **Australia: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	515 100	526 200	528 900	539 600	534 000
Tourism industries	276 280	492 700	503 200	505 500	516 100	510 100
Accommodation services for visitors	13 200	73 000	72 200	69 000	70 900	69 700
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	72 050	167 700	173 800	173 400	180 900	175 500
Passenger transport	25 330	55 600	56 400	60 000	58 300	58 800
Air passenger transport	4 500	33 100	34 500	37 900	35 200	36 200
Railways passenger transport	30	3 600	3 600	3 300	3 200	3 200
Road passenger transport	20 800	18 900	18 300	18 800	19 900	19 400
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	5 100	31 100	31 200	32 900	31 900	32 200
Cultural industry	14 100	10 200	9 600	11 100	10 500	10 000
Sports and recreation industry	12 000	19 100	20 100	20 300	21 500	20 700
Retail trade of country-specific tourism characteristic goods	134 500	97 500	99 900	99 100	100 500	101 500
Other country-specific tourism industries	..	38 500	40 000	39 800	41 600	41 800
Other industries	..	22 400	23 000	23 400	23 500	23 800

.. Not available

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1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319665>Table 3. **Australia: Internal tourism consumption**


Million AUD

	2014		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	86 168	27 176	113 343
Tourism characteristic products	50 808	15 102	65 910
Accommodation services for visitors	13 119	4 805	17 924
Food and beverage serving services	14 765	2 901	17 666
Passenger transport services	13 317	5 674	18 991
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 324	386	1 711
Travel agencies and other reservation services industry	3 668	287	3 955
Cultural services	..	..	..
Sports and recreation services	4 614	1 049	5 662
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	35 360	12 073	47 433
Tourism connected products	33 352	11 069	44 421
Non-tourism related consumption products	2 008	1 004	3 012
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319671>

Austria

Tourism in the economy

According to the Tourism Satellite Account, the direct value-added effects of tourism in 2014 totalled EUR 18.1 billion, or 5.5% of GDP. About 270 500 full-time job equivalents could be directly attributed to tourism related industries in 2013, contributing 7.3% to overall employment in Austria.

In 2014, the number of international tourist arrivals in all accommodation establishments in Austria (commercial and private) was 25.3 million (up 1.9% over 2013). The fastest-growing source markets, compared with 2013, were Asian countries, including Chinese Taipei up 35.3%, the Republic of Korea up 28.6% and China up 21.9%, while Russia lost importance (down 8.9%). Germany, the most important market for Austria, remained stable with 11.8 million arrivals.

Domestic tourist arrivals in paid accommodation totalled 12.3 million (up 1.9%) in 2014, and 35.7 million bednights were registered. Record highs with regard to arrivals were recorded during both the winter months (November 2013 to April 2014) and summer season (May to October 2014), with 5.1 million and 7.1 million arrivals respectively.

In 2014, 63 800 accommodation establishments (excluding campsites) and 1.1 million beds (excluding extra beds) were listed in Austria. While this represented a fall in the number of accommodation establishments of 0.3% over the 2013 level, the number of four and five-star category establishments remains the same.

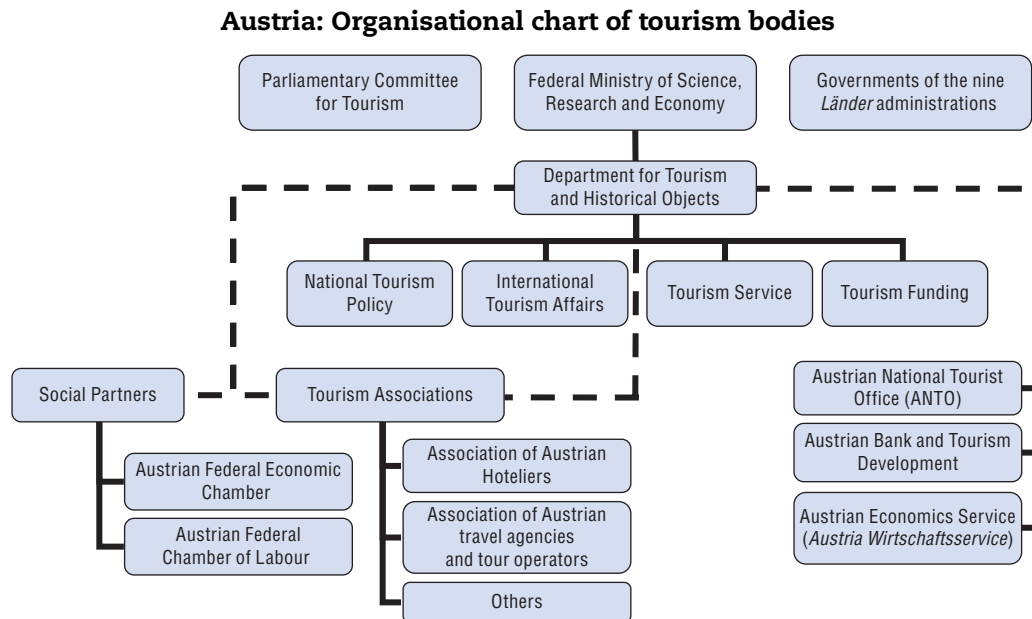
Tourism governance and funding

According to the Austrian Federal Constitution, the nine *Länder* (federal states) have the legislative and executive competencies for tourism affairs. Nevertheless, as tourism is a typical cross-cutting sector, both federal and European laws apply. 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 national tourism strategy with the objective of close and strategic co-ordination on tourism issues. In particular, this strengthens co-ordination between the national and regional levels, which are closely involved in the so-called Strategic Group. The *Länder* are also regularly consulted in another permanent working group for the European Union and international tourism activities.

Co-operation with other ministries, departments, institutions and the tourism industry is organised for specific topics either on the longer term via permanent working groups or round tables (e.g. sustainable mobility, labour market, visa, tourism ethics), or on a case-by-case basis (e.g. new funding schemes, new legislation affecting tourism).

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%). The ANTO co-operates closely with the Austrian tourism trade (e.g. tourist boards of the *Länder*, destinations and tourism businesses) for marketing services. The core competences of the ANTO are market research, brand management, innovative marketing, both domestic and international, and tourism networking and information brokering. In its international strategy, it focuses on increasing Austria's market share in the most promising international markets.



Source: OECD, adapted from the Federal Ministry of Science, Research and Economy, 2016.

In 2014, the national tourism administration dispensed a budget of EUR 51 million. Of this total, EUR 20.5 million were dedicated to the financial support of SMEs (administered by the Austrian Bank for Tourism Development and subject to regular evaluation based on a range of key indicators), EUR 24.1 million were directed to the annual budget of ANTO and EUR 6 million were disbursed by the Ministry in the form of individual subsidies for co-financing tourism projects and service contracts. Also, EUR 50 million in European Recovery Programme (ERP) funds were made available for loans to SMEs in the tourism industry. In addition to the national budget, all nine *Länder* have their own tourism budgets in order to support their specific tourism development programmes.

Tourism policies and programmes

Key issues and challenges for Austria include: high dependence on a small number of core markets and the co-ordination of marketing efforts; encouraging investment and innovation as well as improving the size and quality of tourism enterprises; combatting seasonality and fostering year-round product development (summer and winter peaks, climate change); improving accessibility, connectivity and sustainable transport (e.g. high dependence on car traffic, Alpine topography); employment and labour market issues (e.g. need for qualified labour force); and the administrative and regulatory environment (new legislation at European and national level, e.g. the package travel directive, national tax reform).

The 2010 National Tourism Strategy looked to address these issues. Relevant initiatives have included:

- Marketing. Action leads to closer co-operation between ANTO and the nine tourism marketing organisations of the *Länder* in the fields of branding, marketing, IT, research and communication to streamline activities and enhance efficiency.
- Finance and investment. The Ministry continues the 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 investment and innovation, to improve the quality and grow the size of tourism enterprises and to encourage new business start-ups. The *Förderpyramide* (a co-ordination instrument for funding at national and *Länder* level) defines competences more effectively, reflects the importance and size of projects and helps to increase transparency for SMEs. Initiatives include debt support from the Ministry or *Länder* to young entrepreneurs taking over and investing in their family business and an agreement with the European Investment Bank, whereby it will provide up to EUR 250 million over the next years which will be used by the Austrian Tourism Bank for Tourism Development to provide tourism SMEs with loans at reduced interest rates.
- Employment and labour market. Since 2014 there have been regular meetings of a working group dealing with shortcomings in the tourism labour market. There has also been a decision on new apprenticeships (March 2015) and the possibility of introducing quality management in the system of apprenticeships. Apprenticeships are promoted via support for enterprises, award schemes and discount cards for apprentices in the tourism industry; information packages for teachers about training possibilities as well as information brochures that help apprentices through the application process.
- Improving accessibility, connectivity and transport. There have been conferences, workshops, publications etc. to improve the linkage between tourism and (sustainable) transport (including the organisation of a yearly “Tourism-Mobility-Day”) along with communication initiatives concerning customers with special needs, e.g. a handbook about the legal framework with regard to accessibility and respective construction standards.
- Climate change. Research, knowledge transfer and information measures have been undertaken about the implications of climate change and possible response strategies within the tourism industry (e.g. studies such as *Hot town, summer in the city* and *Impacts of Climate Change on Tourism in Austria 2030* or the publication of guidance documents such as *Energy efficiency measures for hotels and gastronomic businesses* published in 2015). Subsidies are given for relevant actions in the use of green energy, water, construction and mobility.
- Innovation. A bi-annual award (*Österreichischer Innovationspreis Tourismus*) has been organised in co-operation with the *Länder*, dedicated to innovative best practices, with financial project support for the winner. There have been 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 European Union, provide EUR 1 million a year.
- The administrative/regulatory framework. The Ministry has put in place an independent commission to analyse the regulatory and administrative system (including tourism) and installed a reporting platform.

Statistical profile

Table 1. Austria: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	11 385	11 617	12 013	12 034	12 265
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	35 024	35 297	35 964	35 755	35 668
Hotels and similar establishments	23 029	23 180	23 762	23 635	23 482
Specialised establishments	..	..	..	..	..
Other collective establishments	8 327	8 515	8 621	8 619	8 860
Private accommodation	3 667	3 603	3 582	3 501	3 326
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	22 004	23 012	24 151	24 813	25 291
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	10 706	10 930	11 412	11 758	11 750
Netherlands	1 618	1 645	1 715	1 674	1 672
Switzerland and Liechtenstein	1 054	1 199	1 276	1 282	1 310
Italy	1 068	1 087	1 060	1 024	1 051
United Kingdom	731	709	741	774	803
Nights in all types of accommodation	89 857	90 706	95 052	96 874	96 233
Hotels and similar establishments	58 314	59 147	61 360	62 137	61 830
Specialised establishments	..	..	..	..	..
Other collective establishments	14 272	14 503	15 799	16 296	16 269
Private accommodation	17 271	17 056	17 893	18 441	18 134
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	9 882	9 874	10 960	10 671	10 994
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Germany	1 893	1 942	2 369	2 330	2 347
Italy	1 846	1 973	2 083	1 932	2 033
Croatia	856	1 011	1 098	960	1 048
Spain	552	529	536	442	508
Greece	274	272	262	381	365
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	15 705	16 187	16 661	17 126	17 444
International travel receipts	14 027	14 267	14 706	15 237	15 675
International passenger transport receipts	1 678	1 920	1 955	1 889	1 769
Outbound tourism					
Total international expenditure	9 291	9 232	9 664	9 621	10 020
International travel expenditure	7 717	7 531	7 825	7 738	8 149
International passenger transport expenditure	1 574	1 701	1 839	1 883	1 871

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319680>

Table 2. Austria: Enterprises and employment in tourism

	Number of establishments ¹	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	73 355	252 875	254 011	262 036	270 486	..
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	15 670	58 715	58 429	61 683	63 753	..
Food and beverage serving industry	28 860	87 105	88 287	95 260	99 142	..
Passenger transport	12 065	52 081	54 079	52 613	53 261	..
Air passenger transport	180	4 114	4 333	3 820	4 524	..
Railways passenger transport	26	7 065	7 167	6 703	6 590	..
Road passenger transport	11 780	40 862	42 537	42 054	42 113	..
Water passenger transport	79	41	42	36	34	..
Passenger transport supporting services	500	674	655	757	752	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	2 380	30 160	30 614	31 613	32 843	..
Cultural industry	9 710	15 370	13 989	12 790	13 397	..
Sports and recreation industry	4 170	8 769	7 958	7 319	7 338	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319699>

Table 3. Austria: Internal tourism consumption


Million EUR

	2014		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	19 315	16 556	35 871
Tourism characteristic products	14 645	14 751	29 396
Accommodation services for visitors	3 437	6 734	10 171
Food and beverage serving services	4 872	4 738	9 609
Passenger transport services	4 135	1 862	5 996
Air passenger transport services	2 557	1 582	4 139
Railways passenger transport services	917	259	1 176
Road passenger transport services	629	14	643
Water passenger transport services	31	7	38
Passenger transport supporting services	340	3	344
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	11	0	11
Cultural services	1 851	1 415	3 266
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	4 670	1 805	6 475
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319708>

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 Region and Wallonia.

In 2012, the direct contribution of travel and tourism to GDP and employment for Belgium was estimated to be respectively 2.3% and 2.5%. At the level of the regions the economic contribution of tourism represented around 2.8% for Flanders, 6.1% for Wallonia, and 4.2% for Brussels.

In 2014, Belgium received a record 6.4 million international visitors in hotels and similar establishments, of whom 48% (3.1 million) visited Flanders, 40% (2.5 million) the city of Brussels and 12% (0.8 million) Wallonia. The number of foreign tourists to Belgium in 2014 increased by 2.6% overall on 2013. The leading foreign markets for Belgium are the Netherlands, France, the United Kingdom and Germany.

Belgium domestic visitors totalled 4.2 million in 2014, of whom 58% visited Flanders, 25% Wallonia and 17% Brussels.

Outbound overnight trips from Belgium increased by 5.8% to 13.3 million in 2014. Of these trips, 55% originated in Flanders, 29% in Wallonia and 16% in Brussels.

FLANDERS REGION

Tourism governance and funding

In Flanders, tourism is the responsibility of the Minister for Public Works, Mobility, the Vlaamse Rand, Tourism and Animal Protection.

The tourism unit of the Flemish Department of Foreign Affairs is responsible for tourism policy, international tourism relations and the licensing of tourism accommodation in the Flanders region.

VisitFlanders has the following objectives and functions:

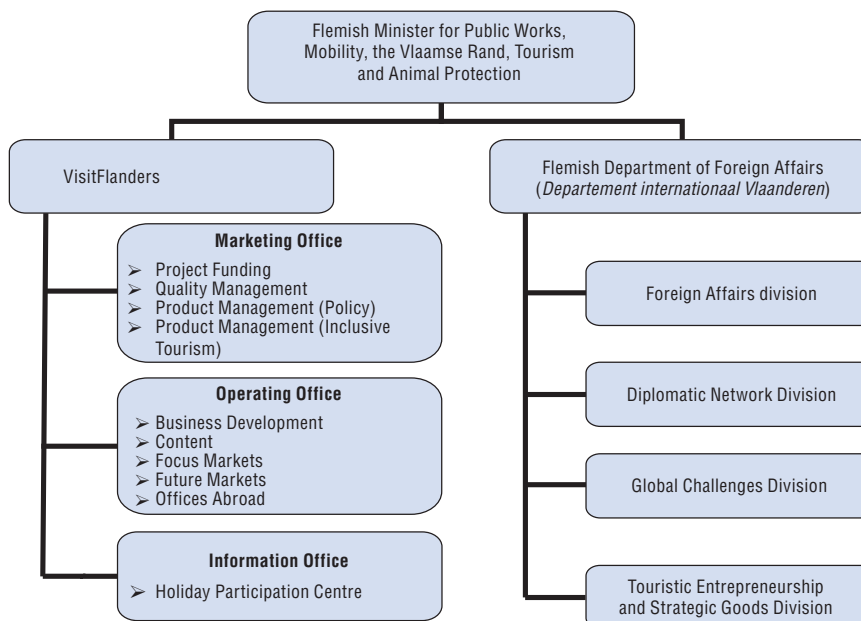
- Investing in the sustainable development and promotion of Flanders and Brussels as a top tourist destination,
- Making specific investments and supplying support to make the Flanders tourism offer more attractive,
- Promoting Flanders as a tourist destination to attract more visitors,

- Making sure that everyone can enjoy and participate in a holiday, including people with disabilities or limited economic means, linking accessibility and quality,
- Stimulating professionalism in the tourist sector in order to guarantee all visitors a quality offer and experience.

Local authorities invest in the domestic promotion of Flanders.

In 2015 the overall budget for VisitFlanders was EUR 80 million.

Belgium, Flanders region: Organisational chart of tourism bodies



Source: OECD, adapted from the Flemish Department of Foreign Affairs, 2016.

Tourism policies and programmes

Tourism policy in Flanders has three overall priorities:

- Increase the attractiveness and promote Flanders as a destination. The approach is to focus on distinctive features of Flanders, including treasures such as the Flemish Masters and local gastronomy. Individual destinations including the Brussels region are supported and investments made in promotion, events, infrastructure and accessibility.
- Support businesses and a vibrant tourism sector. Priorities include a streamlined quality policy, addressing competitiveness in the accommodation sector and implementing a hotel and catering industry policy plan; product development such as cycling, walking networks and family-friendly heritage destinations; and financial support provided by the Government. Since 2013, specific attention has been given to tourism as a main driver of economic growth for the province of Limburg, with public support provided for tourism projects, such as those creating value from coal mining heritage.
- Make tourism available to all Flemings. This includes work in three areas: making Flanders a leading family-friendly heritage destination; expanding the Holiday Participation Centre (*Steunpunt Vakantieparticipatie*) as a leading reference point for people with budgetary and care needs; and providing a range of high quality accommodation for a range of disadvantaged groups.

WALLONIA

Tourism governance and funding

In Wallonia, tourism is the responsibility of the Minister of Agriculture, Nature, Rural Development, Tourism and Sport Infrastructure. There are three main institutional players in Wallonia.

The General Tourism Commission (CGT) is the agency responsible for implementing the tourism policy of the Walloon Government. Its mission is to execute tourism policy, manage publicly owned tourism infrastructure and organise and promote tourism in Wallonia.

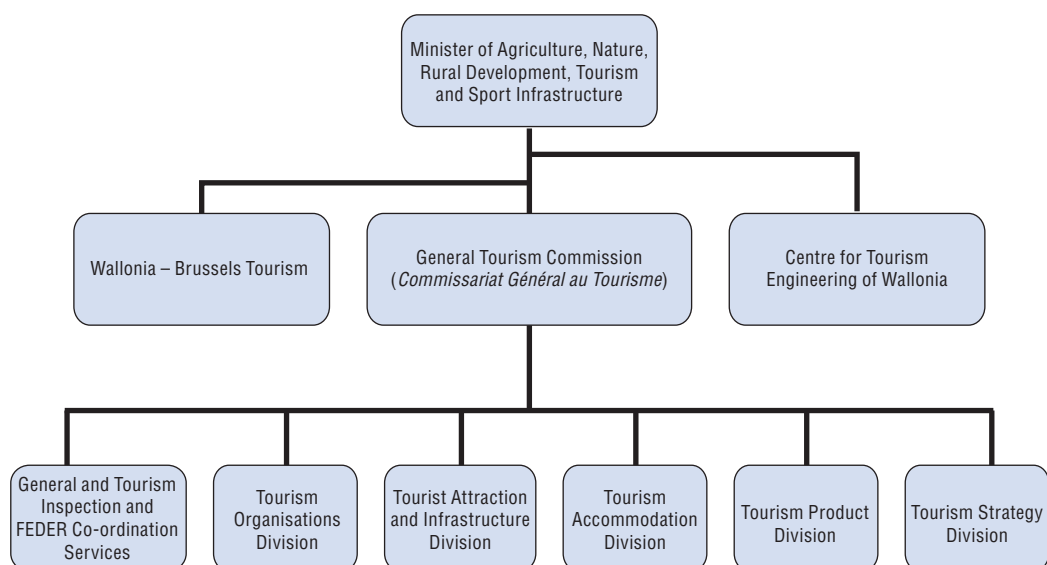
The Wallonia-Brussels Tourism Bureau (WBT) is primarily responsible for the promotion of Wallonia and Brussels as tourism destinations in Flanders and abroad.

The CGT and WBT work closely with professional associations in the sector to develop creative and innovative tourism policies. The objective is to: focus investment on source markets with high potential; improve the image and reputation of Wallonia as a destination; develop innovation and improve the balance between supply and demand in the various markets; and bring public and private investment together to promote Wallonia and its products as a destination for tourism.

The Centre for Tourism Engineering of Wallonia (CITW) is a joint economic and tourism development undertaking between Walloon municipalities active in the sector. In liaison with the CGT and with support from European Regional Development Funding, it organises and implements tourism engineering policies that pool responsibilities and co-ordinate actions at the Walloon territorial level, as well as co-ordinating more generally the studies performed by specialist consultants.

In 2014 the budget of the CGT was EUR 59 million. The budget does not include funding for projects co-financed by the European Commission (EUR 97 million for the period 2007-13). The main budget of the WBT (including promotion of Brussels Region) was EUR 12 million (2/3 of this amount being financed by the CGT). Specific promotion actions for Wallonia, including public-private promotion clubs, were also financed for EUR 3 million.

Belgium, Wallonia: Organisational chart of tourism bodies



Source: OECD, adapted from the General Tourism Commission of Wallonia, 2016.

Tourism policies and programmes

The 2014-19 *Regional Policy Declaration* recommends focusing on two tourism objectives:

- Make Wallonia a leading tourist destination. The approach involves building on the region's key strengths, including heritage sites, gastronomy and major events (such as the anniversaries of the Battle of Waterloo and First and Second World War battles). Priorities also include reviewing the tourism strategy, commercialising packages for specific markets, improving the customer welcome, and addressing the accessibility of the main tourist sites.
- Maximise capacity and resources to support tourism. Priorities include: involving professional associations in implementing tourism policy; improving the training of operators; improving financial tools; adopting a more cohesive regional development policy; creating two or three new resorts using public-private partnerships to develop and enhance government-owned assets; developing high performance statistical tools; simplifying standards for tourist establishments, redirected towards quality, accessibility and security; simplifying the institutional organisation of tourism; restructuring and streamlining the Wallonia-Brussels Tourism Bureau (through the sixth State reform which confers more responsibility for tourism to the regions).

Before the above objectives can be achieved, the Minister for Tourism has requested an objective and comprehensive overview of the economic impact of tourism in Wallonia in order to make informed decisions when adapting key policies. To this end, the CGT is working with other actors to improve and update the socio-economic data available and develop new instruments, such as sectoral analysis of accommodation and visitor attractions, and customer surveys. Particular attention is being paid to accommodation and the hotel sector in this project, as it is the main source of tourism income. This complements work on tourist attractions.

Promoting good practices in tourist attractions in Wallonia, Belgium

Research undertaken in 2013 by the "Attractions et Tourisme" Association analysed the fluctuations in visitor numbers to tourist attractions. A multi-stakeholders working group then launched a survey of good practices at these sites and created a toolbox, as a guide to sound management for visitor attractions. Best practices were identified in the following fields: organisation (structure, management, human resources management), economics (financial management/accounting, investment and depreciation policy, business profitability), the offering (customer relations management, diversification, innovation, features and events), marketing (communication, internet, commercialisation), and partnerships (ties to the local economy, public-private partnerships). The manual is updated regularly. For more information, <http://strategie.tourismewallonie.be/fr/attractions-touristiques.html?IDC=944>. A large number of tourist attractions and museums use the CGT's service-quality label "Wallonie Destination Qualité" as a tool for implementing these best practices.

Statistical profile

Table 1. Belgium: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	3 601	3 883	3 806	3 947	4 175
Brussels	591	666	634	665	702
Flanders	2 086	2 246	2 188	2 277	2 420
Wallonia	925	971	983	1 005	1 053
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	6 169	6 529	6 328	6 525	6 926
Brussels	1 014	1 138	1 111	1 163	1 232
Flanders	3 673	3 852	3 674	3 798	4 032
Wallonia	1 482	1 540	1 543	1 564	1 661
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	5 772	6 077	6 146	6 228	6 389
Brussels	2 238	2 335	2 382	2 450	2 546
Flanders	2 765	2 931	2 955	2 969	3 051
Wallonia	769	811	809	809	791
Same-day visitors (excursionists)	..	..	..	..	..
Top markets for Belgium					
Netherlands	1 154	1 171	1 175	1 093	1 053
France	964	1 008	985	1 008	1 007
United Kingdom	796	793	813	848	880
Germany	640	665	637	658	667
United States	276	307	309	306	343
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	10 854	11 436	11 546	11 624	12 082
Brussels	4 242	4 499	4 593	4 772	5 058
Flanders	5 248	5 522	5 554	5 509	5 647
Wallonia	1 364	1 416	1 399	1 344	1 377
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	12 076	11 465	11 157	12 550	13 272
Brussels	1 756	1 510	1 690	1 848	2 226
Flanders	7 058	6 659	6 088	6 910	7 256
Wallonia	3 262	3 296	3 379	3 792	3 790
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations for Belgium					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	10 166	10 451	11 186	11 031	11 753
International travel receipts	9 162	9 421	10 129	10 166	10 777
International passenger transport receipts	1 004	1 030	1 057	865	976
Outbound tourism					
Total international expenditure	15 831	16 365	17 412	18 192	19 875
International travel expenditure	14 260	14 752	15 713	16 420	17 922
International passenger transport expenditure	1 571	1 613	1 699	1 772	1 953

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319716>


Table 2. **Belgium: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total
Tourism industries
Accommodation services for visitors	4 857	..	..	..	..	..
Brussels	292	..	..	..	..	..
Flanders	3 084	..	..	..	..	..
Wallonia	1 481	..	..	..	..	..
Hotels and similar establishments
Food and beverage serving industry
Passenger transport
Air passenger transport
Railways passenger transport
Road passenger transport
Water passenger transport
Passenger transport supporting services
Transport equipment rental
Travel agencies and other reservation services industry
Cultural industry
Sports and recreation industry
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319729>

Canada

Tourism in the economy

Tourism's direct contribution to Canada's GDP remains stable at approximately 2% or CAD 34.4 billion in 2014. One in 11 jobs (1.6 million) in Canada is associated with the visitor economy, with over 627 000 directly supporting tourism. Canada's domestic tourism represented 81% of the tourism revenues in 2014.

International arrivals to Canada have recovered following the global economic downturn of 2008 and continue to grow. In 2014, international tourist arrivals reached 16.5 million, a 2.9% increase compared to 2013. Canada posted healthy growth from key international markets such as China (31%), Japan (18.6%) and the United Kingdom (8.2%). Meetings, conventions and incentive travel attract close to 2 million visitors each year to Canada, with total spending of approximately CAD 1.7 billion.

Tourism governance and funding

In Canada, the Federal Government, the ten provincial governments and the three territorial governments all play a role in supporting and promoting tourism. Ministers responsible for tourism from each jurisdiction meet as the Canadian Council of Tourism Ministers to discuss trends and issues of concern to the Canadian tourism sector and work together to seek solutions.

At the federal level, the Minister of Small Business and Tourism 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.

Destination Canada (previously known as the Canadian Tourism Commission) is Canada's national tourism marketing organisation and operates as a Canadian Crown corporation wholly owned by the Government of Canada. Statistics Canada is the national statistical agency responsible for the collection and analysis of tourism-related statistics. Provincial, territorial and municipal organisations play an active role in the development and promotion of tourism at the sub-national level in every part of the country.

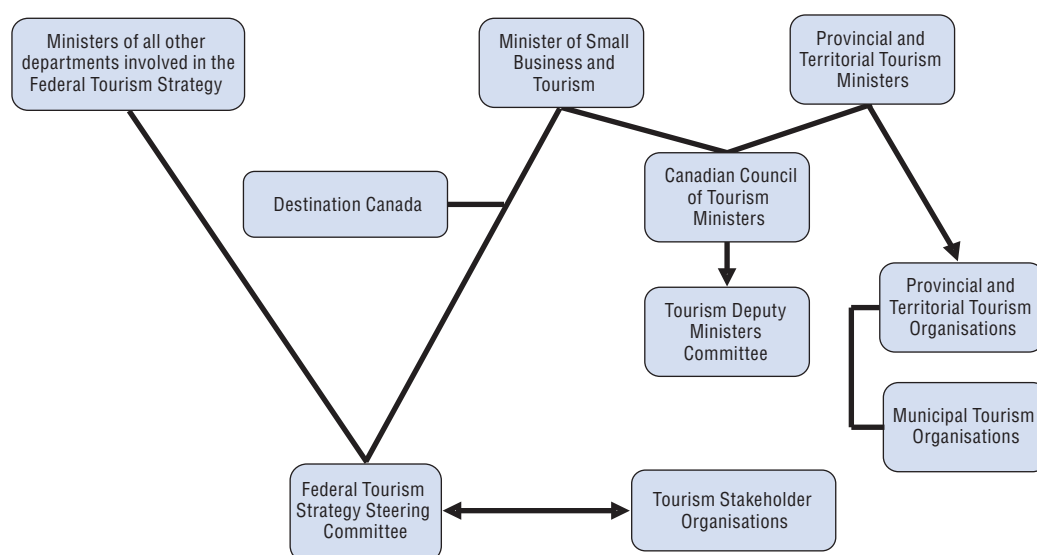
Canada's Federal Tourism Strategy is governed by the Federal Tourism Strategy Steering Committee that brings together some 20 federal departments and agencies through a whole-of-government approach. Those departments and agencies develop and implement policies that have an impact on tourism, directly and indirectly. Some support tourism through various funding programmes or through direct control and operation of tourism attractions. For example, Parks Canada is responsible for national parks, national historic sites and national marine conservation areas. Canadian Heritage is responsible for national museums. The Canadian Border Services Agency, Immigrations, Refugees and Citizenship, and Transport Canada are responsible for all matters related to border access

issues, entry requirements and air access agreements, respectively. Regional development agencies support many sub-national tourism-related initiatives.

The positive results of the whole-of-government approach to tourism support are becoming more evident with each year of activity under the Federal Tourism Strategy. The links between federal departments and agencies and with other levels of government and industry continue to strengthen.

Destination Canada undertakes a number of initiatives to market Canada internationally in support of its goal of growing tourism export revenues, in conjunction with its partners, which include provincial and destination marketing organisations. Destination Canada operates with annual parliamentary appropriations of CAD 58 million that it uses to leverage marketing partnerships. The Government of Canada has committed an additional CAD 30 million dollars over three years to marketing Canada as a tourism destination in the United States in partnership with the tourism sector.

Canada: Organisational chart of tourism bodies



Source: OECD, adapted from Innovation, Science and Economic Development, 2016.

Tourism policies and programmes

The Federal Tourism Strategy was launched in October 2011. The goal is to enhance the federal government's role as an effective partner with industry and other parts of the government in support of an internationally competitive tourism sector. Under the strategy, government and industry collectively consider tourism in decision making, explore collaborative tourism opportunities and reduce barriers to growth. The Federal Tourism Strategy priorities include:

- Increasing awareness of Canada as a premier tourist destination,
- Facilitating ease of access and movement for travellers while ensuring the safety and integrity of Canada's borders (Box 1.15),
- 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.

Canada has a Sustainable Development Strategy, *Planning for a Sustainable Future: A Federal Sustainable Development Strategy for Canada 2013-16*. In June 2012, Canada released its Action Plan to Reduce Greenhouse Gas Emissions from Aviation. The Action Plan is a collaborative effort between government and the aviation industry that seeks to improve fuel efficiency through fleet renewal and upgrades, more efficient air operations, improved capabilities in air traffic management and other supporting measures (e.g. research and development, improved ground operations). There is also a Memorandum of Understanding between Transport Canada and the Railway Association of Canada for reducing locomotive emissions and the Government has adopted strict environmental standards to reduce air emissions from ships navigating in Canadian waters.

Statistical profile

Table 1. Canada: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	92 143	105 743 |	108 393	108 925	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	271 869	288 945 |	297 302	287 115	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	25 621	25 065	25 318	25 167	25 558
Overnight visitors (tourists)	16 219	16 015	16 344	16 059	16 537
Same-day visitors (excursionists)	9 402	9 050	8 974	9 108	9 021
Top markets					
United States	11 871	11 597	11 887	11 466	11 508
United Kingdom	661	623	597	609	659
France	408	422	423	452	465
China	..	237	273	342	448
Germany	316	290	277	313	324
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	28 895	30 450	32 276	32 971	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION CAD					
Inbound tourism					
Total international receipts	19 008	19 746	20 675	21 584	22 651
International travel receipts	16 320	16 624	17 388	18 201	19 296
International passenger transport receipts	2 688	3 122	3 287	3 383	3 355
Outbound tourism					
Total international expenditure	38 361	40 738	42 996	44 319	45 190
International travel expenditure	30 895	32 974	35 030	36 161	37 151
International passenger transport expenditure	7 466	7 764	7 966	8 158	8 039

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319749>

Table 2. **Canada: Enterprises and employment in tourism**


	Number of establishments	Number of persons employed ¹				
	2014	2010	2011	2012	2013	2014
Total	..	592 700	600 300	609 500	618 900	627 500
Tourism industries	192 328	483 100	488 700	495 700	503 300	510 200
Accommodation services for visitors	19 411	150 600	153 400	154 400	156 500	156 400
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	80 666	152 800	154 300	158 500	164 100	167 500
Passenger transport	39 324	69 600	70 200	72 000	73 300	75 000
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	7 962	39 000	40 400	39 500	38 200	38 900
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	44 965	71 000	70 400	71 400	71 200	72 400
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries	..	109 600	111 600	113 800	115 600	117 300

.. Not available

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1. Data refer to number of jobs.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319756>Table 3. **Canada: Internal tourism consumption**


Million CAD

	2014		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	71 328	17 175	88 503
Tourism characteristic products	43 905	13 114	57 019
Accommodation services for visitors	8 484	4 153	12 637
Food and beverage serving services	9 908	2 999	12 907
Passenger transport services	17 351	3 981	21 332
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	4 534	171	4 705
Cultural services	3 628	1 810	5 438
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	27 423	4 061	31 484
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319764>

Chile

Tourism in the economy

Tourism in Chile has experienced a sustained rise in recent years and has become one of the sectors delivering the fastest growth and employment generation.

It has been estimated that tourism is directly responsible for 3.2% of Chile's GDP and 4.1% of employment.

Inbound tourism has increased by more than 100% in the last 10 years, moving from 1.8 million in 2004 to more than 3.6 million in 2014. In 2015, figures are even better, with an average increase in inbound tourism of 20.2%. Main markets are Argentina, Brazil, Bolivia, Peru and the United States.

Domestic tourism flows have also increased in recent years, and with a 10% rise in the last four years have reached nearly 23 million trips. Domestic receipts account for an estimated of USD 4.8 million, while inbound tourism accounts for USD 3.1 million (including visitors and international transport).

Tourism governance and funding

Tourism in Chile is under the responsibility of the Under Secretary for Tourism within the Ministry of Economy, Development and Tourism.

The Under Secretary, together with the Inter-Ministerial Committee on Tourism and the Consultative Council for Tourism Development, is in charge of defining and implementing the national tourism policy and strategies. Their responsibility is to encourage the development of the sector, encourage investment, create jobs, reduce tourism seasonality and further promote decentralisation.

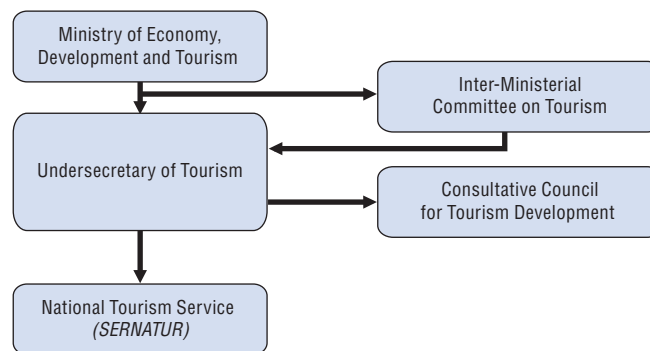
The National Tourism Service (SERNATUR) has the responsibility of executing tourism policy and strategies.

Regional government together with the Regional Offices of the Tourism Service can promote and develop tourism-related activities in their respective regions. Tourism initiatives have to compete for the regional budget with other sectors.

The budget of the National Tourism Service was USD 37.6 million in 2015, up from USD 34.5 million in 2014.

In 2015 the Under Secretary for Tourism was for the first time provided with a budget for supporting short, medium and long term actions to implement the National Plan for Sustainable Tourism Development 2014-18. This budget amounts to USD 100 million. This new budget allocation stems from the Agenda for Productivity, Innovation and Growth 2015-18 which sets a path for the transformation of the economy. The regular budget

Chile: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economy, Development and Tourism, 2016.

(for operation purposes) more than doubled from 2014 to 2015, moving from 0.75 million in 2014 to almost 1.5 million in 2015.

Tourism Policies and programmes

Chile has a great natural heritage and valuable cultural resources. Its legal and regulatory environment is conducive to the development of tourism, with an open economy, bilateral air service agreements and visa requirements with few restrictions. It also has an adequate level of security and improved tourism infrastructure. The challenge is to gain more benefit from this potential.

Main priorities for Chile are to promote sustainable development of the sector through actions in prioritised destinations, to increase recognition of tourism as an important economic sector and to improve the competitive position of Chile. Specific goals to achieve are to:

- develop new and innovative tourism experiences, considering cultural and identity elements,
- encourage more Chileans to travel, know and enjoy Chile,
- capture more value from tourism, through actions to improve the offer and promotion in prioritised international markets,
- strengthen the sustainable development of destinations, from an integrated territorial approach that promotes the engagement of local and regional actors.

Tourism has been recognised in the overall Government Programme 2014-18 as not only an economic activity whose importance has grown over time, but also has features that make its promotion a target of great public interest as it contributes to build national and regional identity, generates local development even in the more remote areas, creates related economic activity, contributes to the protection of natural resources and promotes cultural exchange.

The National Plan for Sustainable Tourism Development 2014-18 has been partly based on a process of territorial assessment, which identified and classified 84 tourism destinations according to their state of development. This was complemented by the identification of gaps that affect tourism competitiveness in each destination, leading to the prioritisation of different lines of action.

Chile's National Plan for Sustainable Tourism Development 2014-18

The National Plan for Sustainable Tourism Development 2014-18 embraces a number of transversal principles including sustainability, territorial focus, inclusion and equity, and encouraging joint action. These principles are reflected in actions that address the following objectives:

- National and International Promotion. Increasing and spreading international and domestic tourism in Chile, including foreign exchange earnings and contribution to economic activity. The implementation of promotional activities in international and domestic markets. Strengthening existing tourism intelligence to enable better marketing decisions.
- Development of Destinations. Articulation and implementation of action plans for the development of public and private infrastructure. Bringing together stakeholders to strengthen public-private management and enhancement of destinations. Implementing actions that cover competitiveness gaps in tourist destinations. Promoting sustainable development in Areas of Tourist Interest.
- Diversification of Experiences. Promotion of sustainable tourism in protected areas, through enhancement of natural and cultural heritage and delivery of high quality products and services. Design and implementation of basic infrastructure. Development of different themes and facilitation of access by different market segments. Increasing demand in the low season. Simplification of regulations.
- Strengthening quality and human capital. Promotion of certification of services and people. Improving skills and employment conditions. Improving the relevance and quality of training. Provision of guidelines and tools. Promotion and assessment of quality certification and sustainability protocols.
- Encourage domestic tourism with an inclusive approach. Promoting access to tourism to Chilean vulnerable families, with emphasis on women heads of household, through a co-funded Family Tourism programme at different times of the year. To help reduce the seasonality of the occupation of accommodation establishments through two programmes Study Tour and Senior Holidays.

Statistical profile

Table 1. Chile: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	20 740	20 506	21 531 e	22 823 e
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	132 883	128 105	134 510 e	142 580 e
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	3 584	3 963	4 397	4 457	4 601
Overnight visitors (tourists)	2 801	3 137	3 554	3 576	3 674
Same-day visitors (excursionists)	784	826	843	881	926
Top markets					
Argentina	1 001	1 119	1 378	1 363	1 326
Brazil	229	325	374	362	408
Bolivia	307	321	356	384	395
Peru	309	339	338	331	344
United States	143	152	158	154	162
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	2 737	3 223	3 448	3 674	3 841
Overnight visitors (tourists)	2 219	2 638	2 837	2 999	3 169
Same-day visitors (excursionists)	519	586	611	675	673
Top destinations					
Argentina	1 086	1 137	1 180	1 225	1 275
Peru	539	727	785	861	858
United States	149	169	182	198	225
Brazil	126	156	169	176	197
Spain	43	56	46	42	54
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	2 422	2 751	3 114	3 144	3 134
International travel receipts	1 645	1 889	2 150	2 181	2 252
International passenger transport receipts	777	862	964	963	882
Outbound tourism					
Total international expenditure	1 808	2 047	2 400	2 435	2 775
International travel expenditure	1 383	1 624	1 833	1 867	2 136
International passenger transport expenditure	425	423	567	568	640

.. Not available; e Estimated value

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319779>

Table 2. **Chile: Enterprises and employment in tourism**

	Number of establishments ¹	Number of persons employed ²				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	45 367 p	294 861	314 313	348 314	354 962	..
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	10 188	57 942	67 811	75 233	74 862	..
Food and beverage serving industry	24 907	136 400	146 225	153 835	161 516	..
Passenger transport	3 754	39 440	40 829	50 808	50 234	..
Air passenger transport	191	14 152	16 008	17 070	16 781	..
Railways passenger transport	27	3 542	2 779	2 335	2 045	..
Road passenger transport	3 228	17 292	17 724	26 743	27 635	..
Water passenger transport	308	4 454	4 318	4 660	3 773	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	20 023	18 839	22 177	19 298	..
Travel agencies and other reservation services industry	1 442	7 991	8 293	7 987	7 835	..
Cultural industry	93	1 083	1 188	1 052	3 086	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	4 956	2 031	2 269	3 340	3 631	..
Other country-specific tourism industries	27	29 951	28 859	33 882	34 500	..
Other industries	..	..	..	..	..	..


.. Not available; p Provisional data

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of enterprises.

2. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319788>

Czech Republic

Tourism in the economy

Tourism's share of GDP in the Czech Republic has been increasing over the last two years from 2.7% in 2012 to 2.9 % in 2013. The number of people employed in tourism is 231 288 in total (2013). 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 27.3 million in 2014 (based on the Tourism Satellite Account), approximately 39% of which were tourists (overnight visitors) and 61% same-day visitors (including those in transit). Some 8.1 million non-resident guests stayed in collective tourist accommodation establishments in 2014, up from 7.9 million in 2013 (+3.1%). The average annual growth in guest numbers at collective accommodation establishments was 1.9% over the past five years, despite the impact of the global economic crisis.

In 2014, international tourism receipts reached EUR 5 149 million (-2%), with travel's share of total export revenues amounting to 4.0%. International travel expenditure was EUR 3 876 million (+11.8%), resulting in a positive balance on the travel and tourism account of EUR 1 273 million (-28.9%) in 2014.

Tourism governance and funding

The Ministry of Regional Development is responsible for co-ordinating and setting guidelines in the field of tourism. The Tourism Department carries out activities related to the development and implementation of 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 improvement in the quality and structure of tourism services. The National Collegium of Tourism is a consultative and advisory body for the Ministry.

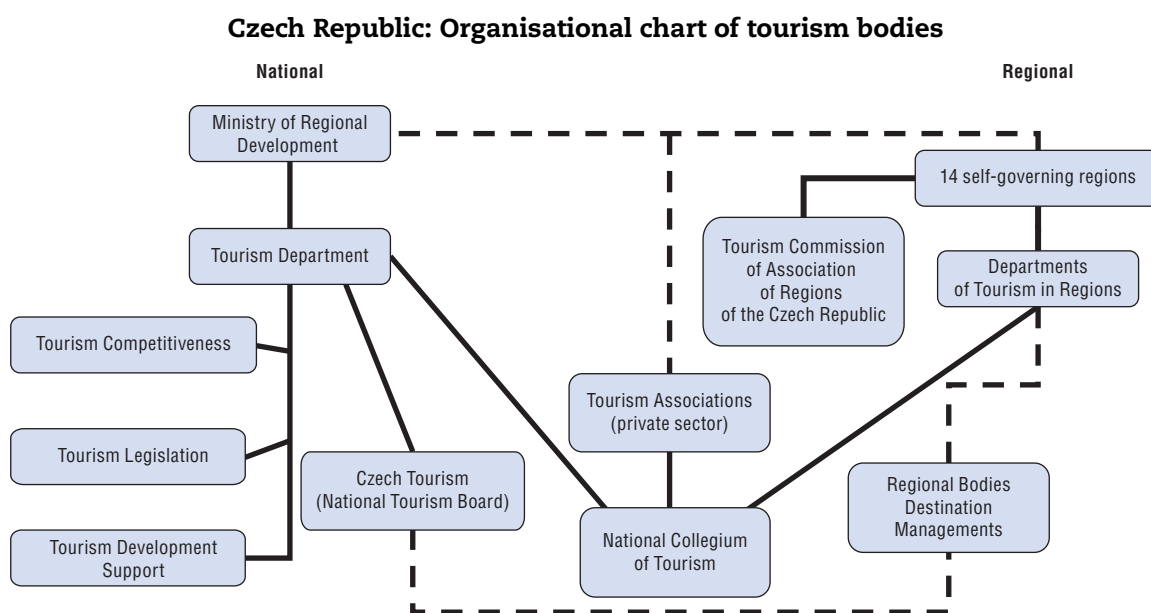
The Czech National Tourism Board, CzechTourism, is a grant-aided organisation supported by the Ministry of Regional Development. Its principal mission is to generate awareness of the Czech Republic as a tourism destination. Its main partners are the regional tourism organisations, municipalities and 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.

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.

Co-operation between national and regional tourism organisations over the marketing strategy includes both tourism stakeholders and residents. The Ministry is responsible for negotiation with and feedback from the regions regarding marketing activities and product development. An officer has been appointed in every region to co-ordinate the marketing activities of CzechTourism and all public tourism bodies in the region. In addition, there are ad hoc working groups are set up when required.

Over the period 2007-13, there was an allocation of public funds amounting to almost CZK 55 billion. CzechTourism’s budget in 2014 was EUR 29.3 million which has been reduced by 14.5% year on year.

The main source of funding over the 2007-13 period was from European Union Structural Funds and relevant projects are now finishing. Bids are being finalised for the new programme period 2014-20 although the level of support for tourism is not anticipated to be at the same level. If the limitations around tourism infrastructure, marketing activities, statistics and market research are to be addressed, the state budget will have to be increased.



Source: OECD, adapted from the Ministry of Regional Development, 2016.

Tourism policies and programmes

The National Tourism Policy 2014-20, which was approved in 2013 by the Government, embraces the Marketing Strategy 2013-20. The strapline is *Destination Czech Republic – number one in the heart of Europe* with a global objective to increase the competitiveness of the tourism sector at the national and regional levels and maintain its economic performance as a result of achieving a balance between economic, socio-cultural, environmental and regional development.

Specific aims/priorities of the policy are to: enhance the quality of the tourism infrastructure; cultivate the business environment; build a structure of institutions to effectively implement the tourism policy; improve the quality of human resource; improve the marketing and access of service providers to tourism markets; and strengthen the role of tourism in the economic and sectoral policies of the state.

The main measures for tackling the key high-priority challenges are:

- Service quality. The Ministry, in co-operation with different tourism stakeholders, is implementing a project co-financed by European Union Structural funds on service quality. The Czech Service Quality System is based on the *Service Qualität Deutschland* (Service Quality Germany). This is an innovative system of certification aimed primarily at SMEs active in tourism, encouraging them to improve the quality of their services.
- Enhancing tourism data. The Ministry, in co-operation with the Czech Statistical Office, is 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), accommodation establishments, tour operators and travel agencies, the Meetings, Incentives, Conferences and Exhibition (MICE) sector (TSA supply-side) and, finally, a survey of food and beverage establishments. The surveys will provide comprehensive information about the main tourism sectors that will, among other things, be valuable for the compilation of the TSA.
- The National Support Programme for Tourism 2010-15. Grants under this programme cover a maximum of 50% of project funding with the balance coming from the applicant's own resources. A sub-programme Tourism for All was announced in 2010 which also includes the development of new products aimed at reducing the seasonality of tourism, and the creation of jobs throughout the year. It focuses on creating new products for the domestic tourism sector including marketing support. In 2011, this programme was amended with new targets such as building rest places, sanitary facilities for tourists, cyclists and disabled travellers, access to tourist attractions, and improvements to navigation and information systems for hearing and visually impaired tourists. In 2014, more than CZK 50 million was allocated from the state budget for 34 projects.

Regular monitoring reports will include key indicators such as the number of nights spent by domestic and foreign visitors in collective accommodation establishments, occupancy rates, the number of people employed in tourism, the gross domestic tourism product, domestic and inbound tourism consumption, foreign exchange earnings from tourism and the share of foreign exchange earnings derived from tourism.

Statistical profile

Table 1. Czech Republic: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	93 924	86 236	76 328	75 353 p	76 824 e
Overnight visitors (tourists)	27 614	29 853	29 220	29 215 p	30 983 e
Same-day visitors (excursionists)	66 310	56 383	47 109	46 138 p	45 841 e
Nights in all types of accommodation	18 543	18 810	21 484 |	21 163	20 837
Hotels and similar establishments	9 478	9 853	11 910 |	11 825	11 716
Specialised establishments	..	..	..	..	..
Other collective establishments	9 065	8 957	9 575 |	9 339	9 121
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	21 941	22 810	25 750	26 332 p	27 329 e
Overnight visitors (tourists)	8 629	9 019	10 123	10 300 p	10 709 e
Same-day visitors (excursionists)	13 312	13 792	15 627	16 032 p	16 621 e
Top markets					
Germany	1 348	1 387	1 521 |	1 484	1 553
Russian Federation	415	559	732 |	803	691
Slovak Republic	307	344	436 |	452	493
Poland	351	371	402 |	424	449
United States	313	315	391 |	413	441
Nights in all types of accommodation	18 366	19 425	21 794 |	22 145	22 110
Hotels and similar establishments	16 881	18 027	19 936 |	20 072	19 971
Specialised establishments	..	..	..	..	..
Other collective establishments	1 485	1 398	1 858 |	2 073	2 139
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	11 890	10 893	10 990	10 305 p	10 576 e
Overnight visitors (tourists)	8 673	7 919	7 936	7 620 p	7 447 e
Same-day visitors (excursionists)	3 218	2 974	3 054	2 685 p	3 129 e
Top destinations					
Slovak Republic	..	944	1 025	949 p	941 e
Croatia	..	793	806	797 p	785 e
Austria	..	500	478	577 p	570 e
Italy	..	563	549	526 p	553 e
Greece	..	318	314	339 p	291 e
TOURISM RECEIPTS AND EXPENDITURE, MILLION CZK					
Inbound tourism					
Total international receipts	154 773	158 790	160 790	..	..
International travel receipts	136 933	143 319	145 958	137 829	141 783
International passenger transport receipts	17 840	15 471	14 832	..	..
Outbound tourism					
Total international expenditure	83 435	86 217	89 546	..	..
International travel expenditure	81 169	84 382	87 581	90 757	106 722
International passenger transport expenditure	2 266	1 835	1 965

.. Not available; | Break in series; e Estimated value; p Provisional data

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319808>

Table 2. **Czech Republic: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	235 569	232 463	229 551 p	231 288 p	..
Tourism industries	..	232 326	229 214	226 288 p	228 009 p	..
Accommodation services for visitors	60 380	..	..	..	..	..
Hotels and similar establishments	..	38 239	41 861	39 875 p	39 624 p	..
Food and beverage serving industry	..	71 121	69 656	69 798 p	70 404 p	..
Passenger transport
Air passenger transport	..	4 703	3 177	2 535 p	2 503 p	..
Railways passenger transport	..	14 184	13 679	13 345 p	13 407 p	..
Road passenger transport	..	12 359	11 860	11 577 p	11 624 p	..
Water passenger transport	..	61	56	53 p	52 p	..
Passenger transport supporting services	..	2 599	2 868	3 209 p	3 306 p	..
Transport equipment rental	..	131	117	118 p	116 p	..
Travel agencies and other reservation services industry	..	14 875	12 052	12 161 p	12 898 p	..
Cultural industry	..	11 178	10 583	11 040 p	11 261 p	..
Sports and recreation industry	..	2 601	2 433	2 533 p	2 594 p	..
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries	..	60 274	60 872	60 045 p	60 220 p	..
Other industries	..	3 242	3 250	3 262 p	3 279 p	..

.. Not available; p Provisional data
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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319817>


Table 3. **Czech Republic: Internal tourism consumption**

Million CZK

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	93 998	140 241	234 239
Tourism characteristic products	64 762	85 589	150 351
Accommodation services for visitors	17 174	26 288	43 462
Food and beverage serving services	18 825	25 653	44 479
Passenger transport services	11 867	24 880	36 747
Air passenger transport services	6 981	22 108	29 088
Railways passenger transport services	798	795	1 593
Road passenger transport services	3 989	1 977	5 966
Water passenger transport services	100	..	100
Passenger transport supporting services	2 892	3 858	6 750
Transport equipment rental services	199	322	521
Travel agencies and other reservation services industry	5 641	680	6 321
Cultural services	5 102	2 880	7 982
Sports and recreation services	2 296	1 027	3 323
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	765	..	765
Other consumption products	29 236	54 652	83 888
Tourism connected products	29 236	54 652	83 888
Non-tourism related consumption products
Non-consumption products

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

StatLink  <http://dx.doi.org/10.1787/888933319826>

Denmark

Tourism in the economy

In 2013 tourism contributed 1.7% of Denmark's Gross Value Added. If derived effects are included, the contribution is 3.3% (DKK 92 billion). In the same year, the tourism sector accounted for 3.6% of total exports.

Denmark's capital, Copenhagen, generates 24% of the country's total revenue from tourism, with the whole Capital Region generating 41%. Tourism also makes a significant contribution to the economy in other parts of Denmark.

The total number of international bednights was 23.2 million in 2014. The top five origin markets were Germany, Norway, Sweden, the Netherlands and the United Kingdom respectively, which together accounted for 82.3% of all bednights. Germany continues to be the most important international market by far with 56% of international bednights. Although Denmark has experienced a substantial growth in tourist related bednights from long haul markets such as China, Australia and Brazil, the neighbouring European countries continue to be the mainstays of Danish tourism. Overall, inbound tourism in Denmark has increased in recent years, especially city and business related tourism, while inbound coastal and nature related tourism have remained constant.

Tourism spending generated 111 500 full time jobs in 2013, which account for 4.1% of total employment. In 2012, Denmark had almost 20 600 tourism related enterprises of which 1 462 were hotels and 12 278 restaurants.

Tourism governance and funding

On 1st January 2015, the first Danish law for tourism came into force. The goal is to achieve a greater impact for the investment made in the sector every year, through better co-ordination at the national, regional and local levels. The process has led to the establishment of the Danish National Tourism Forum whose main role is to lead and co-ordinate the public promotion of Danish Tourism. Members of the Forum include a chairman from the Ministry of Business and Growth, and seven additional members. These are: VisitDenmark's Chairman of the Board; two members from Danish Regions; one member from Local Government Denmark; two members representing the tourism industry; and a tourism researcher.

The primary responsibility of the National Tourism Forum is to develop a national strategy for Danish tourism up to 2025, which will determine the central priorities and goals for Danish tourism. Additionally, the Forum will collect tourism data, undertake an annual analysis of the development in Danish tourism and report annually to the Minister of Business and Growth. The Forum will co-ordinate the public promotion of tourism based on the national tourism strategy. The legislation also established the Danish Tourism

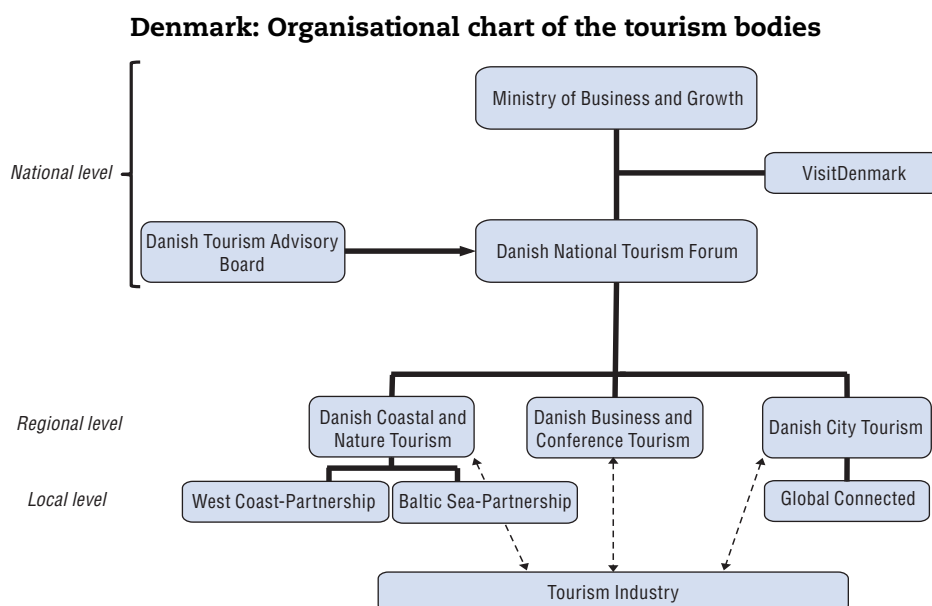
Advisory Board. The main purpose of this board is to advise the National Tourism Forum and contribute to drafting the national tourism strategy. It will also help co-ordinate the national strategy and sector initiatives issued by individual ministries. The Advisory Board comprises a chairman, 17 members and two observers, all appointed by the Ministry of Business and Growth. The 17 members represent a wide range of tourism interests to ensure a professional and competent board.

Three tourism development agencies – Danish Coastal and Nature Tourism, Danish Business and Conferencing Tourism and Danish City Tourism – have also been established under the legislation. Their responsibilities are to generate growth in their particular sector, based on their own strategies, under the umbrella of the national tourism strategy.

The international branding and marketing of Denmark is managed by VisitDenmark. The agency is also responsible for market research and monitoring trends and activity in Danish tourism. VisitDenmark co-operates with the Ministry of Business and Growth, Danish National Tourism Forum and regional tourism development agencies.

The Ministry of Business and Growth co-operates with several other ministries e.g. Ministry of Environment including Danish Nature Agency (*Naturstyrelsen*), Ministry of Transport, Ministry of Foreign Affairs and Ministry of Culture including the Danish Agency for Culture (*Kulturstyrelsen*).

Total Governmental investment to enhance Danish tourism is around DKK 500-600 million a year. VisitDenmark has a budget of DKK 113.1 million, Danish Coastal and Nature tourism has a budget of DKK 10 million and Danish Business and Meeting Tourism has a budget of DKK 2.75 million. Danish City Tourism is funded from the budget for Wonderful Copenhagen.



Source: OECD, adapted from the Plan for growth in Danish Tourism, Ministry of Business and Growth, 2016.

Tourism policies and programmes

When global tourism grew substantially from 2011 to 2012, Denmark saw a decline in the number of international bednights. Possible reasons for the decline have been identified as: the new patterns of travel with more but shorter holidays; competition from other destinations that score higher in terms of product quality and value for money; the country's low profile in a global context; the level of service; and the relationship between price and quality. Denmark is one of the most expensive countries in Europe, for a tourist, and is losing market share.

The Danish Parliament agreed on a plan for growth in Danish tourism in June 2014 and is committed to organisational change, better co-ordination, and the completion of a national tourism strategy. The plan for growth presupposes the following:

- Danish tourism must be quality tourism,
- City and business tourism must be stimulated in order to attract more tourists from growth markets such as China,
- Coastal and nature tourism must be promoted to attract new tourists from Denmark's neighbouring countries,
- Denmark's tourism promotion must be better organised and co-ordinated under a concerted national strategy in order to achieve a stronger impact from the financial investment.

The main goal of the plan for growth is to achieve growth rates to match those anticipated in other European countries by 2020. This will entail an increase of approximately DKK 4 billion in tourism revenue by 2020 relative to 2012, according to VisitDenmark's forecasts.

The National Tourism Forum is expected to present the new national tourism strategy in spring 2016. The strategy will include national goals and guidelines for the development of the tourism industry including plans for geographical areas, incorporating medium and long-term objectives to be achieved by 2025. The strategy will govern the activities of the three tourism development agencies, VisitDenmark and local projects. It will facilitate co-ordination of the national tourism effort and include provisions for private sector support and collaboration.

Statistical profile

Table 1. Denmark: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	50 413 e	45 639 e	45 642 e	45 686 e	50 793 e
Overnight visitors (tourists)	14 634 e	9 860 e	9 863 e	9 907 e	15 015 e
Same-day visitors (excursionists)	35 779 e	35 779 e	35 779 e	35 779 e	35 779 e
Nights in all types of accommodation	61 465	62 120	62 139	62 417	64 138
Hotels and similar establishments	9 244	9 823	10 022	10 065	10 305
Specialised establishments	10 270	10 229	9 751	10 030	10 361
Other collective establishments	4 768	4 886	5 184	5 139	6 290
Private accommodation	37 183	37 183	37 183	37 183	37 183
Inbound tourism					
Total international arrivals	25 587 e	25 845 e	25 866 e	25 795 e	27 607 e
Overnight visitors (tourists)	8 247 e	8 504 e	8 526 e	8 455 e	10 267 e
Same-day visitors (excursionists)	17 340 e	17 340 e	17 340 e	17 340 e	17 340 e
Top markets					
Germany	2 222	2 154 |	2 156	2 065	2 687
Norway	1 577	1 479 |	1 479	1 481	1 786
Sweden	1 266	1 177 |	1 184	1 207	1 443
United Kingdom	650	658 |	650	667	744
United States	475	530 |	510	518	507
Nights in all types of accommodation	44 535	45 923	46 039	45 655	48 734
Hotels and similar establishments	6 279	6 750	7 011	7 142	7 757
Specialised establishments	..	..	..	..	..
Other collective establishments	11 825	12 960	12 953	12 315	14 599
Private accommodation	22 041	22 041	22 041	22 041	22 041
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	7 726	7 846	7 843	6 977	8 528
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION DKK					
Inbound tourism					
Total international receipts	43 745	47 869	50 763	55 235	58 337
International travel receipts	32 920	36 411	37 894	39 472	42 832
International passenger transport receipts	10 825	11 458	12 869	15 763	15 505
Outbound tourism					
Total international expenditure	59 727	63 524	64 925	65 683	65 694
International travel expenditure	50 704	53 714	56 518	56 567	57 155
International passenger transport expenditure	9 023	9 810	8 407	9 116	8 539

.. Not available; | Break in series; e Estimated value

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319834>

Table 2. **Denmark: Enterprises and employment in tourism**

	Number of establishments ¹	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total
Tourism industries	..	82 708	84 843	86 218	87 540	..
Accommodation services for visitors
Hotels and similar establishments	1 524	12 753	12 595	12 412	12 568	..
Food and beverage serving industry	12 385	34 594	36 786	38 648	39 811	..
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	564	4 672	4 656	4 601	4 496	..
Cultural industry	..	18 252	18 360	18 019	18 082	..
Sports and recreation industry	..	12 437	12 446	12 538	12 583	..
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319848>Table 3. **Denmark: Internal tourism consumption**


Million DKK

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	55 203	36 714	91 917
Tourism characteristic products	32 057	15 419	47 476
Accommodation services for visitors	7 457	5 654	13 111
Food and beverage serving services	6 358	6 157	12 515
Passenger transport services	15 347	2 544	17 891
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	1 772	760	2 533
Cultural services	..	..	..
Sports and recreation services	1 122	303	1 425
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	23 147	21 295	44 441
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319851>

Estonia

Tourism in the economy

Tourism contributes directly around 4.6% of Estonia's GDP, rising to 6.6% if indirect impacts are also included. Export revenues from tourism amount to approximately EUR 1.7 billion annually, equivalent to 10% of total exports of goods and services in 2014.

In 2014 6.2 million people visited Estonia, of which 2.9 million stayed overnight. Two thirds of the clients in accommodation establishments were foreign tourists.

The tourism industry had been growing consistently. However, demand from Russia and Finland has seen some decline in the latter half of 2014, with an impact on the performance of the tourism sector.

Tourism governance and funding

National tourism policy and development activities are implemented by the Estonian Tourist Board, under the Enterprise Estonia Foundation, which in turn is administered by the Ministry of Economic Affairs and Communication.

The activities of the ministry in the field of tourism include:

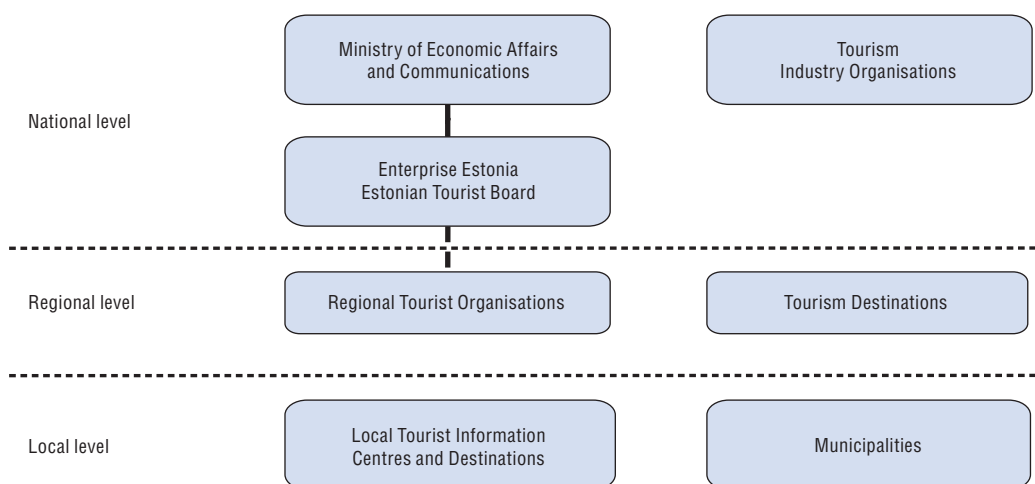
- Setting tourism policies and programmes and overseeing their implementation,
- Applying funding for tourism development programmes and projects from the state budget and from the European Union,
- Drafting tourism-related legislation and regulations,
- Participating in the activities of international tourism organisations.

The Estonian Tourist Board undertakes international and domestic marketing and engages in product development. It also carries out market research in the main target markets, develops and administers the national tourist information system and participates in the work of international organisations.

Other bodies and organisations that are involved at the national level are the Estonian Travel and Tourism Association, Estonian Hotel and Restaurant Association, Estonian Rural Tourism non-profit organisation, Tourism Foundations for north, south and west Estonia, Estonian Spa Association, and Estonian Convention Bureau.

The overall budget for tourism development is stated in the National Tourism Development Plan for 2014-20 as approximately EUR 116 million, the majority of which is financed through Enterprise Estonia/Estonian Tourist Board. The budget of Enterprise Estonia/Estonian Tourist Board for tourism programmes in 2015 is EUR 6.6 million. 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 Estonian

Estonia: Organisational chart for tourism bodies



Source: OECD, adapted from the Ministry of Economic Affairs and Communications, 2016.

Tourist Board are evaluated through measurable indicators which are set in the National Tourism Development Plan for 2014-20 and its implementation plan.

Tourism policies and programmes

Tourism development contributes to the achievement of the objectives of the competitiveness strategy Estonia 2020, particularly by increasing the share of Estonia's exports in world trade, raising the employment rate, reducing youth unemployment and encouraging the development of international transportation routes. Promoting Estonia as a tourist destination and the growth in tourist numbers create the necessary preconditions for this economic contribution, alongside enhancing the development of new international transportation routes (e.g. new air routes, bus and train routes and cruise shipping).

Tourism in Estonia faces a number of challenges. In the world context, awareness of Estonia both in general and as a travel destination is low. It lacks a clear and distinctive image amongst individual travellers and tour operators in western and southern Europe as well as in more distant countries.

The majority of foreign tourists are visitors from nearby countries making short trips to Estonia (the average length of stay in accommodation establishments is only two days). One of the reasons for such a short length of stay is that Estonia lacks attractions and activities or information on them that would motivate tourists to stay in Estonia longer.

Estonian tourism is characterised by excessive seasonality. While in summer there is a shortage of bed places, the average occupation rate in winter is low (annual average bed occupancy rate is below 30%). To level out seasonality it is necessary to create new tourism products and services that do not depend on the weather.

In June 2013, the Estonian Government approved the National Tourism Development Plan 2014-20. Its main goal is to ensure competitive and sustainable development of Estonia's tourism sector. Strategic lines of action include the promotion of Estonia as a tourist destination, tourism information management, management of tourism product development, monitoring of tourism development potential, development of internationally attractive tourist sites, fostering international events and development of regional tourism products.

The sustainable development of the tourism sector relies on the application of principles of sustainable tourism. The underlying principle of the Development Plan is to build on hospitable and safe tourist routes accessible to people of all ages as well as for the disabled, by offering a high quality visitor experience. In order to achieve this goal, actions are identified in a four year implementation plan.

In 2014 the Estonian Tourist Board, in co-operation with the tourism industry and regional tourism organisations, developed common marketing strategies for priority target markets with the highest tourism revenue potential, determining implementers, planned joint activities and budgets for two-year periods (Box 1.12). The strategies are based on research on target markets, the product offering, and Estonia's image as a tourist destination. Strategies include an action plan for managing demand in target markets, while representing the interests of the state, destinations and operators. Implementation of the strategies is financed by all implementers through prior agreement. Market based strategies are drawn up on the precondition that there are enough organisations and operators interested in marketing activities in the target markets.

Product development strategies will be drawn up, reflecting existing product offers and opportunities and the demands of target markets. The latter will be analysed and evaluated, with guidelines for operators on products that meet market needs. Strategies will be developed and implemented by operators and other interested industry parties, including co-operation networks.

In 2014 a support measure for the development of a small harbour network was launched, implementing priorities in both the National Tourism Development Plan and the National Transport Development Plan 2014-20.

Another priority area for action is supporting international conferences and cultural and sporting events, in order to increase the number of overnight visits by foreign tourists. An additional purpose of this action is to reduce the seasonality of tourism.

Statistical profile

Table 1. Estonia: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	838	918	966	1 041	1 104
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	1 497	1 651	1 721	1 825	1 890
Hotels and similar establishments	1 025	1 117	1 151	1 220	1 290
Specialised establishments	..	..	..	..	..
Other collective establishments	472	534	571	604	600
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	4 670	5 280	5 306	6 113	6 193
Overnight visitors (tourists)	2 372	2 665	2 744	2 873	2 918
Same-day visitors (excursionists)	2 298	2 615	2 562	3 240	3 276
Top markets					
Finland	833	841	829	895	916
Russian Federation	142	203	266	305	275
Germany	84	104	111	102	113
Latvia	73	85	101	105	113
Sweden	81	86	78	74	72
Nights in all types of accommodation	3 204	3 749	3 823	3 909	3 919
Hotels and similar establishments	3 003	3 478	3 499	3 537	3 516
Specialised establishments	..	..	..	..	..
Other collective establishments	201	271	324	372	404
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	3 510	3 806	3 846	3 706	3 841
Overnight visitors (tourists)	2 468	2 667	2 672	2 613	2 712
Same-day visitors (excursionists)	1 042	1 138	1 174	1 093	1 129
Top destinations					
Finland	574	595	647	578	576
Latvia	174	190	203	228	247
Russian Federation	315	343	249	222	233
Sweden	146	157	167	155	164
Germany	106	121	137	137	139
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	1 072	1 204	1 240	1 524	1 679
International travel receipts	809	897	954	1 226	1 366
International passenger transport receipts	263	307	286	298	313
Outbound tourism					
Total international expenditure	546	675	747	884	934
International travel expenditure	478	579	620	751	810
International passenger transport expenditure	68	96	127	133	124

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319861>

Table 2. **Estonia: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total
Tourism industries
Accommodation services for visitors	1 419	5 500	5 900	5 900	6 100	..
Hotels and similar establishments
Food and beverage serving industry	..	12 600	13 100	14 200	14 700	..
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	..	1 500	1 600	1 500	1 800	..
Cultural industry
Sports and recreation industry
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available

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1. Data for food and beverage, travel agencies and other reservation services industry refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319872>Table 3. **Estonia: Internal tourism consumption**


Million EUR

	2010		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	150	1 036	1 423
Consumption products	145	924	1 305
Tourism characteristic products	122	634	960
Accommodation services for visitors	19	163	267
Food and beverage serving services	25	198	223
Passenger transport services	43	207	332
Air passenger transport services	27	44	91
Railways passenger transport services	2	2	8
Road passenger transport services	5	16	34
Water passenger transport services	9	145	199
Passenger transport supporting services	..	7	7
Transport equipment rental services	0	2	27
Travel agencies and other reservation services industry	29	20	57
Cultural services	2	27	29
Sports and recreation services	1	4	6
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	2	6	14
Other consumption products	23	290	345
Tourism connected products	11	28	54
Non-tourism related consumption products	12	262	291
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319884>

Finland

Tourism in the economy

Finland's economy faced problems in 2015 leading to new policies of fiscal tightening and structural reform. Within this context, tourism is seen as an important sector capable of supporting the creation of new jobs. Finland's tourism comparative strengths lie in the contrast between its modern culture and its nature-based cultural heritage, the meeting of east and west, technology, the Finnish way of life and creativity.

In recent years, tourism in Finland has grown more than other sectors, with annual tourism consumption of more than EUR 14 billion, and possible growth to EUR 20 billion by 2025. The number of international travellers has doubled since the year 2000, providing revenue of EUR 4.4 billion in 2013. In 2013, the value added generated by tourism amounted to EUR 4.3 billion, which is 2.5% of Finland's GDP.

According to the tourism account, the tourism sector employed about 136 700 persons in 2013, 5.8% of Finland's active work population. The use of agency labor is prevalent especially in the restaurant sector. Growth in tourism employment since 2007 has been approximately 16%. It is estimated that tourism will employ 180 000 people in 2025.

Following a 4% growth in tourism revenues in 2012, there was a downturn in 2013. This continued in 2014.

In 2014, accommodation establishments in Finland recorded nearly 19.8 million overnight stays, of which domestic tourists accounted for 14.1 million and foreign tourists for 5.7 million. In 2014, the demand for accommodation services decreased by 2.3%. Despite the steep fall in the number of overnight stays from Russia (-17.3%), it remained the largest source market for foreign tourism in 2014. In summer 2015 some positive signs were seen as nights spent by visitors from the most important countries of inbound tourism to Finland increased, except from Russia.

Tourism governance and funding

The Ministry of Employment and the Economy is responsible for tourism policy, development and support measures. It prepares legislation on tourism and maintains international relations. It also chairs the inter-ministerial working group on tourism, 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 and monitoring tourism policy.

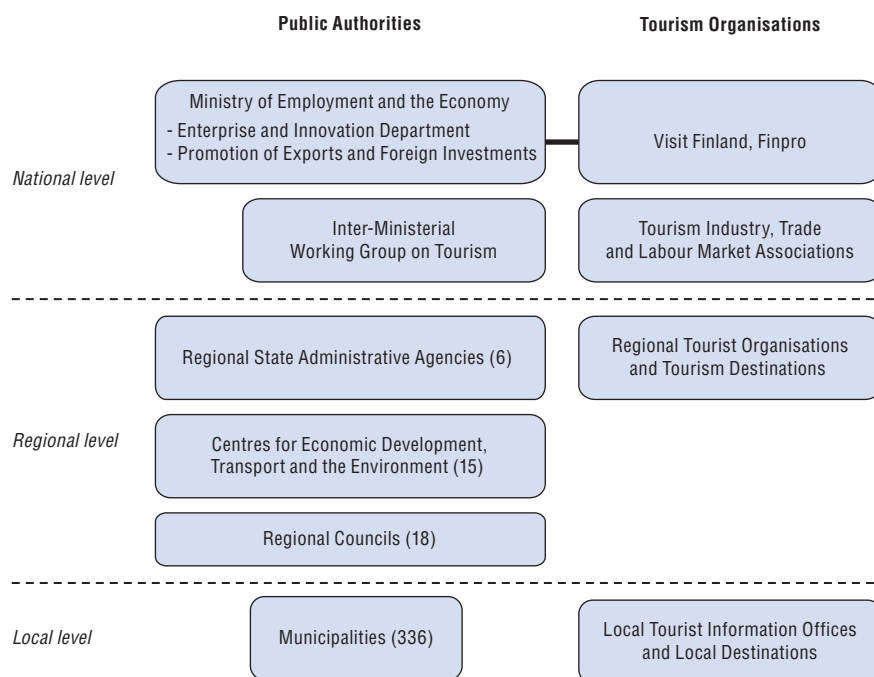
At the end of 2014, the Government shut down the Finnish Tourism Board (FTB) as a separate agency and incorporated its functions into Finpro, the largely state funded organisation responsible for supporting Finnish SMEs in international markets and encouraging foreign direct investment. The goal of the incorporation was to utilise synergies between the FTB and Finpro's internationalisation services and strengthen public services for

tourism companies. The central functions of promoting Finland's country brand in tourism, supporting product marketing with businesses and co-ordinating product development has been continued by Visit Finland, as part of Finpro. Their work includes working closely with ministries, travel businesses, transport companies and the Finnish regions on research, product development and, above all, marketing of tourism to Finland abroad.

A key role in providing the resource for outdoor and nature based tourism is played by *Metsähallitus*, a state-owned enterprise administering more than 12 million hectares of state-owned land and water space, including national parks and hiking areas.

The Regional State Administrative Agencies carry out 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. They offer financial, advisory, consulting and training services to tourism businesses. A sector manager acts as a national expert on tourism for all ELY Centres. The Regional Councils, as joint municipal authorities, are in charge of regional planning and supervise 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.

Finland: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Employment and the Economy, 2016.

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. Visit Finland is funded from the state budget, receiving a subsidy of EUR 10.1 million in 2015. However, support for tourism is also provided, directly or indirectly, through the budgets and activities of other ministries, development agencies, and the various regional bodies identified above.

The amount of funding provided by public sources varies from year to year. Tourism-related projects were provided with funding worth about EUR 10 million in 2014 from EU rural and structural programmes. Grants for SME investment and development purposes totalled about EUR 5 million. During the first nine months of 2015 grants for SMEs investment and development purposes totalled about EUR 10 million.

Tourism policies and programmes

The importance of tourism is recognised in the Government Programme for the growth of Finland's economy. Nature tourism is seen as the most promising growth area, with a policy stating that “national and international recreation and nature tourism will be increased”.

In 2014, new ways to accelerate growth and to secure a competitive operating environment were sought in the Tourism Industry Top Project. This involved the engagement of more than 900 representatives of tourism related industries and regions, and resulted in the *Roadmap for Growth and Renewal in Finnish Tourism for 2015-25*. All relevant ministries are committed to this tourism policy (Box 1.8).

The theme for the roadmap is “Achieving more together” and its areas of strategic focus are collaboration and partnerships, creating an interesting offering, increasing the effectiveness of marketing activities, ensuring a competitive operational environment, and increasing accessibility and functioning travel chains.

Several different measures are taken to support the goals of the roadmap. The first ones for 2015-18, funded through financial instruments under the authority of the Ministry of Employment and the Economy, include:

- Finrelax – Turning Finland into a top country of wellbeing tourism,
- Making the Finnish archipelago internationally known,
- Finland Stopover – making Finland a leading stopover country,
- Making tourism services easy to find and buy digitally,
- Creation of a demonstration project targeted at sustainable water-based tourism, utilising bio economy, clean technology and digital technology.

A number of specific tourism programmes and initiatives in line with the roadmap include:

- The Air Transport Strategy to 2030. This supports a major promotion of Helsinki Airport as an international transit hub for Asian routes, with a growth from 16 million passengers in 2014 to 23 million in 2030, backed by considerable investment in airport facilities. The strategy recommends improvements in networking and marketing in order to ensure a solid foundation for Finnish air transport and tourism.
- Finland's Strategy for the Arctic Region, which highlights the importance of tourism and the growth in nature and adventure experiences.
- National co-ordination of theme-based tourism development, supported by Outdoors Finland (summer activities) and Cultural Finland (culture and tourism) umbrella programmes.
- Development of Finland's first Food Tourism Strategy. One of the first actions was to establish the Hungry for Finland competition, as an inter-ministry initiative aimed at increasing awareness of food products and experiences, with participants including

events, museums, service businesses, restaurants, cafes and countryside tourism companies.

- A commitment to sustainable development and the promotion of appropriate training and certification programmes for tourism businesses as well as supporting solutions that encourage future consumers to make sustainable choices.

Statistical profile

Table 1. **Finland: Domestic, inbound and outbound tourism**

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	34 531 |	35 561	30 915 |	30 479	28 850
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	88 289 |	89 167	81 742 |	82 779	78 838
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	6 182	7 260	7 636	..	7 619
Overnight visitors (tourists)	3 670	4 192	4 226	..	4 085
Same-day visitors (excursionists)	2 512	3 068	3 410	..	3 311
Top markets					
Russian Federation	2 561	3 261	3 578	..	1 243
Sweden	712	681	702	..	363
Estonia	561	708	758	..	270
Germany	363	399	342	..	256
United Kingdom	263	278	273	..	204
Nights in all types of accommodation	5 005	5 507	5 803	5 860	5 710
Hotels and similar establishments	4 202	4 630	4 878	4 838	4 733
Specialised establishments	..	..	..	..	..
Other collective establishments	803	878	925	1 022	977
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	7 485	8 238	9 978 |	9 526	9 783
Overnight visitors (tourists)	5 080	5 537	7 612 |	7 155	7 445
Same-day visitors (excursionists)	2 405	2 701	2 366 |	2 371	2 336
Top destinations					
Estonia	..	..	1 682	1 566	1 520
Sweden	..	..	1 054	927	1 071
Spain	..	..	672	691	787
Russian Federation	..	..	484	483	417
Germany	..	..	394	361	309
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	2 659	4 012	4 224	..	..
International travel receipts	2 301	2 745	3 021	3 049	2 706
International passenger transport receipts	357	1 268	1 204	..	..
Outbound tourism					
Total international expenditure	3 509	4 314	4 548	..	..
International travel expenditure	3 251	3 502	3 805	3 985	3 979
International passenger transport expenditure	258	812	743

.. Not available; | Break in series
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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319892>

Table 2. Finland: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	32 555	107 647	115 400	120 400	119 400 p	..
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	2 095	11 124	12 800	12 900	12 700 p	..
Food and beverage serving industry	12 801	48 856	55 800	57 100	57 000 p	..
Passenger transport	9 378	..	..	..	..	..
Air passenger transport	84	4 181	3 600	3 500	3 500 p	..
Railways passenger transport	106	2 947	5 200	5 200	4 500 p	..
Road passenger transport	8 972	18 854	19 000	22 300	22 400 p	..
Water passenger transport	216	4 336	2 400	2 600	2 600 p	..
Passenger transport supporting services	..	4 561	..	..	..	..
Transport equipment rental	375	908	1 100	1 100	1 100 p	..
Travel agencies and other reservation services industry	1 613	4 265	1 900	1 800	1 800 p	..
Cultural industry	3 143	2 238	5 600	5 400	5 300 p	..
Sports and recreation industry	3 150	5 377	8 000	8 500	8 500 p	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available; | Break in series; p Provisional data
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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319904>


Table 3. Finland: Internal tourism consumption

Million EUR

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	10 061	4 396	14 457
Consumption products	9 843	4 318	14 161
Tourism characteristic products	6 539	2 666	9 205
Accommodation services for visitors	1 516	400	1 916
Food and beverage serving services	1 278	628	1 906
Passenger transport services	2 685	1 390	4 075
Air passenger transport services	..	..	..
Railways passenger transport services	295	30	325
Road passenger transport services	748	199	947
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	72	22	94
Travel agencies and other reservation services industry	548	0	548
Cultural services	195	70	265
Sports and recreation services	245	156	401
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	3 304	1 653	4 957
Tourism connected products	1 844	167	2 010
Non-tourism related consumption products	1 460	1 486	2 947
Non-consumption products	217	79	296

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

StatLink  <http://dx.doi.org/10.1787/888933319915>

France

Tourism in the economy

Tourism plays a major role in the French economy. Accommodation and food services alone account for 2.5% of total added value in the national accounts. Tourism is also stimulating a wide range of activities and spending, including transport and leisure. The overall impact of tourism (as measured by internal tourism consumption) amounts to over 7% of GDP.

France plays a leading role in international tourism. It is the number one tourism destination in the world in terms of international tourist arrivals, recording 83.8 million arrivals in 2014, up from 83.6 million in 2013. France ranks third in the world for international tourism-related revenues, behind the United States and Spain. Tourism represents one of the highest surpluses in the balance of payments. Travel and tourism delivered a positive balance of EUR 10.6 billion in 2012, EUR 10.2 billion in 2013 and EUR 6.6 billion in 2014.

Investment in tourism sub-sectors – accommodation, food service, second homes, facilities, etc. – came to EUR 13.1 billion in 2014, rising to EUR 22 billion if the sector's share of transport investment is included.

Tourism governance and funding

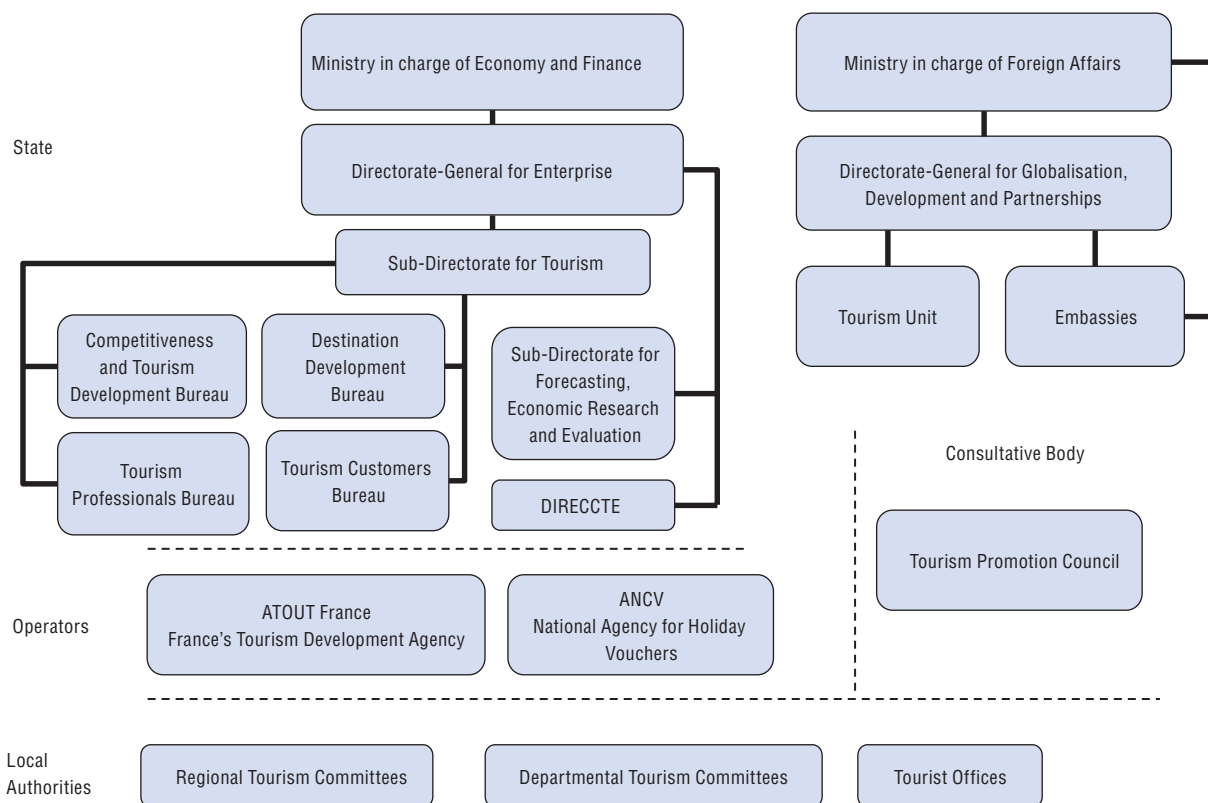
Since 2014, responsibility for the government's tourism strategy has fallen to both the Ministry in charge of the Economy, which monitors tourism professionals, standards and access to holidays, and the Ministry in charge of Foreign Affairs, which promotes France as a tourist destination. Services are managed by the Directorate-General for Enterprise (DGE) and Directorate-General for Globalisation, Development and Partnerships (DGMDP).

Policy implementation also involves agencies under State control: Atout France, an agency charged with growing tourism in France and promoting the destination abroad, and the National Agency for Holiday Vouchers (ANCV), whose mission is to broaden access to holidays.

Several levels of local government are involved in tourism. Regional councils appoint Regional Tourism Committees to promote tourism. The general rules governing the composition of these committees and the scope of their promotional activities are set out in law. Departmental councils may set up Departmental Tourism Committees. The departmental assembly is free to choose the committee's legal status, while its composition and scope of activities are set out in law. Communes (town councils) may set up a tourist office for advising tourists and promoting local sites. The law allows the creation of inter-communal offices by public establishments for inter-communal co-operation.

Responsibility for promoting tourism, which includes opening tourist offices, is planned to be transferred to groupings of municipalities. At the time of writing, Parliament has yet to decide whether this responsibility will be automatically or optionally transferred in the case of other authorities (peri-urban, rural and mountain communities).

France: Organisational chart of the tourism bodies



Source: OECD, adapted from the Directorate-General for Enterprise, 2016.

Atout France, the French National Tourism Organisation, was set up as an Economic Interest Group (EIG) which gives it the flexibility it needs to fulfil its role and to find funding. In 2014 it had a budget of just over EUR 68 million. This includes a general subsidy of around EUR 30 million (since 2015, this subsidy is paid by the Ministry in charge of Foreign Affairs), and additional contributions from local authorities, industry professionals, and members' subscriptions.

A tourism specific budget of around EUR 4 million is managed by the Ministry in charge of the Economy. This money can be spent on improving the quality and diversity of the tourist offering or on widening access to holidays.

Tourism also benefits indirectly from State spending on other policies: culture and national heritage (museums, renovations of monuments, etc.), transport infrastructure and the preservation and promotion of the environment. The total financial resources committed to these policies, either closely or remotely connected to tourism, amounts to around EUR 2 billion (estimated and presented in the Transversal Policy Document for Tourism).

Tourism policies and programmes

France has been losing market share, accounting for 7.5% of world arrivals in 2014 compared with 11% in 2000. This partly reflects the growth of new destinations such as China and the relative loss of market share by Europe as a whole. However, it is also attributable to heavy investment in promotion by some of France's competitors. The need for France to improve its promotion and hospitality is recognised as a key challenge.

Three regions of France (the Paris region, Riviera and ski resorts of Rhone Alps) have high visibility and account for almost half of the overnight stays by foreign tourists. While they should be supported by adequate marketing campaigns to maintain demand from international clientele, it is vital to showcase other destinations with a strong identity, by presenting new tourist products based on specific themes (exploring, industrial tourism, urban tourism, remembrance tourism etc.) and innovative tourist experiences.

Several measures have been taken and are planned to improve promotion and hospitality. Many relate to the four themes identified in the report of the Tourism Promotion Council (which includes tourism professionals and government officials) in June 2015:

- Taking further steps to harness the power of digital technology such as free wifi,
- Improving hospitality by, for example, streamlining visa procedures or encouraging tourism professionals to launch drives to improve quality,
- Ensuring that education and training keep up with new developments in the sector,
- Maintaining investment in tourist activities, with the creation of a special tourist fund managed by national long-term investment agency, Caisse des Dépôts, and/or the public investment bank, Banque publique d'investissement (BPI) (Box 1.21).

An example of a major thematic promotional initiative is the event “Goût de France” launched in March 2015.

To develop and promote alternative destinations in France, the government has been developing destination contracts to rally public and private partners in support of a destination brand with international appeal (Box 1.3).

A further important initiative to improve the competitiveness of tourism in France is work to reduce the burden of regulations and to streamline procedures, resulting in benefit to both businesses and visitors.

Simplifying laws and regulation in France

An ambitious consultation exercise held between November 2013 and June 2014, the national Tourism Conference, the “Assises du Tourisme”, produced a number of proposals that the Government has pledged to implement rapidly through new laws and regulations. Actions adopted, in the pipeline or being considered include simplification of requirements and procedure in the following areas:

- Simplifying the procedure for classifying tourist offices, particularly in the case of grouping of municipalities,
- Relaxing regulatory burdens on the standards of tourist accommodation,
- Expanding the use of holiday vouchers, especially to people working for private individuals. Facilitating the missions of the National Agency for Holiday Vouchers,
- Easier classification of a site as a tourist resort,
- Recruitment of tourist office directors,
- Registration procedures for travel agents and other holiday retailers,
- Transmission to the police of guest registration forms,
- Theatre management licenses,
- Methods of displaying mandatory information, including prices, in accommodation,
- Introduction of a single set of health regulations for the tourism sector.

Statistical profile

Table 1. France: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	268 040	276 752	269 784	266 647	265 712
Overnight visitors (tourists)	194 125	198 784	199 577	198 707	198 085
Same-day visitors (excursionists)	73 915	77 968	70 207	67 940	67 627
Nights in all types of accommodation	1 001 768	1 032 061	1 015 958	1 018 495	1 012 268
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	189 826	196 595	197 522	204 410	205 837
Overnight visitors (tourists)	76 647	80 499	81 980	83 634	83 767
Same-day visitors (excursionists)	113 179	116 096	115 543	120 776	122 070
Top markets					
Germany	11 720	11 953	12 572	13 393	12 684
United Kingdom	12 175	12 332	12 143	12 549	11 808
Belgium	9 935	10 086	10 365	9 320	9 297
Italy	6 583	7 408	7 394	7 171	7 504
Netherlands	6 944	6 447	6 301	6 496	5 548
Nights in all types of accommodation	510 934	551 935	560 817	586 682	599 027
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	29 973	31 153	29 775	30 638	32 203
Overnight visitors (tourists)	25 041	26 155	25 450	26 243	28 180
Same-day visitors (excursionists)	4 932	4 998	4 325	4 395	4 023
Top destinations¹					
Spain	3 729	3 729	3 729	3 729	4 099
Italy	2 714	2 714	2 714	2 714	2 981
Belgium	1 258	1 428	1 419	1 598	1 843
United Kingdom	1 761	1 959	1 580	1 511	1 785
Germany	1 120	1 170	1 257	1 285	1 444
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	43 332	47 634	50 446	..	..
International travel receipts	35 464	39 333	41 751	42 596	43 233
International passenger transport receipts	7 868	8 301	8 695	..	..
Outbound tourism					
Total international expenditure	35 412	39 145	37 918	..	..
International travel expenditure	29 243	32 260	31 118	32 361	36 658
International passenger transport expenditure	6 169	6 885	6 800

.. Not available

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1. Belgium, including Luxembourg. United Kingdom, including Ireland.

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319922>

Table 2. France: Enterprises and employment in tourism

	Number of establishments ¹	Number of persons employed ²				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	294 802	1 238 906	1 251 988	1 261 481	1 256 782	1 265 338
Accommodation services for visitors	44 966	220 205	221 716	220 115	216 276	216 853
Hotels and similar establishments	18 281	178 888	180 630	178 444	174 887	175 983
Food and beverage serving industry	205 242	576 678	594 940	603 566	603 724	612 443
Passenger transport	5 435	284 134	278 390	279 342	277 500	276 672
Air passenger transport	568	70 570	69 124	68 302	65 672	64 140
Railways passenger transport	18	173 184	167 640	167 740	166 643	165 636
Road passenger transport	3 951	30 099	31 700	33 019	34 703	36 196
Water passenger transport	898	10 281	9 926	10 281	10 482	10 700
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	3 177	12 837	13 417	13 267	12 984	13 075
Travel agencies and other reservation services industry	8 400	49 010	48 989	47 844	47 275	46 405
Cultural industry	855	22 465	22 595	23 219	24 931	24 677
Sports and recreation industry	26 728	73 577	71 941	74 128	74 092	75 213
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of enterprises.

2. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319936>

Table 3. France: Internal tourism consumption


Million EUR

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	105 852 p	51 052 p	156 904 p
Consumption products	100 556 p	49 837 p	150 393 p
Tourism characteristic products	74 330 p	34 403 p	108 733 p
Accommodation services for visitors	30 841 p	10 117 p	40 958 p
Food and beverage serving services	12 645 p	7 585 p	20 230 p
Passenger transport services	17 131 p	11 057 p	28 188 p
Air passenger transport services	9 502 p	7 603 p	17 105 p
Railways passenger transport services	5 984 p	1 896 p	7 880 p
Road passenger transport services	1 165 p	1 236 p	2 401 p
Water passenger transport services	480 p	322 p	802 p
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 378 p	788 p	2 166 p
Travel agencies and other reservation services industry	6 483 p	948 p	7 431 p
Cultural services	1 082 p	1 114 p	2 196 p
Sports and recreation services	4 770 p	2 794 p	7 564 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	26 226 p	15 434 p	41 660 p
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	5 296 p	1 215 p	6 511 p

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319949>

Germany

Tourism in the economy

Tourism is a growing economic sector in Germany, generating close to EUR 100 billion in Gross Value Added, equivalent to 4.4% of total GVA. Some 2.9 million workers are directly employed in the tourism industry, equivalent to 7% of total employment.

2014 was a particularly successful year for German tourism. For the fifth consecutive year, Germany registered a record number of overnights to reach 424 million, an increase of 3% on 2013. International visitor numbers increased by 4.6% (to 75.5 million), considerably faster than the European average.

The Netherlands is the main source market and accounts for roughly 15% of all non-resident overnight stays.

Berlin, Hamburg and Munich were the most popular destinations for city-based tourism in 2014.

Domestic and international visitor spending combined amounts to EUR 278.3 billion. Overnight visitors account for 41% of visitor spending (EUR 115.4 billion) while international visitors are responsible for 30% of this (EUR 34.1 billion), according to the German Institute for Economic Research.

Forecasts by the German National Tourist Board show that inbound tourism is expected to continue its long-term rise, as the number of overnight stays by international tourists is predicted to reach 121.5 million by 2030, or an increase of 80%.

Tourism governance and funding

Germany's federal structure means that the Federal Government is primarily responsible for establishing an appropriate policy environment for tourism. The 16 Federal States (*Länder*) are responsible for developing, shaping and promoting tourism policy. 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 of the *Länder*.

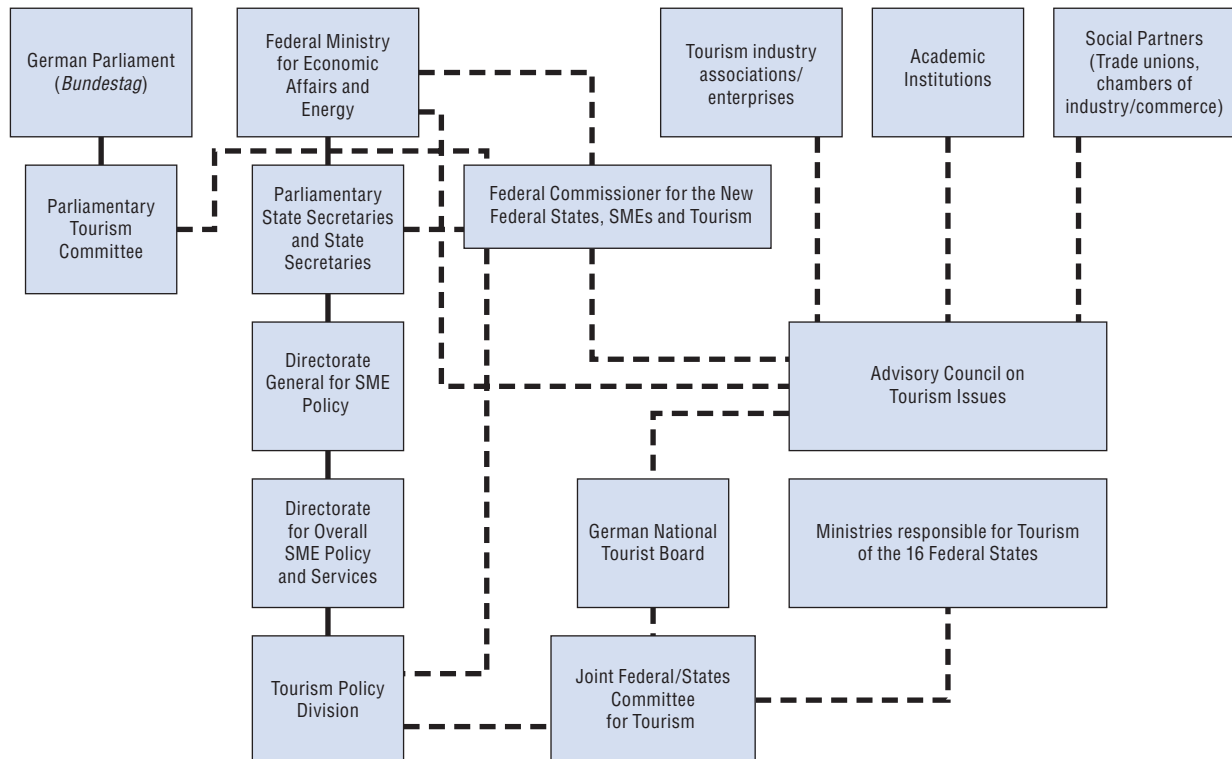
The Federal Minister for Economic Affairs and Energy has lead responsibility for tourism policy. The Federal Government's Commissioner for the New Federal States (*Länder*), SMEs and Tourism is responsible for co-ordinating tourism policy within the Federal Government and with the German Parliament (*Bundestag*), especially with the Parliamentary Tourism Committee. The Federal Minister for Economic Affairs and Energy is supported by the Advisory Council on Tourism Issues which brings together the interests of government, commerce, academia, trade unions and others.

The *Länder* ministries responsible for tourism devise, implement and fund policies to promote tourism development. Local tourism offices co-ordinate the work of small, local enterprises, promote product design and undertake relevant marketing activities. Each

Land has a tourism association representing the interests of regional and local/municipal organisations and/or a destination marketing organisation.

The German National Tourist Board (GNTB) is responsible for marketing Germany abroad. The GNTB works closely with the tourism marketing organisations of the 16 *Länder* and co-operates throughout the world with the German Chambers of Commerce Abroad, the Overseas Trade Exhibition Division of the Federal Ministry of Economic Affairs and Energy and the Association of the German Trade Fair Industry.

Germany: Organisational chart of tourism bodies



Source: OECD, adapted from the Federal Ministry for Economic Affairs and Energy, 2016.

The budgetary funds available to the Federal Ministry for Economic Affairs and Energy for tourism are concentrated on two main areas:

- Institutional support for the GNTB: this increased by EUR 1.6 million to around EUR 30.6 million in 2015, with the additional funds channelled into targeting the China and Brazil markets.
- Promotion of projects to enhance the performance of tourism: EUR 1.6 million in 2015.

Other federal ministries fund measures and projects in their respective policy fields which benefit tourism in Germany. Businesses in the tourism sector are able to access funding from the Federal Government to support investment, through for example the Joint Federal/*Länder* Scheme for the Improvement of Regional Economic Structures or interest subsidies as part of the European Recovery Program.

Financing for tourism in Germany at municipal, regional, and *Länder* level derives from a range of different sources. In addition to public funds, revenue is also generated from spa and tourism taxes, as well as from bed taxes.

Tourism policies and programmes

At the request of the German Parliament, the Federal Government regularly reports on the development of the tourism industry in Germany. It delivers on this by creating reports on tourism policy, which are available on the Ministry's website.

A 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 SMEs can develop their competitive position and fully unlock potential for growth and employment, particularly in the rural areas, shaping demographic change and strengthening sustainable tourism and social responsibility in the tourism industry. Four priority areas, together with the relevant response, are outlined below.

Accessibility for all is a tourism policy priority in Germany, to make services and information available for people with restricted movement and families with small children. The Federal Ministry has funded an accessible tourism project involving uniform labelling for accessible services, development of quality standards, training and skills development along the service chain, and information compilation. The Tourism for All labelling system includes the creation and operation of an internet-based labelling database. The GNTB has organised an Accessible Tourism Day at the ITB travel trade show since 2013.

The Federal Government has also prioritised strengthening rural tourism, with a number of relevant actions have been taken (Box 1.2). Rural regions account for 60% of Germany's territory and 32% of holiday accommodation capacity but only 12% of tourism value added. They are structurally weak in terms of providing employment and income, but opportunities exist for rural enterprises to gain business from the growing tourism sector.

Labour and skills issues are a further priority. Competition for skilled professionals has intensified across the entire economy and is impacting the continued development of tourism. Many firms in the tourism industry are registering declining numbers of trainees, comparatively high training drop-out rates and high staff turnover levels. Tourism workers face demanding working hours and work conditions and it is a challenge to make the industry attractive to the next generation. Demographic change is also making the situation more difficult. The Federal Government is supporting SMEs as they tackle this sizeable challenge.

Boosting skilled labour for the tourism industry in Germany

The Federal Ministry funded a project to analyse the labour market in tourism, leading to the publication in 2014 of a report "Skilled Labour for the Tourism Industry – Fit for the Future", which made practical recommendations and identified examples of good practice. The Ministry is using this to help SMEs to recruit skilled labour. Employers need to offer further vocational training. Germany's dual system of vocational training provides a solid basis for this in the tourism sector. The training regulations used in the dual system are regularly modernised with the help of experts from business, business associations, trade unions, and vocational schools in order to integrate new content and requirements. The tourism industry in Germany covers 12 different occupations in which over 70 000 young people are currently undergoing training. Employers and employees in the hospitality industry are discussing the existing need for modernising training regulations. Vocational training is further supported through Centres of Excellence (key points of contact) and an alliance between Government, business, trade unions and *Länder* that provides support for young people.

A further priority is to maintain Germany's diverse range of unspoilt landscapes, outstanding cultural monuments and vibrant local traditions. The German Tourist Association's research project entitled Developing criteria for sustainable tourist destinations in Germany aims to produce a practical set of criteria for tourism destinations which wish to become increasingly sustainable. The stated intention is not to offer yet another label or certification system, but to bring together the best features of existing standards, systems, guidelines and competitions. A team of experts is looking into the question of what indicators cover all regional features and the requirements of German tourism regions. The project combines the expertise of tourism destinations and leading certification systems. Guidelines are to be produced in early 2016 containing recommendations for action which can apply across the country.

Statistical profile

Table 1. Germany: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	113 116	118 710	122 328 |	123 646	127 791
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	319 970	330 290	338 432 |	339 860	348 484
Hotels and similar establishments	179 956	189 392	194 562 |	196 499	201 846
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	26 875	28 351	30 410 |	31 545	32 999
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Netherlands	3 900	4 000	4 200 |	4 124	4 238
Switzerland	2 000	2 300	2 500 |	2 594	2 778
United Kingdom	2 000	2 100	2 200 |	2 294	2 415
United States	2 200	2 200	2 300 |	2 310	2 371
Italy	1 500	1 500	1 600 |	1 581	1 642
Nights in all types of accommodation	60 310	63 746	68 828 |	71 919	75 577
Hotels and similar establishments	48 386	51 390	55 529 |	58 323	61 312
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	..	..	82 729	87 459	83 008
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	37 491	38 667	40 547	..	..
International travel receipts	26 159	27 923	29 666	31 030	..
International passenger transport receipts	11 332	10 744	10 881	..	..
Outbound tourism					
Total international expenditure	69 385	71 938	75 526	..	..
International travel expenditure	58 934	61 686	64 944	64 677	..
International passenger transport expenditure	10 451	10 252	10 582

.. Not available; | Break in series

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933319954>

Table 2. **Germany: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total
Tourism industries
Accommodation services for visitors	..	1 413	1 457	1 452	..	..
Hotels and similar establishments	33 399	..	..	..	..	..
Food and beverage serving industry
Passenger transport
Air passenger transport
Railways passenger transport
Road passenger transport
Water passenger transport
Passenger transport supporting services
Transport equipment rental
Travel agencies and other reservation services industry
Cultural industry
Sports and recreation industry
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available

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1. Data for food and beverage, travel agencies and other reservation services industry refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319967>Table 3. **Germany: Internal tourism consumption**


Million EUR

	2010		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	221 236	36 627	257 863
Tourism characteristic products	120 312	29 677	149 989
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 industry	8 200	..	8 200
Cultural services	13 718	2 068	15 786
Sports and recreation services	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

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319972>

Greece

Tourism in the economy

Tourism is an important economic sector in Greece. Tourism directly contributed EUR 8.5 billion to the Greek economy in 2013, equivalent to 5.3% of GDP. Tourism is also an important source of employment, directly employing around 320 000 people, or 9.1% of total employment.

Approximately 22 million international visitors visited Greece in 2014, generating receipts of EUR 13.4 billion, an increase of 10.2% over 2013. Tourists from the European Union accounted for the highest growth (arrivals up 25.9% and revenue up 14.8%) while growth from other countries was still positive but more limited (arrivals up 14.8%, revenue up 5.2%). Total spending by EU residents was EUR 8.2 billion and spending by visitors from elsewhere was EUR 4.8 billion.

In 2014 Greece received 3 858 cruise ship arrivals, accounting for 2.4 million visitors. While the number of ships was down on 2014, the number of visitors was slightly up. Overall spending from this sector was EUR 457 million, down by 14.5% on 2013.

Tourism governance and funding

Following a presidential decree in 2014 the then Ministry of Tourism was merged into what is now the Ministry of Economy, Development and Tourism (the Ministry). The merger of the productive sectors of the Greek economy into one ministry was intended to improve the co-ordination of relevant policies at a horizontal level.

The Ministry formulates the country's tourism policy, introduces legislative reforms, undertakes tourism planning and co-ordinates activity with other ministries in order to boost investment and improve the quality and competitiveness of the Greek tourism product. It is also responsible for representation overseas and for harmonising legislation with the European Union.

A number of different directorates are responsible for the various functions of the Department of Tourism within the Ministry. In addition, a Special Co-ordination and Implementation Service reports directly to the Secretary General for Tourism Policy and Development. This Service supports interventions that arise from the overall strategic tourism planning of the Ministry and its co-operation with supervised tourism bodies and those representing the tourism industry. In particular, the Service engages with actions of the Ministry within the operational programmes of the National Strategic Reference Framework (NSFR).

The Greek National Tourism Organisation (GNTO) is a public entity supervised by the Ministry. Its mission is to organise, develop and promote Greek tourism within the country and abroad. GNTO has 15 offices abroad. By virtue of Presidential Decree 112/2014, the

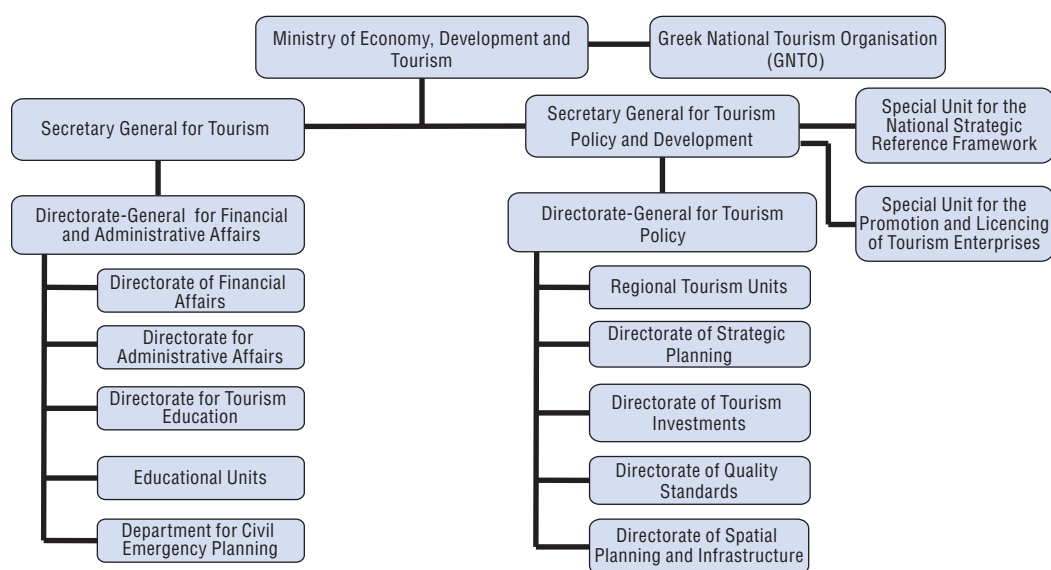
licensing and monitoring functions of GNTO, including its 14 Regional Offices, were transferred to the Ministry. The Regional Offices have responsibility for licensing and inspecting tourism businesses, conducting quality control, monitoring official classification and imposing administrative sanctions on tourism businesses.

At a local level, authorities (regions and municipalities) draw up and implement programmes and activities for tourism development and promotion in their areas. However, it is mandatory for all public authorities to obtain prior approval of their promotional activities from GNTO, with a view to harmonising their campaigns with the overall tourism promotion strategy of the country.

In 2013 a number of different types of tourism education and training bodies, previously managed by the Greek Organisation for Tourism Education and Training (OTEK), were transferred to the Ministry as Regional Tourism Units.

The Hellenic Chamber of Hotels (HCH) is a public entity supervised by the Ministry, whose members are hotels operating in Greece. As of January 2015 it has been made the competent authority responsible for the official classification of hotels, rooms and apartments to rent.

Greece: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry of Economy, Development and Tourism, 2016.

In 2014 the ministerial budget for tourism was EUR 74 million. Of this EUR 27 million was the regular budget and a further EUR 47 covered the public investment programme (EUR 32 million co-funded by the European Union and 15 million nationally funded). In 2014 the GNTO had a budget of EUR 11.3 million, mainly to cover its tourism marketing activity.

Tourism policies and programmes

According to the National Strategic Plan for Tourism 2014-20, the main medium-term objectives of the national tourism policy are:

- Enriching the national tourism product and increasingly promoting special interest tourism,
- Valorising cultural, archeological and natural resources,
- Further simplifying the required licensing procedures with a view to creating an environment conducive to tourism investments,
- Improving infrastructure with respect to all tourism-related transportation means and networks, focusing on multimodality and intermodality,
- Ensuring the services provided by tourism enterprises are one of their core advantages (highly educated personnel, employers and employees with sectoral and spatial specialisation),
- Upgrading the quality of tourist accommodation services through the modernisation or withdrawal of old facilities,
- Incorporating new technologies and concepts in the business models of the tourism businesses,
- Encouraging synergies among tourism entrepreneurs, focusing on the creation of tourism clusters based on market demand in order to offer a more flexible tourism product.

The main actions to meet these objectives include the following:

- Providing incentives for new types of investments and introducing new tourism products (medical tourism, agrotourism, wine tourism, religious tourism, maritime tourism, condo hotels, youth hostels, tourist residences-villas, Integrated Tourism Development Areas, complex tourism resorts). In some cases this has been supported by legislation to help define these products, such as a law in 2014 setting criteria for agrotourism, so that support could be given for appropriate investment.
- Encouraging research, technology development and innovation within tourism businesses by promoting co-operation with universities, creating clusters, and encouraging specialisation.
- Setting up an online platform, which provides entrepreneurs with the information necessary to start their own business (motivation, funding, legal framework, research material), utilises social media to bring people, ideas, corporations, universities and organisations together, and promotes creative partnerships and investment opportunities (www.startupgreece.gov.gr, www.startupper.gr).
- Promoting energy management schemes and the use of alternative sources of energy by accommodation businesses, as well as waste-water management schemes in tourism destinations.
- Social and training programmes aimed at addressing seasonality and low skills.
- Pursuing agreements to operate direct flights between Greece and other destinations.
- Improving visa facilitation, including a pilot scheme for visitors from Turkey to visit seven Greek islands in the Aegean.

Many of these actions, and others, have been supported by additional and amended laws and regulations.

Programmes to address seasonality and training needs in Greece

In 2013-14 Greece implemented a “Tourism for All” programme in periods of low tourist demand. This subsidised tourist accommodation businesses in order for them to provide lower income groups with low-cost holidays. The programme was popular with the tourist beneficiaries and the participating businesses. It helped promote domestic tourism and led to higher occupancy rates and an extended tourism season, so enhancing employment and improving liquidity for the industry.

In 2014-15 a programme was implemented by the Ministry for the training of employees and seasonally unemployed people in the tourism industry in Greece. It was funded by the government National Strategic Reference Framework mechanism and was aligned with the European Union strategies on Employment, Vocational Training and Human Resources. The aim was to help unqualified people, some of whom had already worked in tourism, receive adequate training that will provide them with the necessary skills to become more competitive in the labour market.

Statistical profile

Table 1. Greece: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	10 085	8 177	6 257	4 615	5 340
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	64 681	64 500	45 246	47 955	53 212
Hotels and similar establishments	6 895	7 707	4 596	4 491	5 487
Specialised establishments	418	628	956	537	609
Other collective establishments	841	1 169	571	356	833
Private accommodation	56 527	54 996	39 123	42 571	46 282
Inbound tourism					
Total international arrivals	15 007	16 427	15 518	17 920	22 033
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	2 039	2 240	2 109	2 268	2 459
United Kingdom	1 802	1 758	1 921	1 846	2 090
Bulgaria	664	686	599	692	1 535
France	868	1 149	977	1 152	1 463
Russian Federation	451	739	875	1 353	1 250
Nights in all types of accommodation	140 176	150 978	140 919	160 251	184 789
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	3 799	4 942	4 681	4 594	5 802
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Germany	354	458	417	357	469
Italy	352	325	286	310	292
United Kingdom	231	241	276	213	271
Austria	123	143	98	98	142
France	159	179	160	150	130
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	..	11 311	11 218	..	..
International travel receipts	9 611	10 505	10 442	12 152	13 393
International passenger transport receipts	..	806	776	..	..
Outbound tourism					
Total international expenditure	..	2 323	1 885	..	..
International travel expenditure	2 156	2 267	1 844	1 835	2 076
International passenger transport expenditure	..	56	41	..	..

.. Not available; | Break in series
Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319985>


Table 2. Greece: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	44 549	325 816	311 067	286 392	274 131	320 003
Accommodation services for visitors	39 747	63 628	64 994	66 741	60 639	75 931
Hotels and similar establishments	39 747	58 180	59 715	59 281	54 333	69 617
Food and beverage serving industry	..	244 629	230 644	205 235	198 122	220 539
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	1 897	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	3 574	3 194	2 496	2 083	2 205
Travel agencies and other reservation services industry	2 876	13 985	12 235	11 920	13 287	21 328
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	29
Other industries

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933319997>

Hungary

Tourism in the economy

According to the latest Tourism Satellite Account (2011), the direct contribution of tourism is around EUR 4.4 billion (5.5% of the country's GDP), employing 331 000 people (9% of the workforce). If indirect contributions are also included, tourism accounts for around 9% of GDP with more than 400 000 jobs being related to tourism.

2014 was a record year with over 9.6 million guests spending 24.4 million nights at commercial accommodation facilities, which is an increase of 8.5% and 6.4% respectively over the previous year. Domestic tourism grew even faster. In 2014, 5 million domestic guests (an increase of 11.6%) spent 12 million guest nights (up 9.9%) at commercial accommodation facilities.

Hungary's top five inbound markets by guest nights in 2014 were: Germany, Austria, Russia, Great Britain and Italy. While there was a slight decrease in guest nights for visitors from Germany (-1.1%), Austria (-4%) and Russia (-0.7%) compared with 2013, other countries like the United States (12.7%) and the Czech Republic (12.4%) significantly increased their share in guest nights.

Tourism governance and funding

The Ministry for National Economy is responsible for the public administration of tourism in Hungary. It oversees national economic development including internal trade, the national budget, taxation and employment policy. Within the Ministry, the Tourism and Catering Department is responsible for preparing and implementing the national tourism development strategy, tourism legislation, international tourism co-operation, managing the regulatory framework of the Széchenyi Recreation Card, management and development of the national trademark system, and government responsibilities regarding the restaurant and catering industry.

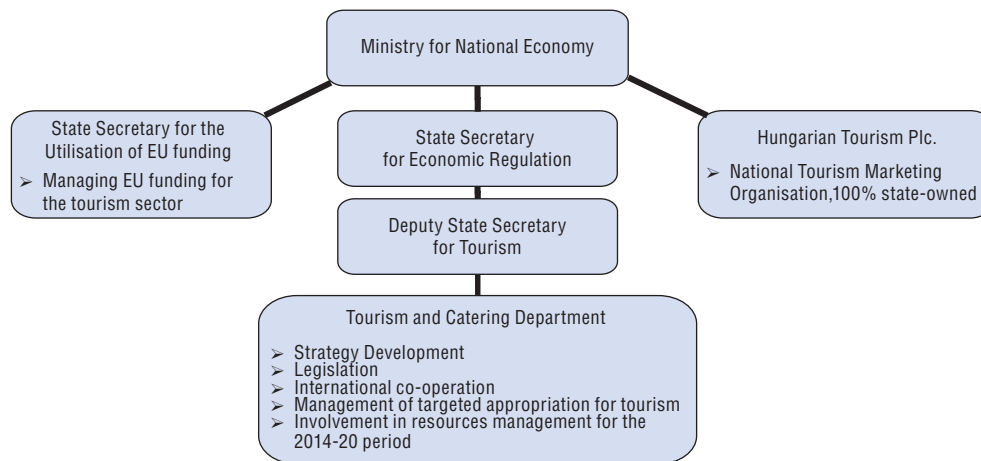
The Ministry also supervises the activities of Hungarian Tourism Ltd. (Hungarian National Tourist Office – HNTO), which is responsible for tourism promotion in Hungary and abroad. Hungarian Tourism Ltd. was established in 1994 with the core objective of improving Hungary's image domestically and abroad, thereby helping to increase revenues from domestic and inbound tourism. Hungarian Tourism Ltd. carries out its international marketing operations through its global network.

The Tourism and Catering Department co-operates with other government departments on tourism related issues: the Ministry of Human Resources, for cultural and health tourism; the Ministry of Agriculture, for rural tourism development and ecotourism; the Ministry of Foreign Affairs and Trade, for travel advisories, visa issues and crisis management; and the Central Statistical Office, regarding tourism statistics.

The Department also co-operates with the major tourism trade organisations and professional associations.

Local destination management organisations (DMOs) are established in most of the important destinations in Hungary (86 in 2015). The DMOs work with tourism stakeholders and cover the full range of tourism planning, product development, management of information, booking systems, research and marketing, human resource development and co-ordination of stakeholder activity.

Hungary: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry for National Economy, 2016.

European Union co-financed development programmes are managed by the State Secretary for the Utilisation of European Union Funding. Individual ministries are responsible for the utilisation of European Union funds.

Tourism related funding is supervised by the State Secretary for Economic Regulation. The annual Tourism Fund was EUR 16.5 million in 2015, while Hungarian Tourism Ltd. will be able to utilise EUR 25.5 million under the European Union programming period 2014-20.

The Hungarian taxation system supports tourism with a lower VAT rate on accommodation services (18% rather than the average 27%) and employers can benefit from preferential tax rates when they provide tourism-related fringe benefits to their employees. The Széchenyi Recreation Card (SzRC) was introduced to promote domestic tourism. It is a non-wage benefit that can be provided by companies to their employees besides their salary with a discounted tax rate on up to EUR 1 500 per annum, 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 cards are issued by market participants (at the moment by three bank-owned groups of companies) at no cost to the state.

By the end of 2014, more than 24 300 companies gave this benefit to their employees and more than one million cards have been issued. From the introduction of the SzRC card in July 2011 to the end of 2014 EUR 720 million has been spent using SzRCs.

Tourism policies and programmes

Long term objectives for tourism in Hungary are to:

- enhance competitiveness through innovative, high-quality product development,
- sustain and create tourism jobs,
- strengthen tourism institutions,
- promote Hungary in new markets, in line with the Eastern and Southern Opening trade-based diplomacy policies of the Government,
- recognise the horizontal principles of commitment to quality service, strengthening national values such as sustainability, environmental consciousness, and highlighting Hungary's unique profile.

Until 2013, tourism development in Hungary was directed by the priorities defined in the National Tourism Development Strategy (NTDS) 2005-13. A Tourism Development Concept for the period of 2015-25 is under development and will be approved by the Government after wide public consultation, including with relevant tourism stakeholders. The objectives of the new Development Concept will be to: enhance tourism supply by providing financial support for the development of attractions; improve tourism services (accommodation and other); and strengthen DMO activities. In addition further action has been taken in order to develop incoming and domestic tourism, to harmonise legal regulation in line with European Union directives, to eliminate administrative burdens encumbering tourism businesses and to simplify formalities for tourists arriving from non-European Union countries.

In order to meet these objectives a number of key issues and challenges have been identified and relevant initiatives have been pursued:

- **Combating seasonality.** The Budapest Winter Invitation campaign, encouraging tourists to Budapest between November and April continues to be very successful. The campaign's total budget is about EUR 1 million. Hungarian Tourism Ltd. also has several domestic initiatives with the regions and service providers, e.g. Open Cellar Days and the Goose Tour on Saint Martin's Day.
- **Accessibility.** Hungary makes use of the European Destinations of Excellence (EDEN) programme to draw attention to accessible tourism.
- **Supporting high quality services.** A national trademarking system has been established since 2009. Joining the national trademark system is optional, but it helps to distinguish good quality service providers from non-qualified services and to strengthen consumer awareness.
- **Protection of the cultural heritage.** The Ministry works with organisations responsible for cultural heritage to conserve and present it to a wide public. In 2011, Parliament adopted legislation on World Heritage which summarises the rules, restrictions and opportunities for World Heritage sites in Hungary and provides a legal framework for the management of each site.
- **Improving education in tourism.** A series of consultations have started between the relevant governmental bodies, educational institutes and trade associations to review the vocational training and higher education system and analyse it in the light of new labour market trends in the industry.
- **Targeted promotion.** Particular initiatives are focussed on developing markets.

Co-operation between China and the CEE countries

By 2018 the number of Chinese tourists arriving in Central and Eastern Europe (CEE) will increase to around 3.7 million. In the China – CEE Countries' Economic Forum in 2013, the Chinese called upon Hungary to establish a co-operation platform with the aim of increasing tourism co-operation. The official opening of the China – CEE countries' Tourism Co-ordination Centre (TCC) took place in May 2014 in Budapest. The main aim of the co-operation is to increase the visibility of the CEE region in the high-potential Chinese tourism market and present CEE as a single destination. This may allow better visibility of the region and a more effective appearance in China, thus contributing to the rise in the number of Chinese tourist arrivals. The goals of the co-operation include:

- Developing relations between the China National Tourism Administration (CNTA) and the National Tourism Administrations of the 16 CEE countries,
- Exchanging databases of members of the tourism industries of China and the CEE countries,
- Contributing to the development of new tourism routes, products and packages,
- Providing information on visa related issues for tourism purposes,
- Developing direct flights to Central and Eastern European from China.

Health and wellness tourism is particularly important in Hungary. The New Széchenyi Development Plan's Healing in Hungary Program, sets out an approach that is in line with overall tourism objectives and which seeks to more effectively exploit the tourism potential of the country's thermal water and geothermal resources.

Statistical profile

Table 1. Hungary: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	17 960	18 801	17 119	14 378	14 854
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	47 999	51 939	48 193	41 069	40 779
Hotels and similar establishments	7 578	7 869	8 060	8 597	9 419
Specialised establishments	..	..	..	..	..
Other collective establishments	2 363	2 336	2 353	2 389	2 663
Private accommodation	38 058	41 734	37 780	30 083	28 697
Inbound tourism					
Total international arrivals	13 362	13 620	14 878	14 836	17 253
Overnight visitors (tourists)	8 181	8 643	8 607	9 034	10 158
Same-day visitors (excursionists)	5 181	4 976	6 271	5 803	7 095
Top markets					
Germany	2 088	2 084	2 201	1 832	1 898
Slovak Republic	361	367	436	639	1 024
Austria	891	894	942	793	976
Romania	535	686	591	589	758
Czech Republic	248	304	320	494	748
Nights in all types of accommodation	9 614	10 411	11 392	11 983	12 351
Hotels and similar establishments	8 317	9 049	9 938	10 367	10 653
Specialised establishments	..	..	..	..	..
Other collective establishments	1 297	1 362	1 454	1 616	1 698
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	7 616	8 043	7 737	8 191	8 933
Overnight visitors (tourists)	4 605	4 644	4 267	4 339	4 927
Same-day visitors (excursionists)	3 012	3 399	3 470	3 852	4 006
Top destinations					
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TOURISM RECEIPTS AND EXPENDITURE, MILLION HUF					
Inbound tourism					
Total international receipts	1 380 925	1 442 843	1 385 413	1 493 295	1 742 398
International travel receipts	1 170 200	1 181 800	1 139 200	1 200 400	1 368 600
International passenger transport receipts	210 725	261 043	246 213	292 895	373 798
Outbound tourism					
Total international expenditure	605 937	608 613	553 545	565 555	631 087
International travel expenditure	503 214	496 499	425 000	426 800	472 900
International passenger transport expenditure	102 723	112 114	128 545	138 755	158 187

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320014>

Table 2. **Hungary: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	175 010	316 582	331 272	..	..	..
Accommodation services for visitors	32 781	30 470	37 337	..	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	40 824	111 874	112 141	..	..	..
Passenger transport	10 516	81 418	80 958	..	..	..
Air passenger transport	121	6 313	6 828	..	..	..
Railways passenger transport	3	18 868	23 039	..	..	..
Road passenger transport	10 264	55 603	49 574	..	..	..
Water passenger transport	128	634	1 517	..	..	..
Passenger transport supporting services	4 704	8 953	9 934	..	..	..
Transport equipment rental	4 323	648	492	..	..	..
Travel agencies and other reservation services industry	3 122	7 449	7 789	..	..	..
Cultural industry	37 719	34 461	39 944	..	..	..
Sports and recreation industry	20 931	21 739	18 729	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	20 090	19 571	23 947	..	..	..
Other industries	..	..	..	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320029>Table 3. **Hungary: Internal tourism consumption**


Million HUF

	2011		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	574 227	847 248	1 421 476
Tourism characteristic products	310 107	622 158	932 266
Accommodation services for visitors	73 956	210 959	284 915
Food and beverage serving services	104 987	148 963	253 950
Passenger transport services	71 828	80 580	152 408
Air passenger transport services	40 448	65 760	106 208
Railways passenger transport services	12 718	1 336	14 054
Road passenger transport services	18 660	12 821	31 481
Water passenger transport services	1	664	665
Passenger transport supporting services	4 843	8 953	13 796
Transport equipment rental services	62	1 517	1 580
Travel agencies and other reservation services industry	24 454	14 078	38 532
Cultural services	5 068	20 803	25 871
Sports and recreation services	19 014	67 141	86 155
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	5 895	69 164	75 059
Other consumption products	264 120	225 090	489 210
Tourism connected products
Non-tourism related consumption products
Non-consumption products

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320036>

Iceland

Tourism in the economy

Tourism has been among the fastest-growing industries in Iceland in recent years and has established itself as the third pillar of the Icelandic economy. Domestic demand and growth in tourism-related services have demonstrated recovery since the crisis in 2010, supported by a competitive real exchange rate.

The number of international tourists (overnight visitors) has increased from 302 900 in 2000 to 997 556 in 2014. Tourists from Central and Southern Europe constitute the largest group, followed by tourists from North America. The number of tourists from other parts of the world has also increased rapidly in recent years. The ratio of tourism-generated foreign exchange revenues to total export revenues averaged 28.4% in 2014, compared to 12% in 2000. Service exports, especially the tourism sector, have contributed a sizeable share of recent growth in GDP; the direct tourism industry's contribution to GDP rose from 3.6% in 2008 to 4.6% in 2014.

Sustained demand for tourism services together with the ability to generate high levels of employment continues to prove the importance and value of the sector as a tool for economic development and job creation. In 2008, the total direct number of employees in activities related to tourism was 14 404 but by 2014 the number had risen to 18 886.

Tourism governance and funding

Since 2012, the Ministry of Industries and Innovation assumed responsibility for tourism.

The Icelandic Tourist Board (ITB) handles the implementation of tourism affairs on behalf of the Ministry and has the following main responsibilities:

- Issuing licences, registration and monitoring in order to ensure that operational requirements are met.
- Development and organisational issues related to tourism, including implementing a defined tourism strategy, co-ordination of environmental and educational affairs, dissemination of information, regional and local development, and international collaboration.
- Quality control, including responsibility for implementing a new quality and environmental assurance system (VAKINN), the Tourist Site Protection Fund, and the collection of data on tourist numbers, their expectations and experiences.

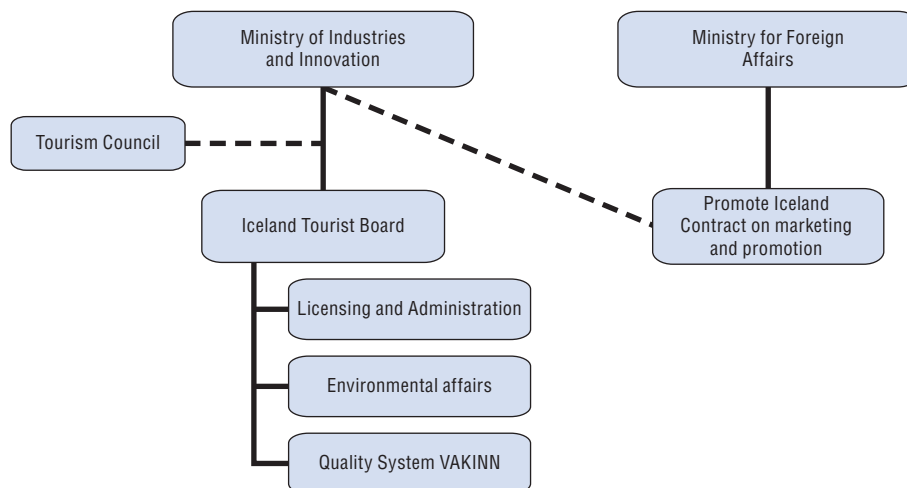
Marketing and promoting tourism is the responsibility of Promote Iceland, under the Ministry for Foreign Affairs. Promote Iceland is a public-private partnership, aimed at improving the competitive standing of Icelandic industries in foreign markets and

stimulating economic growth through increased exports. Promote Iceland 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.

An Icelandic Tourism Council is appointed by the Minister for Industries and Commerce, with a mandate 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 Tourism Council brings together representatives from the Ministry, Icelandic Travel Industry Association, Association of Local Authorities in Iceland, Iceland Tourism Association and Promote Iceland.

Municipalities are responsible for planning issues and many tourist attractions are also in their care. The local authorities have a representative on the board of the Tourist Site Protection Fund, which has made funds available to support a number of projects undertaken by local municipalities. Regional associations of municipalities operate Developmental Agencies with the support of the Icelandic Regional Development Institute and, on their behalf, various development projects for the tourism industry have taken place. Such projects have also been supported by the Innovation Centre Iceland and the Icelandic Tourist Board. The Icelandic Tourist Board also collaborates extensively with the seven regional tourism marketing offices and provides financial support for their work.

Iceland: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry of Industries and Innovation, 2016.

In 2015 the Icelandic Tourist Board had a budget of ISK 357.3 million for its operation. A further budget of ISK 695.2 million was allocated to tourism services (of which ISK 451.8 million was for promotion/marketing). In addition, there is a Tourist Site Protection Fund of ISK 176.6 million, including ISK 158 million from tax/fees on overnight stays, and a special contribution for maintenance and infrastructure in tourism destinations of ISK 848 million.

Tourism policies and programmes

Rapid growth in the tourism sector in recent years has brought new challenges for the Icelandic authorities and public support system. The main issue is to invest in product

development and the necessary tourism infrastructure to accommodate the growing number of visitors. Over 70% of visitors name Icelandic nature as their main reason for visiting, so the future sustainability of the tourism sector depends on conservation of the natural environment. The seasoned traveller places an increasing emphasis on quality issues and environmental awareness, and the industry must be prepared to meet their expectations. The VAKINN quality assurance scheme has been further developed to address these needs.

Quality assurance in Iceland

A growing industry attracts entrepreneurs and new businesses. Over the past two years, the Icelandic Government has been focused on simplifying the legislative framework for tourism, while at the same time strengthening legislation covering the safety of tourists and professional standards of tourism service providers. The government has supported the continued development and growth of VAKINN, the official quality and environmental system for tourism in Iceland. VAKINN has been in operation since 2011 and now covers most aspects of tourism services. Most recently, six categories for accommodation were introduced to the system.

Despite much public discussion in recent years on ways to fund the required infrastructure, the issue has yet to be resolved. A long term strategy for tourism infrastructure is needed and has been emphasised by the current Government. Meanwhile, funding for the development of tourism site infrastructure and the Icelandic Road and Coastal Administration has been increased.

The Government is aware of the need to maintain existing tourist destinations and to develop new ones in order to foster the sustainable development (economic, social and environmental) of tourism in Iceland. Holistic regional destination planning and management is necessary for the future sustainable development of the industry nationwide. Destinations need to define their strengths and opportunities and map out a vision for the industry's role in the future development of their areas.

In 2014 the Minister of Industries and Commerce and the Icelandic Travel Industry Association joined forces and devised a new Road Map for Tourism. Launched in October 2015, the Road Map will provide a long-term tourism strategy with an emphasis on sustainable development (Box 1.7). The long term vision for 2030 is that the tourism industry will become a sustainable and profitable sector yielding stable foreign exchange earnings for the economy and increasing the prosperity and the quality of life in Iceland.

In December 2014, the Government signed a new contract with the tourism industry to continue the marketing campaign Inspired by Iceland. The campaign's objectives are to increase awareness of Iceland as a year-round destination, increase commerce from tourists and to decrease seasonality in every region for Icelandic tourism.

Statistical profile

Table 1. Iceland: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	855	805	854	1 025	1 085
Hotels and similar establishments	403	420	461	516	537
Specialised establishments	42	48	37	48	38
Other collective establishments	375	309	316	405	435
Private accommodation	34	28	40	56	75
Inbound tourism					
Total international arrivals	562	631	769	903	1 107
Overnight visitors (tourists)	489	566	673	807	998
Same-day visitors (excursionists)	73	65	96	96	109
Top markets					
United Kingdom	61	68	95	137	181
Nordic countries	118	131	145	150	164
United States	51	78	95	120	152
Germany	59	61	70	83	94
France	30	37	42	49	59
Nights in all types of accommodation	2 144	2 444	2 898	3 522	4 405
Hotels and similar establishments	1 671	1 903	2 241	2 650	3 127
Specialised establishments	..	..	..	..	..
Other collective establishments	248	253	283	377	597
Private accommodation	157	203	267	363	511
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	296	343	360	367	402
Same-day visitors (excursionists)
Top destinations					
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TOURISM RECEIPTS AND EXPENDITURE, MILLION ISK					
Inbound tourism					
Total international receipts	162 823	196 495	239 427	276 343	303 609
International travel receipts	68 532	86 936	107 953	130 772	159 050
International passenger transport receipts	94 291	109 560	131 475	145 571	144 560
Outbound tourism					
Total international expenditure	78 874	92 757	105 455	110 753	120 711
International travel expenditure	72 750	85 827	97 641	103 453	113 594
International passenger transport expenditure	6 124	6 931	7 814	7 300	7 117

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320041>

Table 2. Iceland: Enterprises and employment in tourism

	Number of establishments ¹	Number of persons employed ²				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	1 946 p	14 379	15 410	16 630	17 597	18 886 p
Accommodation services for visitors	422 p	2 513	2 914	3 369	3 735	4 174 p
Hotels and similar establishments	357 p	2 377	2 763	3 149	3 468	3 878 p
Food and beverage serving industry	665 p	7 106	7 450	7 787	8 075	8 507 p
Passenger transport	145 p	2 062	2 228	2 322	2 397	2 516 p
Air passenger transport	24 p	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	109 p	..	..	..	..	..
Water passenger transport	12 p	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	100 p	326	365	431	500	590 p
Travel agencies and other reservation services industry	410 p	945	1 035	1 233	1 395	1 597 p
Cultural industry	66 p	456	436	439	433	422 p
Sports and recreation industry	138 p	971	982	1 049	1 062	1 080 p
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available; p Provisional data

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1. Data refer to number of enterprises.

2. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320056>

Table 3. Iceland: Internal tourism consumption


Million ISK

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	87 778	165 134	275 871
Tourism characteristic products	65 753	136 748	224 825
Accommodation services for visitors	17 905	32 270	57 300
Food and beverage serving services	2 551	15 087	21 579
Passenger transport services	17 943	50 868	79 149
Air passenger transport services	14 974	40 415	65 098
Railways passenger transport services	..	..	..
Road passenger transport services	2 396	9 333	12 238
Water passenger transport services	573	1 120	1 813
Passenger transport supporting services	..	..	..
Transport equipment rental services	7 721	13 346	21 394
Travel agencies and other reservation services industry	12 666	17 307	30 567
Cultural services	2 062	1 040	3 102
Sports and recreation services	4 905	6 830	11 736
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	22 025	28 385	51 045
Tourism connected products	20 075	26 332	46 407
Non-tourism related consumption products	1 950	2 054	4 639
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320069>

Ireland

Tourism in the economy

Tourism is one of Ireland's most important economic sectors and has significant potential to play a further role in Ireland's economic renewal. In 2014, spending by visitors to Ireland increased, with total tourism and travel earnings from overseas visitors (excluding airfares and ferry costs) growing by 8.5% to EUR 3.7 billion. There was particularly strong growth in expenditure by holiday visitors from North America (14.5% to EUR 665 million) and from Great Britain (8.3% to EUR 338 million).

The tourism and hospitality industry generated over EUR 6 billion in revenues from home and abroad – equivalent to 3.4% of GDP. 2014 data show that overall visits to Ireland increased by +8.9% to 7.6 million trips (including same day visits), with holiday trips up 8.7% and business trips up 3.2%. Visits to friends and relatives in Ireland grew by 9.6%.

Tourism supports almost 140 000 jobs in the accommodation and food sector alone, and overall is estimated to support in the region of 200 000 jobs. Ireland's cultural heritage is integral to the tourism offer, and the many individual sites directly contribute to the dispersal of employment throughout the country.

Tourism governance and funding

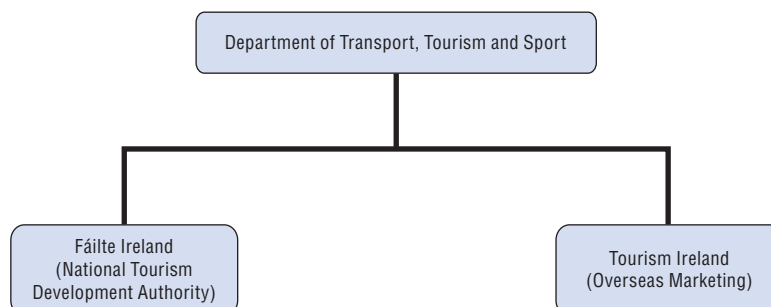
The Tourism Division of the Department of Transport, Tourism and Sport advises Government on national tourism policy, providing the strategic direction required to support the growth of a competitive and sustainable tourism industry. Two tourism agencies operate under the aegis of the Department to deliver and implement the policy:

- Fáilte Ireland was established under the National Tourism Development Authority Act 2003 to encourage, promote and support tourism as a leading indigenous component of the Irish economy. Its principal functions are the development of quality tourism product, domestic tourism marketing, tourism standards, enterprise support, capability building and human resource development for the tourism industry.
- Tourism Ireland Ltd is an all-island tourism marketing company with the overall objective of promoting increased tourism to the island of Ireland. 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 authorities have long recognised the important contribution of tourism to their local areas, and are active in many aspects of tourism, including organising and funding events, and developing public tourism infrastructure. Many work closely with Fáilte Ireland to develop these projects. Locals and visitors alike benefit from the wider role of local

authorities in providing the infrastructure and environmental management that is essential for a fully-functioning economy.

Ireland: Organisational chart of the tourism bodies



Source: OECD, adapted from the Department of Transport, Tourism and Sport, 2016.

The budget for expenditure on tourism services in 2015 is estimated at EUR 119.8 million, down from EUR 138.7 million in 2014. The figure for 2015 includes EUR 14.8 million of capital expenditure, allocated primarily to tourism product development, and a tourism marketing fund of EUR 34.1 million.

Tourism policies and programmes

The Irish Government published a new tourism policy statement in March 2015. *People, Place and Policy: Growing Tourism to 2025* sets out policies which will enable Ireland's key attractions of people and place to combine effectively in order to maximise the economic, social, and environmental benefits of tourism. A series of policy objectives are designed to ensure the sustainable growth of Irish tourism in the period to 2025. The primary focus is on growing overseas revenue and hence exports. The Tourism Policy Statement reiterates the critical importance of competitiveness, in terms of quality, value and cost, recognising the importance of value and innovation in achieving this.

Three headline targets have been set, to be achieved by 2025:

- Revenue from overseas tourism, in real terms and excluding air fares and ferry charges, to grow to EUR 5 billion per year in 2025 from EUR 3.5 billion in 2014.
- 250 000 people to be employed in tourism, increasing from current estimate of 200 000.
- 10 million overseas visits to Ireland, compared to 7.6 million in 2014 (including same day visits).

Policies include:

- A shift from the previous focus on growing the number of trips to Ireland by overseas visitors to one of increasing the economic contribution of overseas visits. Targeting overseas marketing across a range of countries and market segments, focusing on the highest revenue potential while avoiding vulnerability to downturns in a few markets.
- A continued key role in tourism for festivals and events.
- Support for training and career development in the tourism sector to ensure that the industry is able to meet the needs of future visitors and that those working in the sector achieve their potential.

- Maintenance of the 9% rate of VAT to ensure that the tourism sector remains cost-competitive.
- Recognition for the vital role of local communities in developing and delivering quality tourism experiences (Box 2.5).
- Giving local authorities a key role in leadership and support for communities in tourism.
- Recognition of the particular strengths of local authorities in developing tourism within their overall economic development role.
- Establishment of a tourism research forum, involving key public bodies and academic institutions, to identify and prioritise tourism-focused research in order to improve understanding of visitor needs.

In order to ensure that the ambitious targets are met, People, Places and Policy – Growing Tourism to 2025 commits to a whole-of-government approach, reaffirming the vital role of government in supporting tourism across policy areas and departments, including taxation, environment, and enterprise policy.

Supporting festivals and events in Ireland

While events play a key role in tourism in Ireland, funding has been a significant challenge. Both major and regional festivals, and particularly those which take place in the public realm for which there is no fee income from participants or spectators, depend on a combination of commercial sponsorship and public funding to meet their operating and marketing expenses. The budget for Fáilte Ireland's Festivals and Events Initiative has varied considerably from one year to another, depending on the overall Exchequer allocation to Fáilte Ireland. Events have been required to apply for funding each year, which has constrained their ability to develop.

A rolling process of application and evaluation will now be put in place, so that event organisers can be informed of decisions at least six months before their event is due to take place. Within the framework of Public Financial Procedures, Fáilte Ireland will also be able to consider three year commitments of support. Support for events will be weighted towards those with the greatest potential for overseas tourism as well as those that offset the seasonal nature of tourism. The appropriate use of themed years, including a possible repeat of The Gathering Ireland 2013, will be pursued further when drawing up the Tourism Action Plan.

The Gathering Ireland 2013 is an example of an event that met Ireland's strategic priorities and was Ireland's biggest ever tourism initiative. Over 70 million people worldwide claim Irish ancestry and, throughout 2013, Ireland extended a welcome to those who have moved away, their relatives, friends and descendants and invited them home to gatherings in villages, towns and cities. Communities throughout Ireland, with the support of their Local Authorities, showcased and shared the very best of Irish culture, tradition, business, sport, landscape, food and the uniquely Irish sense of fun. The Gathering Ireland 2013 aimed primarily to generate additional tourist numbers and revenue, drawing an additional 275 000 visitors and generating additional tourism revenue of approximately EUR 170 million. The Gathering helped to strengthen existing links with Irish communities abroad and create new connections which remain as a valuable asset to Irish tourism. Tourism agencies will continue to work with the diaspora networks and will include this global family as part of future promotional work overseas.

Statistical profile

Table 1. Ireland: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	7 300	7 169	7 031	7 111	7 354
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	22 540	21 628	20 120	20 649	21 204
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	5 695	6 021	6 035	6 393	6 824
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Great Britain	2 562	2 623	2 518	2 641	2 789
Other Europe	1 270	1 382	1 415	1 461	1 521
United States/Canada	849	889	922	1 012	1 121
Germany	378	409	435	464	533
France	338	378	382	405	418
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	6 534	6 144	6 170	6 179	6 287
Same-day visitors (excursionists)
Top destinations					
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TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	6 225	6 810	7 078	7 665	8 350
International travel receipts	3 106	3 010	3 022	3 370	3 656
International passenger transport receipts	3 119	3 800	4 056	4 295	4 694
Outbound tourism					
Total international expenditure	5 439	4 899	4 690	4 752	4 646
International travel expenditure	5 358	4 817	4 609	4 669	4 561
International passenger transport expenditure	81	82	81	83	85

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320074>

Table 2. Ireland: Enterprises and employment in tourism

	Number of establishments ¹	Number of persons employed				
	2012	2010	2011	2012	2013	2014
Total	22 653	165 929	164 840	185 638	..	..
Tourism industries	21 870	160 227	159 142	179 717	..	..
Accommodation services for visitors	16 279	116 350	117 200	139 121	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..	..
Passenger transport	1 935	24 891	25 636	24 108	..	..
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	3 656	18 986	16 306	16 488	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	783	5 702	5 698	5 921	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320087>

Table 3. Ireland: Internal tourism consumption


Million ILS

	2007		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	3 142	3 637	6 779
Tourism characteristic products	2 337	2 875	5 212
Accommodation services for visitors	228	672	900
Food and beverage serving services	983	932	1 915
Passenger transport services	762	1 062	1 824
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	155	12	167
Cultural services	209	197	406
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	805	762	1 567
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320091>

Israel

Tourism in the economy

Tourism contributes 2.8% to Israel's GDP and about 3.5% of total employment, counting only direct tourism jobs. The combined total of direct and indirect tourism jobs is some 210 000, or just over 7% of total employment.

There were 2.9 million international tourist arrivals in 2014 (1% less than in 2013), plus 324 500 same-day visitors. International tourism receipts amounted to USD 6.4 billion. Israel's most important international origin markets are, in order of size, the United States, the Russian Federation, France, the United Kingdom and Germany, accounting together for approximately half of all tourist arrivals.

Revenues from incoming tourism in 2014 are estimated to account for 13% of service exports and 5% of total exports by Israel. In the first half of 2015 international tourist arrivals fell 16% compared with the first half of the previous year, due to some negative effects from the geopolitical situation in the region.

Tourism governance and funding

Policy, marketing and the development of the tourism sector are handled by the Ministry of Tourism, which is assisted by several other ministries in the fields of building infrastructure, site development, rural and agro tourism, SME development and job training. These include the Ministry of Environmental Protection, the Ministry for the Development of Negev and Galilee, Ministry of the Economy and the Ministry of Agriculture.

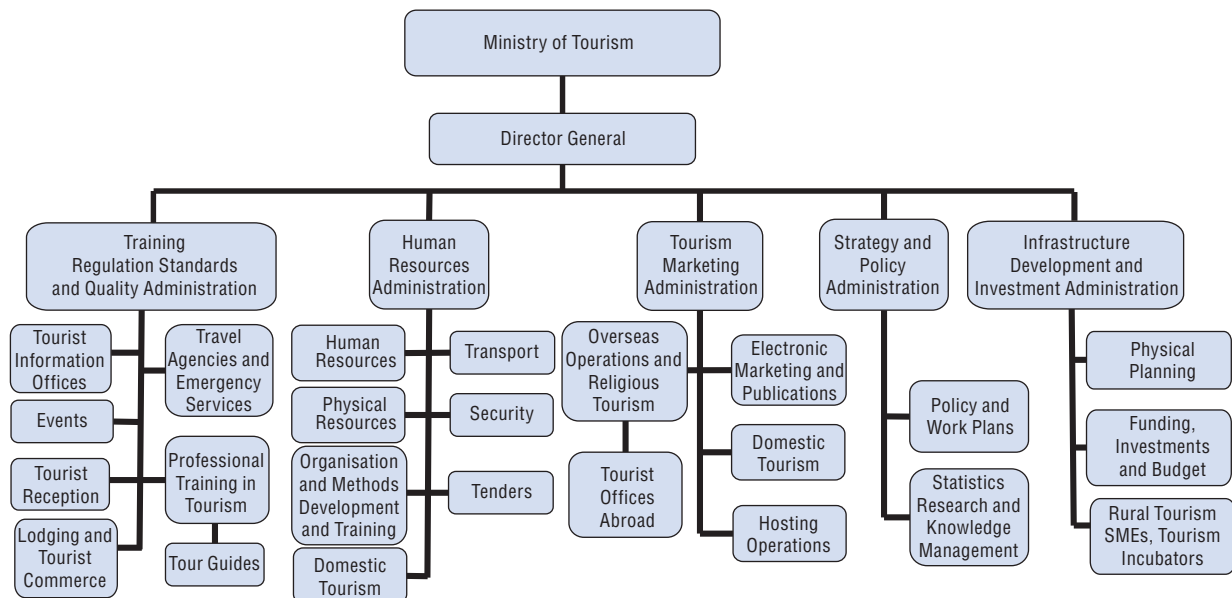
There are also many local organisations promoting tourism in Israel. The regional and local authorities have the following powers and responsibilities:

- Examination by local planning committees of all building projects within their jurisdiction, including hotels and other tourism projects, and forwarding recommendations to the National Planning Committee, of which the regional and local authorities are members;
- Issuing construction permits;
- Collecting local taxes. During a crisis, or as means of encouragement, this tax burden on tourism projects may be eased;
- Maintaining tourist sites;
- Operating projects in joint venture with the Ministry of Tourism including: building tourism infrastructure e.g. promenades along the beaches, bike routes etc.; marketing campaigns for the domestic tourism market; and organising and promoting local events and festivals.

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.

In a few resort cities/regions, namely Acre, Dead Sea, Eilat, Jaffa, Jerusalem and Tel-Aviv, the Government has long ago established Government Development Companies.

Israel: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2016.

In 2014 the general budget of the Ministry of Tourism was ILS 710 231 million. Some 33% of this was allocated to marketing, 28% to investment incentives and 26% to infrastructure investment. 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 government grants).

Tourism policies and programmes

The current main issues and challenges in Israel are:

- Developing low cost alternative products for holidays in Israel, including Bed and Breakfast hotels, camping and motor-home grounds, and bicycle trails,
- Working with the local industry and different regulators to lower the existing operation costs which make Israel an expensive destination,
- Expanding the volume of accommodation available for tourists, using investment incentives to attract entrepreneurs,
- Renovating and upgrading traditional regional resort destinations (Dead Sea, Eilat, Tiberias) in order to restore and increase their competitive edge.

The main national policy priority areas in relation to tourism are raising the competitiveness of tourism and supporting inclusive growth, among others, in peripheral regions and in SMEs.

The Ministry of Tourism is currently implementing and funding a hotel rating project, using the European Hotelstars system. The Hotelstars system has been adjusted slightly to accommodate Israeli conditions and is based on 270 physical and service criteria which are used to assess each hotel. The system is based on co-operation and dialogue with the

hoteliers and allows them to make necessary improvements. Inspections will be used by the Hotel Commissioner at the Ministry of Tourism to set each hotel's final classification. A list of classified hotels, classification criteria and more information will be posted on the Ministry of Tourism website. Hotels can join the classification program on a voluntary basis.

This project may support increased customer confidence, a reliable reflection of service quality according to uniform and international standards, and improved hotel marketing in Israel and abroad. The Ministry of Tourism believes that this project will benefit hotel owners, domestic and foreign tourists, the tourism industry and the state of Israel.

The Ministry of Tourism also implements the following actions in order to support sustainable development:

- Prioritising grants for new hotel construction where entrepreneurs commit to build according to green standards,
- Developing tourist infrastructure (e.g. promenades, beaches, visitor centres etc.) using green building standards,
- Supporting the development of tourism within local communities and minority villages specifically in peripheral areas such as Galilee and Negev,
- Co-operating with the Ministry of Environmental Protection and the Ecotourism Israel association in different activities, e.g. developing an evaluation tool for green tourism initiatives, to be posted on the Ministry's website.

Statistical profile

Table 1. Israel: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	6 412	6 711	6 997	7 130	7 300
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	15 901	15 865	16 260	16 452	16 413
Hotels and similar establishments	12 931	12 952	13 360	13 564	13 762
Specialised establishments	1 081	1 051	1 026	1 043	983
Other collective establishments	953	973	967	991	1 013
Private accommodation	936	888	906	854	655
Inbound tourism					
Total international arrivals	3 444	3 362	3 520	3 540	3 251
Overnight visitors (tourists)	2 803	2 820	2 886	2 962	2 927
Same-day visitors (excursionists)	641	542	635	578	325
Top markets					
United States	620	581	584	597	686
Russian Federation	551	494	526	405	411
France	287	269	263	292	289
United Kingdom	181	168	165	173	165
Germany	179	180	158	160	162
Nights in all types of accommodation	11 292	11 390	11 249	11 485	10 921
Hotels and similar establishments	10 573	10 699	10 541	10 804	10 276
Specialised establishments	..	..	..	..	..
Other collective establishments	346	306	306	307	254
Private accommodation	65	66	76	57	55
Outbound tourism					
Total international departures	4 269	4 387	4 349	4 757	5 181
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	5 825	6 030	6 178	6 452	6 448
International travel receipts	5 106	5 305	5 446	5 666	5 691
International passenger transport receipts	719	725	732	786	757
Outbound tourism					
Total international expenditure	4 726	4 936	4 852	5 177	5 583
International travel expenditure	3 707	3 838	3 753	3 961	4 238
International passenger transport expenditure	1 019	1 099	1 100	1 216	1 345

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320102>


Table 2. **Israel: Enterprises and employment in tourism**

	Number of establishments 2014	Number of persons employed				
		2010	2011	2012	2013	2014
Total	..	99 000 e	103 000 e	114 400 e	120 000 e	..
Tourism industries	17 585	..	..	110 400 e	..	..
Accommodation services for visitors	1 632	..	..	38 800 e	39 000 e	..
Hotels and similar establishments	366	..	..	..	..	..
Food and beverage serving industry	10 060	..	..	12 500 e	..	..
Passenger transport	..	..	..	9 300 e	..	..
Air passenger transport	..	..	..	4 800 e	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	4 500 e	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	7 000 e	..	..
Travel agencies and other reservation services industry	1 494	..	..	14 900 e	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	9 500 e	..	..
Retail trade of country-specific tourism characteristic goods	4 399	..	..	18 400 e	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	4 000 e	..	..

.. Not available; e Estimated value

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320110>Table 3. **Israel: Internal tourism consumption**


Million ILS

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	20 818	19 565	40 383
Tourism characteristic products	18 872	15 415	34 287
Accommodation services for visitors	6 045	4 305	10 350
Food and beverage serving services	1 182	2 230	3 412
Passenger transport services	..	..	..
Air passenger transport services	5 410	3 253	8 663
Railways passenger transport services	..	..	..
Road passenger transport services	596	871	1 467
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	1 890	1 301	3 191
Travel agencies and other reservation services industry	2 632	1 077	3 709
Cultural services	..	..	..
Sports and recreation services	747	350	1 097
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	370	2 028	2 398
Other consumption products	1 946	4 151	6 097
Tourism connected products	1 946	4 151	6 097
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320127>

Italy

Tourism in the economy

Data for 2014 shows a steady and positive tourism trend in Italy. International travel receipts grew at a stronger pace (3.6%) than Italian exports in general (2%), rising from EUR 33.1 billion in 2013 to EUR 34.2 billion in 2014, and confirming the leading role of tourism in the Italian economy. From a medium-term perspective, international travel expenditure has also demonstrated steady growth (from 33% of total tourism expenditure in 2007 to 39.6% in 2014).

Expenditure by Italian outbound tourists increased from EUR 20.3 billion in 2013 to EUR 21.7 billion in 2014. Italy's balance of tourism payments therefore remains positive albeit slightly lower than for 2013.

Total tourism expenditure in Italy amounted to EUR 86.6 billion in 2014, which represented 9.8% of the nation's domestic consumption and generated an added value of EUR 94.8 billion (6.5 % of overall value added) – supporting 3 million jobs (12.4 % of total national employment).

Italy's tourism industry is set to earn an estimated EUR 18.3 billion in 2015. The number of holidaymaking Italians is expected to increase by 8.6% on 2014, with the majority visiting the south of the country. The number of international visitors to Italy is also anticipated to rise by 3.6% compared with 2014.

Tourism governance and funding

The legislative framework for tourism in Italy involves the Ministry of Cultural Heritage, Activities and Tourism, the Permanent Conference for Relations between the State, Regions and Autonomous Provinces of Trento and Bolzano and the Joint Conference of Regions and Municipalities.

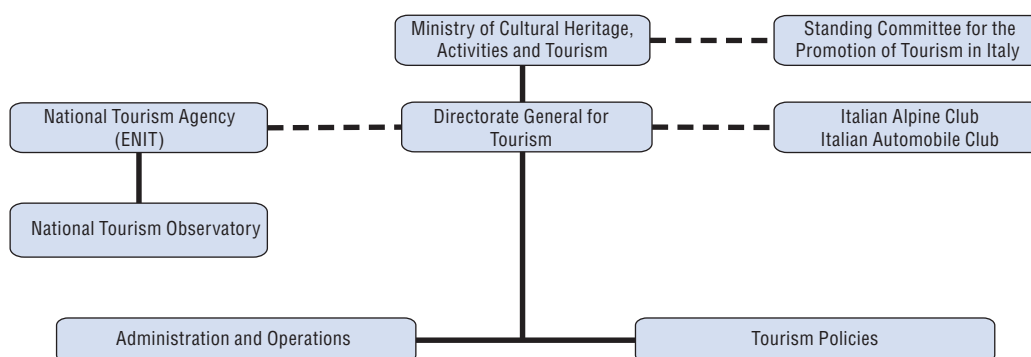
While the Directorate-General (DG) for Tourism in the Ministry of Cultural Heritage, Activities and Tourism sets the strategic policy agenda, the Italian Constitution devolves several key activities to the regions, including regulating tourism businesses, developing strategic marketing activities and managing European Structural Funds. Provinces and municipalities can also issue local regulations for the tourism sector. In 2014, the Minister established a Permanent Committee for the Promotion of Tourism in Italy, tasked with drafting a five-year National Tourism Plan. The Committee is composed of private and public entities.

The DG for Tourism develops and launches national tourism policies in co-ordination with regions and autonomous provinces. It is the supervisory authority for the National Italian Tourism Agency (ENIT), the Italian Automobile Club and the Italian Alpine Club. The DG for Tourism also manages all tourism activities that fall outside the competence of the

regions. It provides aid and incentives to develop tourism demand, delivers certifications and authorisations to foreign professionals, manages relations with international organisations and participates in the development and adoption of European Union legislation.

The role of ENIT is to market and promote Italy as a tourist destination. As of April 2015, ENIT has a new statute, which transformed it from a public body into a public economic entity under the supervision of the Minister of Cultural Heritage, Activities and Tourism. ENIT may also enter into agreements with the regions and autonomous provinces, local authorities and other public bodies. The Board of Directors includes two members appointed by the Minister.

Italy: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry of Cultural Heritage, Activities and Tourism, 2016.

The DG for Tourism's budget in 2015 was EUR 30 million. Tourism stands to benefit from the Culture and Innovation 2014-20 programme financed by the European Union Structural Funds. From a total budgetary envelope of EUR 490 million, a large proportion is allocated to the development of 60 cultural attractors in five southern regions: Campania, Puglia, Basilicata, Calabria and Sicilia. The big cultural attractors include potentially interesting regional heritage sites which, suitably supported and promoted, could help diversify the regional tourism flow.

A government-controlled Tourism Investment Fund was launched in 2014 with the mission to invest in the Italian tourism industry in primary locations. The fund operates as a bridge between public assets in need of development and the private real estate market.

Tourism policies and programmes

In recent years, the Ministry has developed policies to strengthen the relationship between tourism and culture: the major drivers of Italian destinations' attractiveness and competitiveness.

A policy challenge and priority in Italy is the distribution of tourism across the country. Two thirds (67%) of the wealth produced by tourism comes from five Italian regions: Latium, Lombardy, Veneto, Emilia-Romagna, and Tuscany. The south of Italy contributes 18% of the tourism wealth.

While Rome, Venice, Florence and Naples attract large numbers of tourists, often causing congestion, cultural heritage sites elsewhere in the country attract fewer international tourists and are located in areas difficult to access by public transport. Italy has to optimise these cultural heritage assets and work more closely with its stakeholders to identify common policy objectives and develop more efficient and sustainable mobility.

In policy terms, Italy will support the development of sustainable tourism by promoting new cultural attractors and by encouraging tourism enterprises to upgrade their services and adapt to the changing needs of travellers. Recent legislation has established measures for the protection and restoration of cultural heritage, the development of Italian culture and the re-launching of tourism. To further help tourism businesses to stay competitive, the Ministry published the *Law decree No. 83 of May 31, 2014*, the so-called “Art Bonus Decree” which provided for urgent measures and incentives to help fund the restoration of public cultural patrimony, including digital tourism activities. It included a tax credit measure to support the restoration and upgrading of tourism structures to create more efficient and sustainable buildings as well as a tax credit to support digital tourism activities.

In April 2014, the Ministry of Culture and Tourism launched a strategy to help bridge the digital divide within the Italian tourism industry. It consisted of three key interventions. These included the launch of a think-tank namely the Laboratory for Digital Tourism with the aim of developing a digital strategy for the tourism sector together with key stakeholders; setting up a tax credit measure for supporting investments in digital tourism; and development by ENIT of national digital communication and marketing plans to promote Italian tourism (Box 1.13).

The Ministry is also focussed on improving intermodal transport and fostering tourism projects prioritising new cultural routes including bike tourism as well as other types of slow, experiential and local tourism. Measures to improve transport and mobility in the southern regions include the development of a national plan for tourism mobility as part of the Art Bonus Decree. An ad hoc committee with members from the Ministry of Culture and Tourism and Ministry of Transport has been set up recently for that purpose. The Ministry of Culture and Tourism has also recently joined the Board of the Italian State Railways Foundation to contribute to promoting heritage railways.

Furthermore, in 2015, in order to increase the attractiveness of Italy as tourist destination, the Government approved the National Airports Plan. The Plan establishes the Government’s investment strategy for its national airports, pinpointing 11 airports of strategic interest and a further 26 of national interest. The Plan also calls for additional measures including expansion strategies for airport infrastructure and intermodal accessibility.

Statistical profile

Table 1. Italy: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	126 515
Overnight visitors (tourists)	80 597	67 059	61 594	49 809	50 155
Same-day visitors (excursionists)	..	..	..	..	76 359
Nights in all types of accommodation	521 179	469 887	450 088	391 852	373 653 p
Hotels and similar establishments	139 547	139 897	132 910	128 429	127 812 p
Specialised establishments	..	..	..	..	..
Other collective establishments	70 793	70 524	67 207	63 563	63 492 p
Private accommodation	310 839	259 466	249 971	199 860	182 349 p
Inbound tourism					
Total international arrivals	73 225	75 866	76 293	76 762	77 694
Overnight visitors (tourists)	29 599	29 747	29 933	29 058	29 118
Same-day visitors (excursionists)	43 626	46 119	46 360	47 704	48 576
Top markets					
Switzerland	13 297	13 565	13 145	12 985	13 412
France	9 976	10 165	10 246	10 361	11 260
Germany	10 857	11 682	11 679	10 971	10 675
Austria	7 660	6 503	6 930	6 607	6 584
United Kingdom	3 348	3 480	3 647	3 639	3 972
Nights in all types of accommodation	303 260	320 813	321 918	317 963	322 696
Hotels and similar establishments	118 989	131 530	132 978	138 119	141 331
Specialised establishments	..	..	..	..	..
Other collective establishments	18 088	17 389	18 793	20 359	22 126
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	55 304	52 617	53 338	52 633	55 169
Overnight visitors (tourists)	27 117	24 786	25 963	26 328	28 307
Same-day visitors (excursionists)	28 188	27 831	27 376	26 305	26 862
Top destinations					
France	5 471	5 014	5 325	4 796	5 281
Spain	2 496	2 809	2 479	2 201	2 312
Germany	2 368	2 226	2 324	2 071	2 146
Switzerland	1 822	1 779	1 880	1 581	1 706
United Kingdom	1 162	1 332	1 441	1 425	1 423
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	30 485	32 411	33 678	34 839	35 963
International travel receipts	29 257	30 891	32 056	33 063	34 240
International passenger transport receipts	1 228	1 520	1 622	1 776	1 723
Outbound tourism					
Total international expenditure	25 072	25 601	25 624	25 251	26 781
International travel expenditure	20 416	20 583	20 511	20 309	21 713
International passenger transport expenditure	4 656	5 018	5 113	4 942	5 068

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320139>

Table 2. **Italy: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total
Tourism industries	..	2 019 687	..	..	..	..
Accommodation services for visitors	158 412	516 875	..	..	..	..
Hotels and similar establishments	33 290	375 216	..	..	..	..
Food and beverage serving industry	..	988 024	..	..	..	..
Passenger transport	..	192 613	..	..	..	..
Air passenger transport	..	17 366	..	..	..	..
Railways passenger transport	..	43 389	..	..	..	..
Road passenger transport	..	116 191	..	..	..	..
Water passenger transport	..	15 667	..	..	..	..
Passenger transport supporting services
Transport equipment rental	..	21 435	..	..	..	..
Travel agencies and other reservation services industry	..	44 106	..	..	..	..
Cultural industry	..	148 353	..	..	..	..
Sports and recreation industry	..	108 281	..	..	..	..
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320142>Table 3. **Italy: Internal tourism consumption**


Million EUR

	2010		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	..	..	..
Tourism characteristic products	83 176	29 403	112 580
Accommodation services for visitors	36 275	12 180	48 454
Food and beverage serving services	10 346	6 554	16 899
Passenger transport services	13 166	2 127	15 293
Air passenger transport services	6 648	1 138	7 786
Railways passenger transport services	2 213	216	2 428
Road passenger transport services	2 428	732	3 160
Water passenger transport services	1 877	42	1 919
Passenger transport supporting services	..	..	..
Transport equipment rental services	679	204	883
Travel agencies and other reservation services industry	6 674	188	6 862
Cultural services	1 256	258	1 513
Sports and recreation services	3 239	896	4 135
Country-specific tourism characteristic goods	11 543	6 997	18 540
Country-specific tourism characteristic services	..	..	..
Other consumption products	..	..	..
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320152>

Japan

Tourism in the economy

The number of international visitors to Japan increased by 29.4% to reach a record high of 13.4 million people in 2014. This follows a decade where international visitors grew from 5.21 million in 2003 to exceed 10 million for first time in 2013. International visitors arrivals continued to rise in 2015, with an estimated 16.3 million arrivals between January to October 2015 (48.2% increase compared to the same period of the previous year).

Factors driving this positive international visitor growth trend include the relaxation of visa requirements, extension of the consumption tax exemption system, ongoing Visit-Japan marketing and promotion projects and positive image of Japan overseas, expansion of airline networks, and closer co-operation between government agencies and the public and private sector, as well as the depreciation of the yen. Another factor is the extensive work undertaken to improve the transport infrastructure, including expansion of arrival and departure slots at Haneda (Tokyo International) airport, opening of Naha cruise terminal and extension of the high-speed rail network connecting Tokyo with Kanazawa on the Japan Sea.

Consumption by international visitors (inbound consumption) almost doubled from JPY 1.1 trillion in 2012 to JPY 2 trillion in 2014. Consumption in the period January-September 2015 reached JPY 2.6 trillion (surpassing the full-year level achieved in 2014) and is expected to exceed JPY 3 trillion in 2015. International tourism is recognised as a significant engine for growth in the Japanese economy and is expected to continue playing an important role in economic revitalisation at national and local level.

Domestic tourism is also extremely important for the Japanese economy nationally and locally, although Japan has seen consumption in domestic tourism slacken in recent years, falling from JPY 20.2 trillion in 2013 to JPY 18.6 trillion in 2014 and influenced in part by the rise in consumption tax. The importance of further promoting domestic tourism is well recognised in Japan.

In total, tourism-related consumption (domestic and international) amounted to JPY 22.5 trillion in 2014, down slightly on 2013 (JPY 23.6 trillion) and on a par with 2012 (JPY 22.5 trillion).

Tourism directly accounted for about 2.4% of GDP and 6.9% of employment (4.47 million employees) in 2013.

Tourism governance and funding

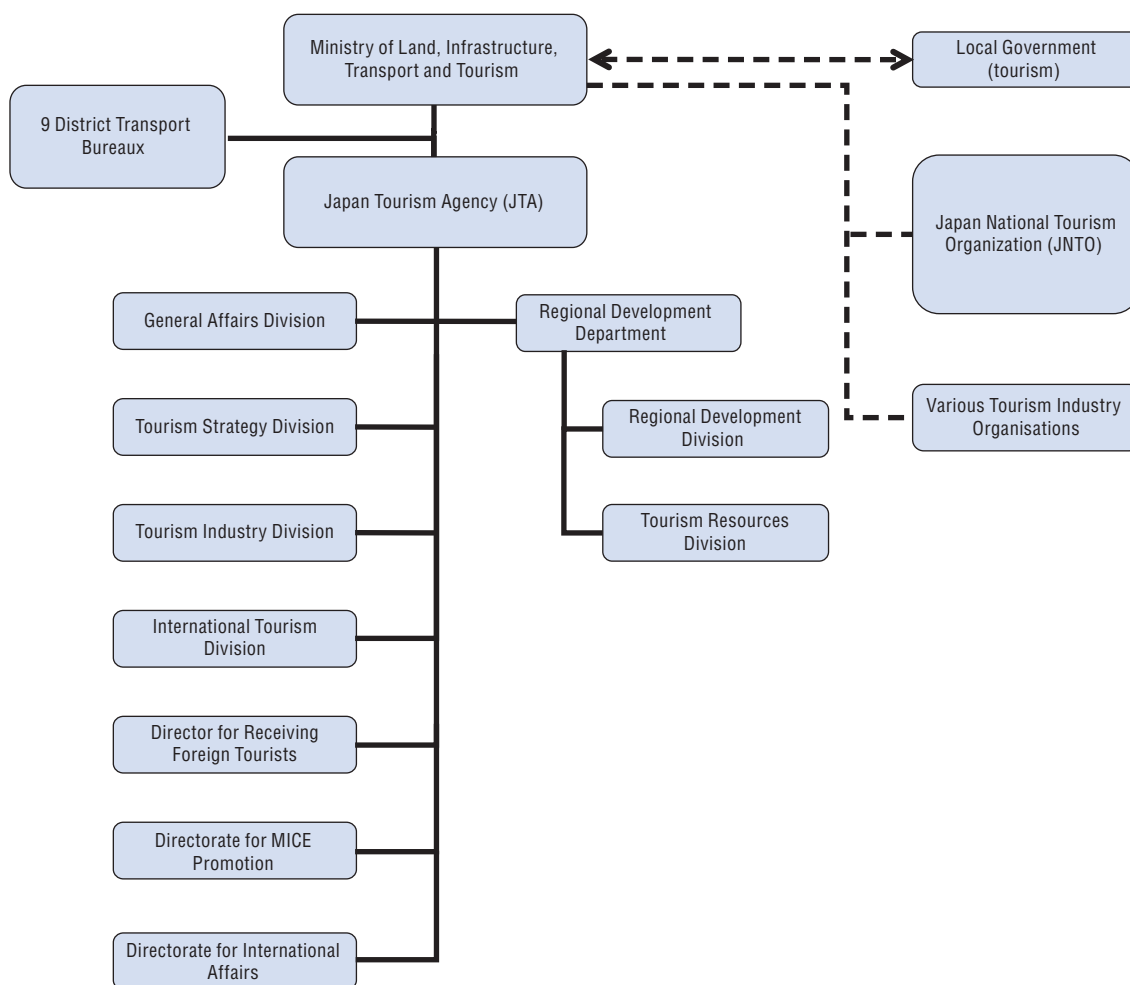
Established as an external organ of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in 2008, the Japan Tourism Agency takes a leading role in tourism policy and represents the Government on issues relating to tourism and the promotion of Japan as a tourist destination. The Japan Tourism Agency is headed by a Commissioner.

The Japan National Tourism Organisation is in charge of executing the Visit Japan Project and other marketing projects, including promotion to the MICE market. The Visit Japan Project is based on the Visit-Japan promotion policy and seeks to, among other things, communicate Japan's attractions overseas and attract visitors to Japan through overseas media campaigns and exhibitions at overseas tourism fairs.

Local governments in the regions improve local tourism resources, organise events and promotions and manage the development of human resources. They also implement strategic marketing, targeting international markets. The National Government creates the environment and offers support to boost such regional initiatives. Support includes consulting services, providing statistical data, incubating area-wide co-operation and support for regional development initiatives.

The Japan Tourism Agency budget for 2015 is JPY 10.39 billion, broken down as follows: JPY 8.45 billion for policies to promote inbound tourism; JPY 0.63 billion to support the development of tourism in regions; JPY 0.06 billion to support the tourism industry; JPY 0.46 billion to develop tourism statistics; and JPY 0.48 billion to help regenerate the Tohoku region.

Japan: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry of Land, Infrastructure, Transport and Tourism, 2016.

A Ministerial Council on the Promotion of Japan as a Tourism-Oriented Country was established in March 2013 to unify government efforts through a whole-of-government approach to tourism. A budget was also distributed throughout the Government, including the Ministry of Economy, Trade and Industry and the Ministry of Education, Culture, Sports, Science and Technology. This has yielded many projects, such as International Tourism Support for Historical Landscapes and the Japan Localisation and Promotion (J-LOP+) subsidy, which supports operators carrying out content localisation and promotion necessary for overseas development. The Japan Tourism Agency plays a coordinating role on tourism issues with the relevant government ministries.

Tourism policies and programmes

The Ministerial Council prepared an Action Programme Towards the Realisation of Japan as a Tourism Oriented Country in 2015 with relevant tourism policies related to the Government's goals of receiving 20 million international visitors by 2020. The Action Programme 2015 aims to increase inbound travel consumption to JPY 4 trillion and create an additional 400 000 new jobs by the year Japan receives 20 million international visitors.

The Action Programme Towards the Realisation of Japan as a Tourism Oriented Country in 2015 aims to ensure Japan is fully prepared for the additional foreign visitors, support regional development, help develop tourism as a key industry of Japan, and deepen understanding of the country's history and culture around the world. It stipulates strong and concerted actions by the Government and the private sector in the following six areas:

- Strategic measures for a new era of inbound travel: To achieve the target of 20 million international visitors to Japan by 2020, and a further 30 million beyond this date, Japan seeks to spread the effects of inbound tourism to localities through measures including developing and promoting wide-area sightseeing routes and utilising local airports, and creating new seasonal demand by advertising snow attractions in winter. Future-focused promotions include initiatives for overseas youths.
- Further expand tourism and travel consumption, involve many industries in tourism-related business and strengthen the tourism industry: Expansion of tax-free shops in local areas and promotion of sales of regional products and agricultural products, in order to spread the economic effects of inbound consumption which already underpin the Japanese economy nation-wide. Introduction of industries with a broad scope of coverage into tourism related industries, to expand and upgrade services nationwide and respond to the high grade needs of international visitors.
- Create tourist areas that will contribute to regional revitalisation and promote domestic tourism: Through the formation of wide-area sightseeing routes and the establishment of DMOs, (which forms strategy and makes agreement among concerned parties from the viewpoint of Tourism Destination Management), Japan packages and advertises attractions and networks regions with a story/theme.
- Further develop the environment for receiving foreign tourists to aggressively address the anticipated increase in the number of visitors: Pre-emptive measures shall be fulfilled and strengthened to establish expeditious systems of the CIQ factor, aiming to contract waiting time to less than 20 minutes for immigration and improve the environment for foreign visitors to readily move and stay in every section with more rapidity than ever. Moreover, in accepting the rapidly increasing number of foreign

visitors, every effort shall be made in order for supply capacity of transportation facilities, such as aviation, buses or the like, and accommodation facilities not to become restraining factors. Appropriate measures such as consolidation of functions of airport gateways and the like must be taken, looking into the situation carefully.

- Actively attract overseas businesses and engage in top quality tourism exchange: Japan positively invites foreign business guests by accelerating immigration procedures for business guests through, for example, the introduction of the fast lane, and drastically fortifying measures for MICE. Japan also invites affluent people under the long-term stay system. Further, by communicating the value and attractions of cultural assets in foreign languages, Japan invites visitors highly interested in Japanese history or culture to promote mutual cultural understanding.
- Accelerate tourism promotion with various stages in mind - After Rio de Janeiro 2016, 2020 Olympics and Paralympics and After 2020: To bring about the effects of the Olympics/Paralympics nationwide, barrier-free measures to ensure people can travel securely will be accelerated. Japan will implement strategic Visit-Japan projects, with cultural programmes in each region and ongoing development of legacies of both hard and soft facets throughout Japan.

The Japan Revitalisation Strategy was revised in 2015 and includes a Recovery Plan for the revitalisation of, and improved productivity in, the service sector. For accommodation, transportation and food-service industries, the Recovery Plan stipulates making better use of IT, expansion overseas and operational improvements. It also includes a Strategic Market Creation Plan and a Global Outreach Strategy that involves tourism collaborating with peripheral industries such as food services and other unique Japanese products and services.

Efforts will be made to develop the tourism workforce and generate employment opportunities in the regions so that people, youth included, can pursue jobs in the tourism industry and continue to live and thrive in the provincial regions.

In order to respond to the rapid increase in inbound demand, it is important that active use be made of regional airports, together with a strengthening of functions at metropolitan airports. Facilitation and acceleration of immigration procedures are also necessary. Systems will be enhanced with the aim of reducing waiting times for immigration procedures at airports to 20 minutes or less.

Changes have been made to the tax regime in order to stimulate spending by incoming visitors, which extended the scope of consumables exempt from tax. Facilities have also been introduced in shopping areas to process and support tax-free shopping (Box 1.5).

As part of a new initiative by the Prime Minister aimed at making Japan a top tourism economy among advanced countries worldwide, Japan will prepare a mid-and-long-term strategy which will set out the future vision for tourism beyond the target of 20 million international visitors by 2020. The strategy will consider not only the quantitative expansion of the number of guests visiting Japan, but will also look at increasing tourism-related consumption and investment, revitalising the provincial regions and boosting the quality of tourism exchanges. Japan's aim is to create a nation truly open to the world, where international visitors come and go in regions nationwide. To this end, under Prime Minister Shinzo Abe's vigorous leadership looking toward an age in which interactive cultural exchanges will be cultivated, Japan is working to develop the necessary policies, including contributions to realise JPY 600 trillion of GDP.

Statistical profile

Table 1. Japan: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	322 800	398 819	413 181	432 398	428 677
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	8 611	6 219	8 368	10 364	13 413
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Chinese Taipei	1 268	994	1 467	2 211	2 830
Korea	2 440	1 658	2 044	2 456	2 755
China	1 413	1 043	1 430	1 314	2 409
Hong Kong, China	509	365	482	746	926
United States	727	566	717	799	892
Nights in all types of accommodation	26 023	18 416	26 314	33 496	44 825
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	16 637	16 994	18 491	17 473	16 903
Overnight visitors (tourists)
Same-day visitors (excursionists)
Top destinations					
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..
TOURISM RECEIPTS AND EXPENDITURE, MILLION JPY					
Inbound tourism					
Total international receipts	1 346 086	997 594	1 291 987	1 649 825	2 206 700
International travel receipts	1 158 643	875 240	1 163 092	1 476 616	1 997 400
International passenger transport receipts	187 443	122 354	128 896	173 209	209 300
Outbound tourism					
Total international expenditure	3 439 316	3 167 255	3 266 108	3 145 219	3 023 700
International travel expenditure	2 446 177	2 171 573	2 224 813	2 131 105	2 041 800
International passenger transport expenditure	993 140	995 682	1 041 295	1 014 114	981 900

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320160>

Table 2. **Japan: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2012	2010	2011	2012	2013	2014
Total
Tourism industries	64 684	4 474 574	4 444 991	4 424 721	4 466 945	..
Accommodation services for visitors
Hotels and similar establishments	54 540	432 400	459 153	427 677	419 275	..
Food and beverage serving industry	..	1 127 863	1 105 440	1 092 878	1 064 859	..
Passenger transport	..	1 436 106	1 425 791	1 407 906	1 439 565	..
Air passenger transport	..	81 788	81 213	80 063	84 240	..
Railways passenger transport	..	412 675	420 018	417 437	427 703	..
Road passenger transport	..	728 284	712 700	694 584	678 412	..
Water passenger transport	..	213 360	211 860	215 822	249 210	..
Passenger transport supporting services	..	622 300	639 111	643 985	673 920	..
Transport equipment rental
Travel agencies and other reservation services industry	10 146	..	..	..	..	..
Cultural industry
Sports and recreation industry	..	855 904	815 496	852 275	869 325	..
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available

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1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320172>Table 3. **Japan: Internal tourism consumption**


Million YPY

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	21 909 342	1 650 000	23 559 342
Consumption products	21 504 989	1 650 000	23 154 989
Tourism characteristic products	13 691 339	1 153 176	14 844 515
Accommodation services for visitors	3 348 057	496 406	3 844 463
Food and beverage serving services	2 420 151	302 596	2 722 748
Passenger transport services	5 320 493	319 818	5 640 311
Air passenger transport services	1 957 437	181 566	2 139 003
Railways passenger transport services	2 658 788	103 716	2 762 504
Road passenger transport services	601 347	33 335	634 682
Water passenger transport services	102 921	1 200	104 121
Passenger transport supporting services	1 057 854	0	1 057 854
Transport equipment rental services	314 148	7 839	321 987
Travel agencies and other reservation services industry	450 708	7 720	458 428
Cultural services	283 450	10 355	293 805
Sports and recreation services	496 477	8 442	504 919
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	7 813 650	496 824	8 310 474
Tourism connected products	7 369 557	496 824	7 866 381
Non-tourism related consumption products	444 093	0	444 093
Non-consumption products	404 353	0	404 353

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320186>

Korea

Tourism in the economy

In 2014 the number of international visitors to Korea stood at a record 14.2 million, an increase of 16.6% compared with 12.2 million in 2013. As inbound tourism has increased, the contribution of tourism to the development of the national economy has also gradually expanded. China is the most important inbound market for Korea, accounting for 6.1 million visitors, followed by Japan with 2.3 million visitors. The average expenditure of foreign tourists visiting Korea in 2014 was USD 1 606 per person. Expenditure of tourists from the Middle East exceeds USD 3 000 per person. Although the expenditure of Chinese tourists is lower at USD 2 095, the greater number of visitors makes China the most attractive market in economic terms. Japanese tourists have the lowest level of expenditure, at USD 999.

Tourism income was USD 18.1 billion in 2014, a 24.4% increase compared to that of 2013, which was USD 14.5 billion. Tourism expenditure was USD 19.8 billion and the tourism deficit was at its lowest level since 2009, at USD 1.7 billion. The increase in tourism income from the increased shopping activity of inbound tourists visiting Korea has made a considerable contribution to revitalising of the domestic economy. It is estimated that the effect on production due to the tourism expenditure of international tourists was USD 38.6 billion in 2014, creating 520 000 jobs.

The number of Korean people enjoying domestic tourism in 2014 was 38 million, slightly up (0.6%) on the previous year. Day trips increased 2.1% to 128.6 million and overnight travel rose by 3.7% to 98.5 million. In total, 397.8 million domestic travel days were recorded in 2014.

In 2014, tourism contributed an estimated 5.8% of total GDP in Korea and the total number of employees in the tourism industry (direct and indirect) was estimated to be 1.6 million, a 1.6% increase compared with the previous year when tourism was estimated to account for 6.4% of total employment (WTTC).

Tourism governance and funding

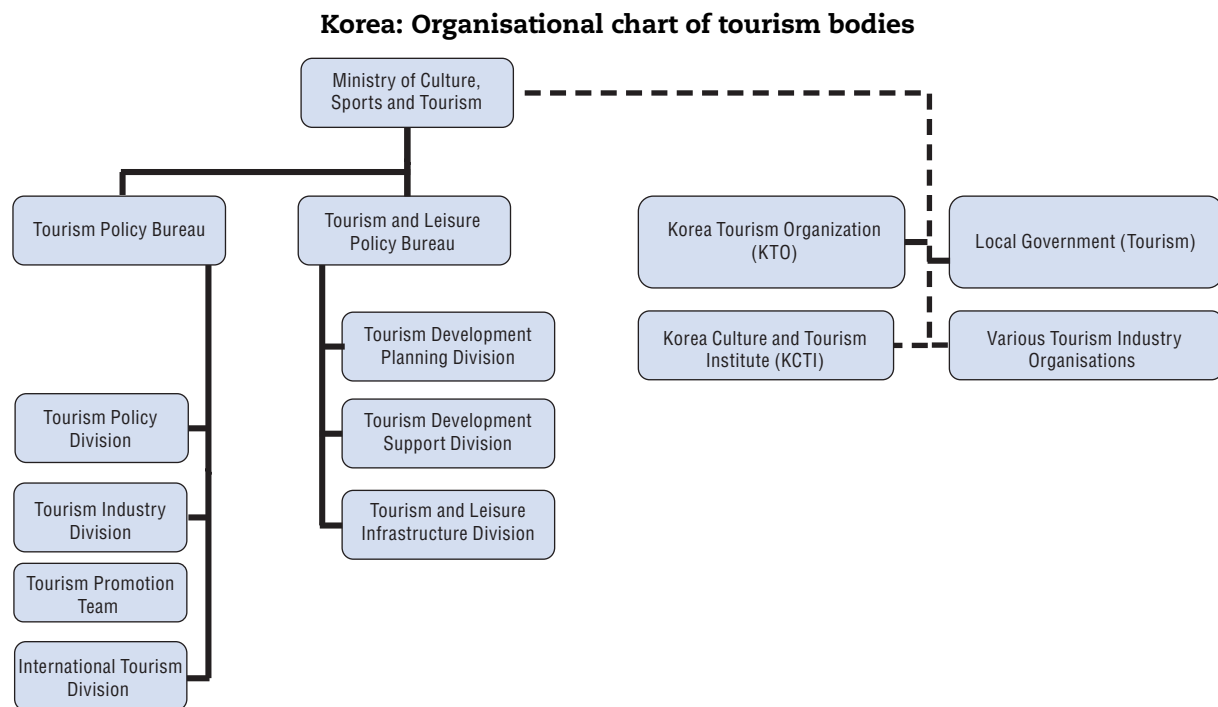
The Ministry of Culture, Sports and Tourism (MCST) has a Sports and Tourism Policy Office, under the charge of a Vice Minister. There are two policy bureaux within this Office which have responsibilities relating to tourism:

- Tourism Policy Bureau, encompassing the Tourism Policy Division, Tourism Industry Division and International Tourism Division.
- Tourism and Leisure Policy Bureau, comprised of the Tourism Development Planning Division, Tourism Development Support Division, and Tourism and Leisure Infrastructure Division.

The MCST co-operates with the Ministry of Land, Infrastructure and Transportation to revitalise tourism through facilitating improved connectivity between air, land and water transportation. The MCST works with the Ministry of Justice to promote an easing of standards for the issue of visas and simplifying the entry process for international visitors to Korea.

Similarly, the Ministry works in partnership with the National Police Agency to run the tourism police system, which helps to improve aspects of their visit which may inconvenience tourists and provide assistance in case of emergency.

To promote development of the tourism industry, the MCST shares information through a network of national policy institutes focusing on tourism, economy, environment, and transportation. In addition, close co-operation for improvement of the tourism system and development of the tourism industry has been maintained through conclusion of Memoranda of Understanding and meetings with related industries.



Source: OECD, adapted from the Ministry of Culture, Sports and Tourism, 2016.

The Tourism Promotion and Development Fund supports tourism promotion under Article 14 of the Framework Act on Tourism. Sources of funding include government funds, the casino industry, a departure tax on national tourists going abroad, and profits from fund operation. The Minister of Culture, Sports and Tourism is in charge of the management and operation of the Fund, which is used for: constructing and repairing tourism facilities; securing and repairing transportation; constructing and repairing infrastructure of tourism related businesses; subsidising corporations in charge of examination and research of tourism policies; and other tourism promotion activities.

The total expenditure of the Fund was USD 857.7 million in 2014, excluding operating costs. Of this, USD 485.1 million was allocated to loans to support the expansion of tourism facilities and the operation of tourism enterprises. A further USD 372.6 million in tourism

subsidies was allocated to the tourism promotion infrastructure (USD 67.1 million), the tourism industry promotion (USD 99.9 million) and projects to attract foreign tourists (USD 205.6 million).

Tourism policies and programmes

The Korean Government has been focusing on the following tourism policies: creative tourism (convergence), improving the visa system, enhancing air traffic connectivity, 10YFP sustainable tourism, developing a high value tourism programme, enhancing tourism quality, attracting 20 million foreign tourists, diversifying target markets, and vacation and holiday improvements policy for the revitalisation of domestic tourism.

Creative Tourism has been promoted in Korea since 2011, with the aim of creating more jobs in the tourism industry and improving competitiveness by fostering venture tourism enterprises that create new value and synergies. It connects other industries with tourism based on creativity, innovation, openness and technology. Creative Tourism helps to discover new ideas for creative tourism businesses and supports entry to tourism markets.

Tourism Week takes place twice every year (Spring and Fall). The promotional campaigns uses mass media such as TV and radio as well as discount events and special programmes arranged in 3 550 accommodation, restaurant, and other tourism facilities. As a result, domestic tourism has been remarkably increased. During Fall Tourism Week 2014, total travel days reached 12.2 million, with positive impacts consumption (USD 493.3 million), production inducement (USD 815.2 million), added value inducement (USD 411 million), and employment inducement (6 356 people).

Tourism Doo-rae is a project that supports local residents in the establishment of tourism businesses such as accommodation, restaurants and entertainment for tourists who visit local communities. Over 100 local communities across the country benefited from the project from 2013 to 2014. By the end of 2014, Tourism Doo-rae projects were under development in 24 regions.

Simplification of standards and procedures for visa issue is being promoted for the convenience of Chinese and Southeast Asian tourists wishing to enter Korea. In particular, expansion of multiple entry visas and simplification of visa application documents for university students and family tourists has speeded up the process. From 2016, an e-visa service will be implemented for Chinese group tourists who enter the Republic of Korea. This will enable them to deal with the visa application online without visiting the embassy in person. At the same time, a dedicated service has been established for foreign tourists to claim a tax refund.

To revitalise tourism industries in the neighbourhood of international airports in Korea, a no-visa entry programme for transit tourism has been implemented. This allows tourists transferring at domestic airports on route to Jeju Island to stay for 120 hours in the area neighbouring the transit airport without a visa. This contributes to an increase in local tourism demand and income from foreign visitors as well as to development of the local economy and job creation.

Around 95% of international visitors to Korea travel by air. The need for an increase in air routes and seat supply is an important challenge for the promotion of growth in international visits. Together with the Ministry of Land, Infrastructure and Transportation, the MCST is actively promoting co-operation in the aviation sector for open skies

agreements with China and Southeast Asian countries. A three-year exemption from facility fees has been introduced at local airports for airlines with new international routes.

Work Life Balance is being promoted to grow domestic tourism through expansion of national leisure time and reduce the annual national average for working hours from the current level of 2 100 hours. A substitute holiday system, tourism week and a short term school vacation in Spring and Autumn have been introduced, and people have been encouraged to use their annual paid holidays.

Statistical profile

Table 1. Korea: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	168 148	156 594	213 468	231 035	227 100
Overnight visitors (tourists)	92 174	71 622	92 289	99 667	98 521
Same-day visitors (excursionists)	75 974	84 972	121 180	131 368	128 579
Nights in all types of accommodation	263 633	201 976	244 102	257 852	269 268
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	8 798	9 795	11 140	12 176	14 202
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
China	1 875	2 220	2 837	4 327	6 127
Japan	3 023	3 289	3 519	2 748	2 280
United States	653	662	698	722	770
Chinese Taipei	406	428	548	544	644
Thailand	261	309	387	373	467
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	12 488	12 694	13 737	14 846	16 081
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	14 329	17 289	18 779	19 540	22 923
International travel receipts	10 291	12 347	13 357	14 525	18 062
International passenger transport receipts	4 039	4 942	5 422	5 015	4 861
Outbound tourism					
Total international expenditure	16 299	17 806	18 784	20 152	22 205
International travel expenditure	14 278	15 531	16 495	17 341	19 763
International passenger transport expenditure	2 022	2 275	2 289	2 811	2 442

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320190>

Table 2. **Korea: Enterprises and employment in tourism**


	Number of establishments	Number of persons employed ¹				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	20 769	186 395	204 579	229 658	227 135	230 334
Accommodation services for visitors	1 278	60 402	62 783	70 803	63 899	67 465
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	5 014	36 725	39 715	41 576	42 150	39 506
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	12 854	49 928	59 287	69 990	70 574	69 400
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	946	28 321	30 156	33 690	36 421	36 633
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	677	11 018	12 638	13 599	14 092	17 330
Other industries

.. Not available

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1. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320200>

Luxembourg

Tourism in the economy

Tourism is an important economic sector in Luxembourg, directly generating 1.8% of GDP in 2014. In aggregate, the direct and indirect impact of tourism accounts for 4.5% of GDP and 15 000 jobs, or 6% of employment.

The number of overnight stays in the country has steadily increased since 2010 and 2014 was a record year for tourism with 2.9 million overnight stays. Luxembourg's main inbound markets are the Netherlands (25% of overnight stays), Belgium (17%), Germany (12%) and France (9%). Domestic tourism accounts for 11% of the overnight stays. Business tourism is an important segment and represents 60% of the overnight stays. Visitor exports are estimated to amount to EUR 1.2 billion (WTTC).

Tourism governance and funding

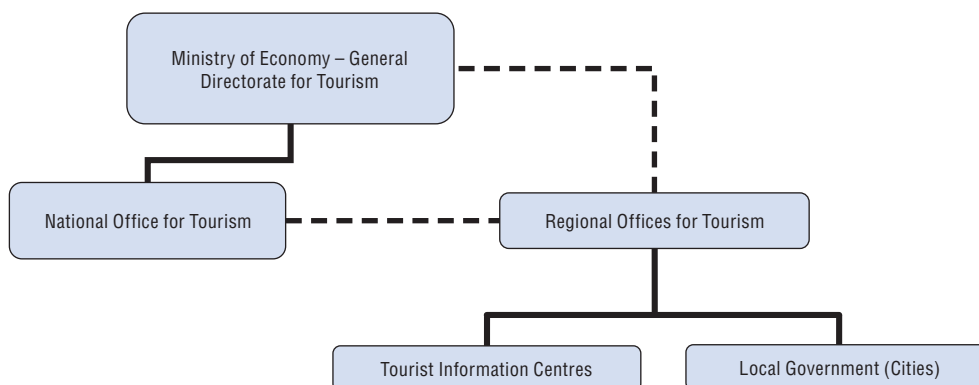
Since 2013, tourism is under the authority of the Ministry of the Economy, which has created a Directorate General for Tourism.

In addition to regulating tourism, the Directorate General for Tourism supports accommodation businesses, associations and local administrations which promote tourism. The main aim is to develop both the quality of tourism and quality of life. It also co-ordinates the work of the National Tourism Office in charge of tourism promotion and Regional Tourism Offices charged with co-ordinating the activities of local stakeholders and developing regional tourism. The Ministry is represented on the decision-making bodies of both Offices and meetings are held on a regular basis to ensure proper co-ordination and collaboration between the different players. The Directorate General for Tourism is also responsible for assigning tourism labels, such as labels for service quality, EcoLabel, EureWelcome, or bed+bike.

A budget of EUR 45 million has been allocated for the current five year plan for tourism, covering the 2013-17. The approved annual budget for the Directorate General for Tourism in the Ministry of the Economy was EUR 14.1 million in 2015. Included in this amount are subsidies of EUR 3.5 million for the National Tourism Office and EUR 1.6 million for regional tourism stakeholders. The approved budget for 2016 is higher at EUR 14.6 million.

Tourism policies and programmes

Major efforts have been made in recent years to make decision-makers and the general public aware of the economic importance of tourism and the strong development potential of the sector. The level of financing allocated to tourism depends on the extent to which it is acknowledged as being a key economic sector. This is particularly important at a time of budget restrictions, in order to secure sufficient level of finance to support the tourism sector.

Luxembourg: Organisational chart of tourism bodies

Source: OECD, adapted from the Ministry of Economy, 2016.

The Grand Duchy has the potential to become an attractive tourism destination; but its international reputation is not yet as strongly established as it could be. It is important to take measures to promote the country's numerous attractions and highlight its appeal as a holiday destination.

A medium-term development strategy for tourism in Luxembourg to 2020 is being devised and should be finalised early in 2016.

Priority policy areas currently include:

- Developing the quality of tourist products, encouraging and subsidising investment by players in the tourism sector aimed at developing the quality of tourism, and developing the service quality label.
- Developing the Meetings, Incentives, Conferences and Exhibitions (MICE) sector, including the creation of a MICE group in 2014 involving major players in this segment with a view to developing Luxembourg's position as an attractive MICE destination.
- Diversifying tourism products and developing niche activities, such as hiking, cycling and wine tours. This involves product development, especially through the work of the Regional Tourism Offices, and promoting specific niche activities through the National Tourism Office.
- Increasing accessibility of tourism services through the promotion of a Design for All approach to raising awareness among tourism stakeholders and development of the EureWelcome label.
- Improving the collection of statistical data on tourism.
- Regulating classification of tourist accommodation. Draft legislation is currently being prepared to modernise classification systems, with the aim of providing a more transparent offering, protecting consumers, encouraging proper competition between establishments and spurring them to invest and improve the quality of their offer.
- Professionalising and modernising tourism structures. Work at the regional level includes developing the Regional Tourism Offices and planned creation of an additional Regional Tourism Office in 2016. At the national level, the organisational structure of the National Tourism Office is being modernised with the creation of an Economic Interest Grouping in January 2016 to replace the current not-for-profit association arrangement. There is also to be closer involvement and more effective collaboration with the private sector.

Modernising and professionalising tourism structures in Luxembourg

By modernising the existing structures the Ministry of the Economy aims to strengthen the economic development of tourism in Luxembourg and better showcase the tourism heritage of the different regions. Analysis of the current situation reveals that potential operational synergies between private and public sector actors in the tourism industry are not maximised. In particular, more efficient ways can be found to organise efforts to promote tourism. Greater interaction is necessary between the National Tourism Office (NTO), the four existing Regional Tourism Offices (RTO) and other actors. Under its current status as a non-profit association, the NTO cannot provide equitable representation for all the regions and actors wanting to invest in the tourism sector. In addition, the new legal status will allow the development of commercial operations that were incompatible with the current status.

The main improvement measures envisaged include:

- A broader role for the NTO as the point of contact, with a strengthening of its role as national co-ordinator among the responsible public and private sector actors and in the development of tourist products, from design stage to commercial deployment.
- A professional representation for each region, through the RTOs, acting as a single entry point for the communes/unions and the NTO. This will guarantee greater visibility for the different regions' products and services.

Under the future system, the communes and local tourist information and development offices will be paying members of their respective RTOs, which will then represent them in the decision-making bodies of the NTO. The legal status of the NTO will be changed to an Economic Interest Grouping, which will allow for greater flexibility in terms of its organisational structure and better collaboration with stakeholders on common interests.

Statistical profile

Table 1. Luxembourg: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	49	61	71	100	104
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	142	190	246	324	354
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	805	870	950	945	1 038
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Belgium	168	178	193	190	202
Netherlands	161	162	168	163	174
Germany	109	119	129	137	147
France	118	125	131	126	141
...
Nights in all types of accommodation	1 721	2 064	2 297	2 317	2 514
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	2 944
Overnight visitors (tourists)	1 507	1 642	1 580	1 624	1 515
Same-day visitors (excursionists)	..	..	..	..	1 428
Top destinations					
France	347	363	363	384	322
Germany	288	302	256	272	272
Belgium	140	183	148	154	135
Spain	92	98	112	102	128
Italy	100	105	115	97	108
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	3 412	3 854	3 996	4 098	4 520
International travel receipts	3 129	3 497	3 612	3 651	4 035
International passenger transport receipts	283	357	384	447	485
Outbound tourism					
Total international expenditure	2 762	2 811	2 865	2 917	2 972
International travel expenditure	2 671	2 715	2 793	2 863	2 917
International passenger transport expenditure	91	96	72	55	55

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320229>


Table 2. Luxembourg: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	402	..	..	..	..	..
Accommodation services for visitors	330	..	..	..	..	..
Hotels and similar establishments	239	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..	..
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	72	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320233>

Mexico

Tourism in the economy

Tourism is recognised as an important economic sector in Mexico which is highly resilient, flexible and adaptable. Tourism accounted for approximately 8.7% of national GDP and 5.9% of national employment in 2013.

International arrivals and receipts have grown strongly since 2009. In 2014, international travellers generated revenues of around USD 16.2 billion, an increase of 16.2% over 2013. This accounts for over 65% of Mexico's exports in services. While overnight trips and expenditure abroad by Mexicans also grew strongly (rising by 14.8% and 5.3% respectively), the surplus in the tourism balance payments increased to record levels in 2014.

In 2014, international tourist arrivals increased by 21.5% over 2013, reaching a total 29.4 million placing Mexico in 10th position in the global tourist arrivals ranking. Arrivals of 23.4 million were recorded between January-September 2015, corresponding to an increase of 9.2% compared with the same period in 2014.

Tourism governance and funding

The Federal Ministry for Tourism in Mexico SECTUR is the lead government body with responsibility for tourism policy, planning, development, quality and regulation.

In 2013, the President of Mexico ordered the creation of the Federal Tourism Cabinet, a high level group chaired by the President with the purpose of co-ordinating efforts to stimulate tourism. The Cabinet is in charge of identifying, co-ordinating and evaluating strategies, programmes and actions related to the Tourism Sectoral Plan 2013-18 (PROSECTUR). The Federal Tourism Cabinet includes 10 permanent members representing those ministries most relevant to tourism, with a further 12 invited agencies. The work of the Cabinet is undertaken by nine working groups covering each of the identified policy priority areas: institutional co-ordination; connectivity and infrastructure; registration, quality and certification; facilitating investment and financing; travel facilitation; effective promotion; security; and innovation, competitiveness, product development and gastronomy.

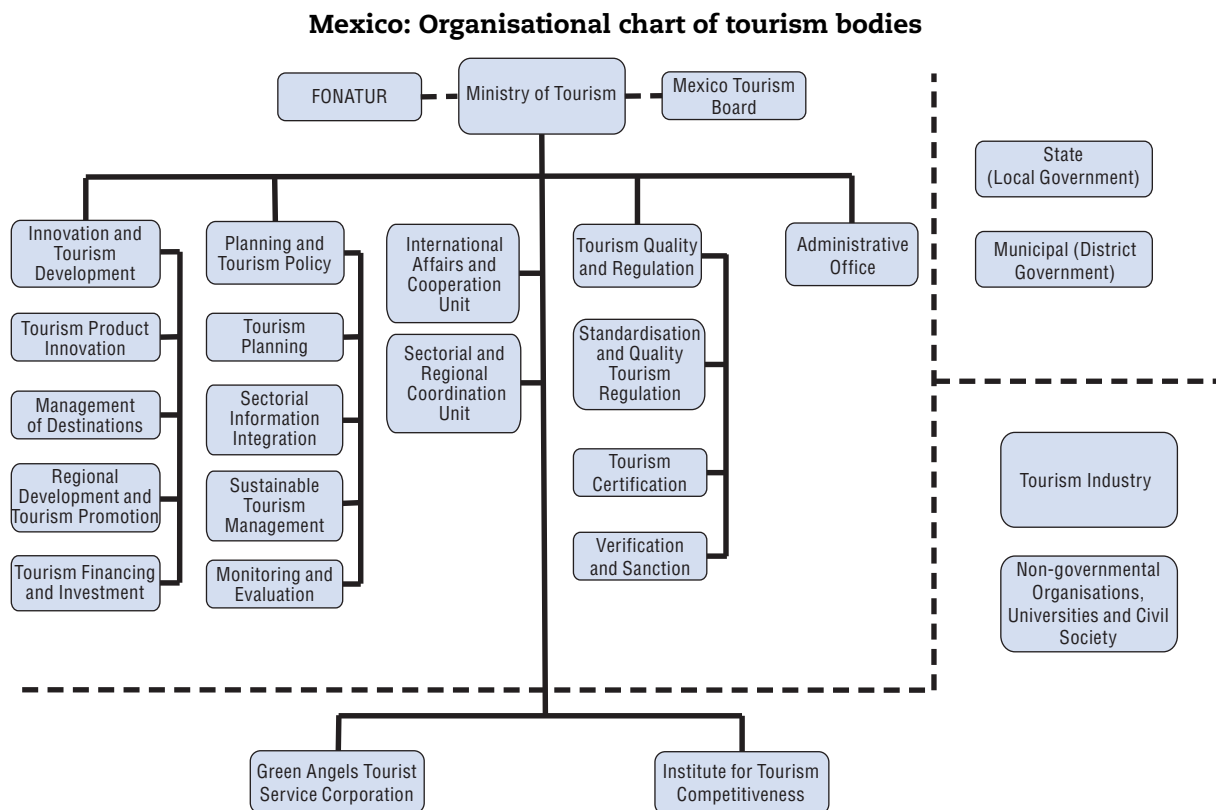
The Mexico Tourism Board is the organisation entrusted to co-ordinate, design and develop the national and international strategies for tourism promotion and for promoting Mexico's destinations and offer.

The National Fund for Tourism Development (FONATUR) acts as a facilitating instrument for foreign investors. It was created by the Ministry of Finance and is co-ordinated by the Ministry of Tourism. FONATUR's objectives are to promote investment, create jobs, improve social welfare and encourage national and regional development. It engages in the development of destinations (integrally planned resorts) and tourism

products. FONATUR's functions include conducting feasibility studies, developing destination master plans, project management, executing infrastructure projects and engagement with various forms of financing.

The Programme for Regional and Sustainable Development (PRODERETUS) provides subsidies for tourism infrastructure and equipment. It is a joint programme with local government. Through this initiative the Federal Ministry of Tourism works directly with the State Governments by providing economic resources to improve destinations. In 2014, the Federal Ministry provided MXN 1 494 million in funding for this programme, with the State Governments providing a further MXN 1 164 million.

The overall public budget for tourism in 2014 was MXN 6.1 billion.



Source: OECD, adapted from the Ministry of Tourism, 2016.

Tourism policies and programmes

Tourism in Mexico faces a number of challenges and opportunities. These include connectivity, development of destinations around the country and financing.

Connectivity challenges relate to all forms of transport and affect both incoming tourism and travel within the country. This has been identified as a high priority issue in consultation with tourism stakeholders. Identified challenges include: inadequate airport infrastructure in the centre of the country, limiting positioning as a passenger hub; wide disparity in the use of airports, with some underused and some congested; lack of quality urban mass transport systems in many cities; poor physical condition of the road system; a very limited and inadequate network of rail services with poor co-ordination between operators; inability of certain ports to benefit from the rapidly growing cruise market to

Mexico; and the need for recognition for tourism interests and to influence other sectors with respect to infrastructure and transport planning.

Challenges and opportunities for destination development centre on the need to spread and promote more effectively the strong tourism assets that exist in many areas of the country. This includes exploiting Mexico's cultural traditions, world class dining, natural diversity and beautiful beaches. There are also new opportunities to attract growing segments in medical tourism, ecotourism and the meetings market.

A range of financial issues have been identified as obstacles to growth. These include: limited budgets for tourism; diverse regulatory frameworks at a local level; outdated outlook on tourism by financial institutions; lack of formal financial processes and professionalism in many tourism SMEs; and difficulties in obtaining credit.

These challenges and others are being addressed through a set of relevant policies and actions. Mexico's National Development Plan 2013-18 recognises the importance of tourism for creating jobs, developing markets for SMEs and preserving the natural and cultural richness of the country.

Derived from this, the Tourism Sectoral Plan 2013-18 sets out five objectives to:

- Transform the tourism sector and strengthen collaboration schemes and joint responsibility to tap the tourism potential,
- Strengthen the comparative advantages of the tourism offer,
- Facilitate financing and public-private investment in projects with tourism potential,
- Boost tourism promotion in order to contribute to market diversification and facilitate development and growth of the sector,
- Promote sustainable development of tourism destinations and increase the social and economic benefits of the recipient communities.

The need for tourism to be taken into account in infrastructure and transport planning has been reflected in the fact that a dedicated section on tourism has for the first time been included in the National Infrastructure Plan 2013-18. The Plan focuses on balanced regional development, urban development and connectivity logistics.

A number of actions are being taken to address connectivity issues. Bilateral air transport agreements have been signed with an increasing number of countries. Planning for the new Mexico City Airport is underway, with the first phase involving three runways and an ability to receive 50 million passengers annually by 2020. In further phases this will expand to six runways and a capacity of 120 million passengers annually. The National Infrastructure Plan also includes proposals to develop the role of other airports, introduce passenger train services to various destinations, and a road improvement programme. To improve awareness of tourism and strengthen co-ordination, the Mexico Tourist Board is leading the Federal Tourism Cabinet's Working Group on Connectivity and Infrastructure.

Actions to simplify visa procedures, modernise and streamline entry processes, increase duty-free franchises, train staff at entry points and introduce further use of relevant technology are also facilitating travel to Mexico.

Climate change and sustainability are important issues affecting Mexico's tourism policies and actions. The Ministry of Tourism participates in the Inter-Ministerial Commission on Climate Change. It has also established a Sustainable Tourism Programme which includes agreements with international bodies for the promotion of sustainability

standards and certification. The Programme includes actions to support climate change adaptation and mitigation, energy efficiency in tourism enterprises, ecotourism in protected natural areas, water management in destinations, and the measurement and reduction of greenhouse gas emissions. Specific destinations have been identified as sustainable development areas for tourism and for research and adaptation programmes on climate change.

Destination management and development programmes have been supported by FONATUR in their programme for tourism product development and integrally planned resorts. In addition in 2014 the President re-launched the Magical Towns Programme which brings together federal, state and municipal resources for the sustainability and long term development of communities (Box 1.10).

Statistical profile

Table 1. Mexico: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	68 561	71 291	74 668	78 527	80 746
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	112 868	121 385	126 933	129 356	143 035
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	81 953	75 732	76 749	78 100	81 042 p
Overnight visitors (tourists)	23 290	23 403	23 403	24 151	29 346 p
Same-day visitors (excursionists)	58 664	52 329	53 346	53 950	51 696 p
Top markets					
United States	18 993	18 956	18 658	18 940	23 399 p
Canada	1 460	1 563	1 572	1 599	1 677 p
United Kingdom	296	330	363	414	459 p
Spain	287	280	279	282	310 p
France	170	187	203	200	214 p
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	55 653	54 551	57 527	63 765	70 718
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	91 658	88 113	87 493	90 787	90 653
Overnight visitors (tourists)	14 334	14 799	15 581	15 911	18 652
Same-day visitors (excursionists)	77 323	73 314	71 913	74 875	72 001
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	12 628	12 457	13 320	14 311	16 606
International travel receipts	11 992	11 869	12 739	13 949	16 208
International passenger transport receipts	636	589	581	362	398
Outbound tourism					
Total international expenditure	9 001	9 704	10 734	11 970	12 565
International travel expenditure	7 255	7 832	8 449	9 122	9 606
International passenger transport expenditure	1 746	1 872	2 286	2 848	2 959

.. Not available; p Provisional data

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320258>

Table 2. Mexico: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	2 236 388	2 228 487	2 278 749	2 315 182 p	..
Tourism industries	75 907 p	1 659 756	1 657 952	1 697 508	1 730 631 p	..
Accommodation services for visitors	..	140 431	136 144	134 455	138 687 p	..
Hotels and similar establishments	18 711 p	..	..	..	..	..
Food and beverage serving industry	50 244 p	775 165	777 970	814 234	839 378 p	..
Passenger transport	..	357 462	359 468	360 557	364 397 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	6 952 p	17 844	18 146	19 036	19 224 p	..
Cultural industry	..	11 537	11 249	11 791	11 656 p	..
Sports and recreation industry	..	41 018	40 976	41 412	42 252 p	..
Retail trade of country-specific tourism characteristic goods	..	316 299	313 999	316 023	315 037 p	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	576 632	570 535	581 241	584 551 p	..

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320266>

Table 3. Mexico: Internal tourism consumption


Million MXN

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	1 830 890 p	208 485 p	2 039 375 p
Tourism characteristic products	1 327 948 p	179 067 p	1 507 016 p
Accommodation services for visitors	129 812 p	43 687 p	173 499 p
Food and beverage serving services	201 276 p	59 887 p	261 164 p
Passenger transport services	446 952 p	24 520 p	471 473 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 industry	19 204 p	2 358 p	21 561 p
Cultural services	4 243 p	3 058 p	7 301 p
Sports and recreation services	17 133 p	12 269 p	29 402 p
Country-specific tourism characteristic goods	509 327 p	33 288 p	542 616 p
Country-specific tourism characteristic services	..	..	..
Other consumption products	502 941 p	29 418 p	532 359 p
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320270>

Netherlands

Tourism in the economy

The importance of domestic and inbound tourism for the Dutch economy is increasing, with tourism growth exceeding the growth of the total economy in the last five years. In 2014, tourist spending in the Dutch economy grew by 4.1 % to EUR 68.3 billion. This accounts for 3.7% of Dutch GDP in 2014, compared to 3.5 % in 2013. Tourism related employment also grew by 2.5 % to 606 000 jobs in 2014, which equals 366 000 full-time equivalents (or 5.2% of total employment).

Inbound tourism is an increasingly significant source of income for the Netherlands. International visitor arrivals increased by almost 9% to 13.9 million in 2014, resulting in over 34.4 million nights spent in the Netherlands (up 8.4% on 2013), making 2014 another record year.

As in preceding years, Germany provided the highest number of international visitors, rising by 11.4% to 3.9 million arrivals. Growth was also recorded from Belgium (9.3%) and the United Kingdom (10.5%). Together these three countries account for 54% of international arrivals and 64% of overnight stays by international visitors. The strongest growth from outside Europe came from Asia (13.9%), with the number of Chinese visitors growing by 8.9%, lower than in 2013 (12.9%).

The Netherlands was a net tourism spender in 2014 with EUR 15.4 billion of tourism receipts (inbound) and EUR 17.4 billion of tourism spending (outbound).

In addition to foreign visitors, Dutch people spent more money on domestic tourism in 2014. Despite a slight drop in the number of domestic holidays (-1.8%), domestic tourism spending grew by 3.3% in 2014 to EUR 49 billion.

In 2014, 3.6 million visitors came to the Netherlands for business reasons, representing about 26% of all international visitors. The United Kingdom provided the highest number of business visitors, followed by the United States, Germany, Italy and Belgium. Although small in absolute numbers, more than half of the tourists from China came to the Netherlands with a business reason. International business visitors tend to spend more than general holiday makers, respectively on average EUR 1 035 per business trip and EUR 600 per holiday trip.

Tourism governance and funding

The Ministry of Economic Affairs is responsible for tourism policy at the national level. Responsibilities include:

- Partial funding of the Netherlands Board of Tourism and Conventions (NBTC) Holland Marketing, which is responsible for international marketing of the Netherlands and attraction of international conventions,

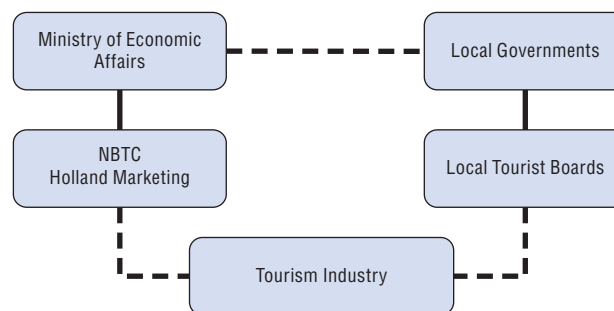
- Stimulating innovation, entrepreneurship and sustainability: the tourism industry can make use of a range of general policy instruments available within the Ministry,
- Stimulating synergy between nature, recreation and entrepreneurship,
- A networking approach for the hospitality sector,
- Acting as the first point of contact within central government for tourism industry associations and stakeholders.

Regional and local authorities are responsible for tourism policy at their respective levels. They deal with tourism matters such as funding the regional and local destination marketing organisations, which are responsible for domestic and international marketing of the relevant region or local destination, and with product development.

NBTC Holland Marketing uses a Private Public Partnership model to create the joint co-operation required to organise marketing programmes. This allows a variety of different partners to bundle their budgets and other investments around a shared goal or interest. They can be public partners (national, provincial and municipal authorities of regional tourist boards), public-private partners (marketing and promotional organisations) and private partners (businesses in the visitor sector and related sectors) in the Netherlands and other countries.

In 2015, the Ministry of Economic Affairs provided NBTC Holland Marketing with a grant amounting to EUR 8.3 million for the promotion of incoming tourism. Local governments such as provinces or cities can decide to allocate budget to the promotion of tourism.

Netherlands: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economic Affairs, 2016.

Tourism policies and programmes

The policy of the Ministry of Economic Affairs focuses on promoting incoming tourism via the activities of NBTC Holland Marketing, improving the business climate for the hospitality sector by reducing the regulatory burden, enhancing the sustainability of the hospitality economy and promoting synergies between nature, outdoor recreation and entrepreneurship.

Two separate policy strands exist, one for the hospitality sector and one directed towards inbound tourism markets.

The hospitality sector has formed a high level group comprised of entrepreneurs, knowledge and marketing institutes and representatives of the Ministry of Economic Affairs. This high level group has drawn up an integral vision for the hospitality economy

with the ambition that by 2025, the Netherlands will be the country with the greatest diversity of experiences in the world. The aim is to offer excellent hospitality, a competitive sector and an attractive society. Progress will be measured based on a rating for hospitality, the position of the Netherlands on the Travel and Tourism Competitiveness Index, living conditions and the business climate index.

The strategic framework for this vision is based on three concepts:

- Find: Guests do not want to go searching but wish to find things and be surprised at what is discovered.
- Surprise: It is essential to provide excellent hospitality with an innovative choice of offers and concepts.
- Connect: Guests like to combine different experiences within the Netherlands and across geographical borders. Closer co-operation with companies and organisations within and outside the sector improves access to what is on offer and creates a surprising and innovative range of options.

Based on this vision, an action agenda has been defined for each of the following themes: innovation, human capital, technology, marketing, deregulation, nature, spirituality and social involvement.

Organisations representing the hospitality sector, such as Hospitable, as well as nature and consumer organisations have become involved in this networking approach.

Substantial and growing international competition make it necessary to continue to promote the Netherlands as a destination to the target group of potential visitors in existing and emerging markets.

NBTC Holland Marketing, in partnership with national and international stakeholders will work to further develop and implement the Holland branding and marketing strategy in which Holland City is a key concept, with interests taking precedence over places. In this concept the destination Holland is positioned as a single city, combining and connecting themes and areas of interest. In this way the capacity available in the Netherlands is used to the full.

Every five years, NBTC Holland Marketing conducts a detailed study on trends in inbound tourism. Destination Holland Future Vision 2025 outlines market developments for inbound tourism to 2025 and provides insights into prospects for potential growth.

The main opportunities can be summarised as:

- Gaining increased benefits from overall growth in inbound tourism,
- Maintaining a good mix of international arrivals, reflecting strong volumetric growth from European markets and percentage growth from China and elsewhere in Asia,
- Responding to growth in active senior visitors and new tourists, taking account of their different preferences,
- Meeting the needs of the Y generation in the business market. These are active doers, wanting to participate and take opportunities for self-development before, during or after a business event,

In order to realise this growth prospect, NBTC Holland Marketing's Future Vision 2025 outlines a number of pre-conditions:

- Introducing new, direct flight connections to emerging countries of origin,
- Putting in place a more targeted visa-issuing process,

- Realising maximum accessibility within the Netherlands,
- Creating room for hotel development in the Netherlands,
- Promoting the spread of tourism in time and space,
- Exercising restraint in introducing or raising taxes and levies,
- Allowing entrepreneurs room to innovate.

An events policy for the Netherlands

Netherlands Board of Tourism and Conventions (NBTC) events policy ties in with the strategic aim of promoting the spread of tourism across the country in time and space. Themes for the coming years include:

- 2015: Van Gogh 125 years of inspiration,
- 2016: Jheronimus Bosch 500,
- 2017: 100 years of De Stijl – 100 years of Dutch Design,
- 2018: Leeuwarden Capital of Culture.

The themes will be elaborated together with relevant stakeholders. The co-operation of the Ministry of Education, Culture and Science, Ministry of Foreign Trade and Development Co-operation, Ministry of Health, Welfare and Sport and Ministry of Infrastructure and the Environment is being sought in overseas promotion of sporting and cultural events.

Statistical profile

Table 1. Netherlands: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	17 708	17 740	18 120	17 490	17 176
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	94 000	91 760	91 960	93 000	86 000
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	10 883	11 300	11 680	12 783 |	13 925
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	2 848	2 978	3 010	3 495 |	3 894
United Kingdom	1 556	1 508	1 614	1 680 |	1 857
Belgium	1 257	1 345	1 462	1 673 |	1 828
United States	1 223	1 320	1 323	1 337 |	1 431
France	669	666	642	680 |	725
Nights in all types of accommodation	..	..	..	31 771 |	34 424
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	18 430	18 560	18 628	18 093	17 933
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Germany	..	..	3 400	3 183	3 373
France	..	..	2 798	2 677	2 606
Spain	..	..	1 796	1 759	1 856
Belgium	..	..	1 811	1 766	1 425
Austria	..	..	1 233	1 178	1 113
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	14 127	15 052	15 737	17 060	15 430 p
International travel receipts	9 718	10 308	10 697	11 731	9 749 p
International passenger transport receipts	4 409	4 744	5 040	5 329	5 681 p
Outbound tourism					
Total international expenditure	15 019	14 949	15 931	15 644	17 364 p
International travel expenditure	14 807	14 748	15 707	15 428	15 382 p
International passenger transport expenditure	212	201	224	216	1 982 p

.. Not available; | Break in series; p Provisional data

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320287>

Table 2. **Netherlands: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	338 000	346 000	348 000	357 000 p	366 000 p
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

.. Not available; p Provisional data
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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320298>


Table 3. **Netherlands: Internal tourism consumption**

Million EUR

	2010		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	24 037	7 356	31 393
Consumption products	22 503	6 761	29 264
Tourism characteristic products	18 191	3 412	21 603
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 industry	997	1	998
Cultural services	1 285	213	1 498
Sports and recreation services	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

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

StatLink  <http://dx.doi.org/10.1787/888933320307>

New Zealand

Tourism in the economy

Tourism directly accounted for NZD 8.3 billion or 4% of New Zealand's GDP in the year ended March 2014, and indirectly contributed an additional NZD 6.5 billion or 3.1% of GDP. Tourism is New Zealand's largest service export earner. It directly employs 94 100 full-time equivalents (4.7% of the workforce) and generates NZD 1.8 billion in goods and services tax revenue.

In the year ended March 2014, international overnight visitor arrivals numbered 2.8 million, an increase of 5.4% over 2013. Growth in international travel receipts outstripped that of arrivals, rising by 12% to NZD 10.2 billion. Australia is the largest source market for visitors, accounting for 43.7% of arrivals and 27.6% of expenditure. China is now firmly established as New Zealand's second largest visitor market, with arrivals increasing by 15.7% during 2014 to reach more than 264 000 and Chinese expenditure exceeding NZD 1 billion, a significant increase of 50% over 2013.

Recently released forecasts from the Ministry of Business, Innovation and Employment (MBIE) indicate that international visitor arrivals to New Zealand are likely to grow by 4% per year to reach 3.8 million in 2021. Tourism expenditure is expected to rise strongly from NZD 7.4 billion in 2014 to NZD 11.1 billion over the same period, up nearly 48.5%.

Tourism governance and funding

The Tourism Policy Unit within the Ministry of Business, Innovation and Employment provides policy advice on tourism to the Government. This includes working on strategies to build sector capability, encouraging the development of innovative tourism products and services, and advising on and managing the Government's investment in tourism-related infrastructure. The unit works closely with other policy units covering topics that impact on tourism including labour, immigration, science and innovation, and international policy. It reports to the Minister of Tourism.

The Evidence, Monitoring and Governance branch of the Ministry collects, analyses and publishes tourism data. It also monitors Tourism New Zealand and evaluates the effectiveness of government initiatives that impact tourism (e.g. the Tourism Growth Partnership).

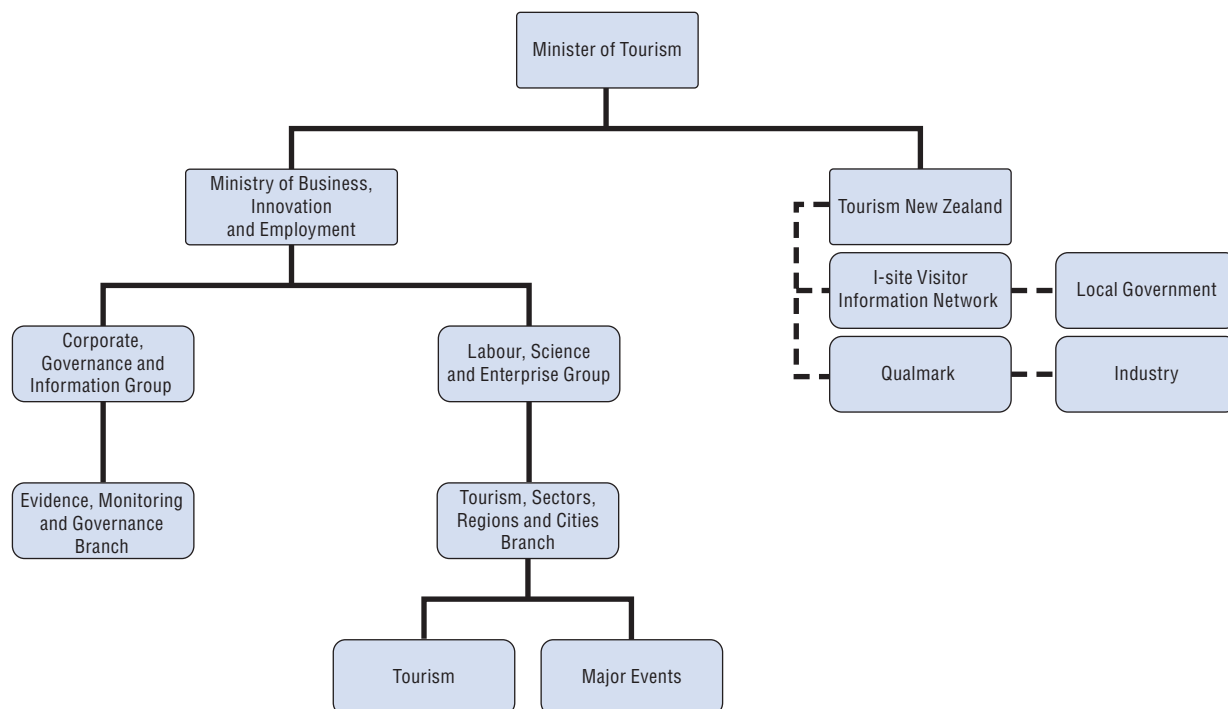
Tourism New Zealand has responsibility for marketing the country as an international destination using the "100% Pure New Zealand" marketing campaign. Its statutory functions are to develop, implement and promote strategies for tourism and to provide related advice to the Government and tourism industry. It has two subsidiary organisations, Qualmark Limited and Visitor Information Network Incorporated, that play an important role in efforts to improve visitor satisfaction and product quality.

There are 30 Regional Tourism Organisations (RTOs) which are responsible for promoting their regional destinations. They are funded and governed by local and regional governments or supported by annual membership fees from the local industry. RTOs act as a bridge between tourism operators, national tourism bodies, and local and central government.

The Government budget for tourism for 2015/16 is NZD 139.8 million. This comprises:

- NZD 115.85 million for the marketing of New Zealand as a visitor destination (managed by Tourism New Zealand),
- NZD 10.403 million for the Tourism Growth Partnership (administered by MBIE),
- NZD 6.12 million for the New Zealand Cycle Trail,
- NZD 3.202 million for tourism data and analysis (managed and provided by MBIE),
- NZD 2.542 million for policy advice (provided by MBIE),
- NZD 1.601 million to enable Tourism Ministers to discharge their portfolio functions,
- NZD 0.082 million for Tourism Facilities Development Grants.

New Zealand: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Business, Innovation and Employment, 2016.

Tourism policies and programmes

New Zealand is well-placed to benefit from future tourism growth, notably from the Asia and Pacific region. However, it faces a number of issues and challenges which are reflected in government policy priorities – in particular:

- Lifting productivity in the tourism industry. The tourism sector tends to employ relatively low-skilled people and pay relatively low wages – resulting in relatively low labour productivity. The Government is developing strategies to combat seasonality, improve skills, encourage the uptake of technology and support co-operation across the sector.

- Increasing profitability in the tourism industry. For much of the last decade, the average spend of international visitors has declined due to a changing mix in visitor arrivals. Additional resources have been allocated to Tourism New Zealand to position New Zealand as a high-value destination.
- Maintaining New Zealand’s competitiveness as a tourism destination. This includes differentiating the product from competitor destinations, delivering strong and inspiring messaging, and addressing connectivity challenges by creating a regulatory framework that has enabled new direct flights.
- Accelerating the industry’s responsiveness to current and future demand, notably from the growth markets of China, India and Indonesia.
- Ensuring regions are able to fully capitalise on their potential, addressing a tendency for international visitors to concentrate more on certain regions rather than others.

The Tourism Growth Partnership (TGP) was established in 2013 to boost innovation and to lift the productivity of the tourism sector. Under the TGP, the Government is making NZD 32 million available over four years to co-invest with industry in demand-led, commercially driven projects. TGP investment is focused on supporting: market development, and growth in high-value and emerging visitor markets; improved visitor flows and regional spread; rebuilding of Christchurch and Canterbury, restoring visitor numbers and attracting investment to the region; improved contribution by Māori, leveraging New Zealand’s unique cultural aspects; and investment in demand-led products.

A number of specific initiatives and actions illustrate the practical approach to addressing the tourism sector’s issues and challenges:

The ongoing programme of improving the collection and dissemination of accurate and relevant tourism data has seen further development .

Tourism Data Improvement Programme

The New Zealand Government spends over NZD 3 million per year on the collection and analysis of tourism data. In 2011 it approved a five year change programme to enhance the quality and usefulness of data that helps the tourism sector identify, understand and respond to emerging trends. So far, the programme has involved the redevelopment of the International Visitor Survey, (which estimates international visitor spend) and the development of world-first regional tourism indicators and estimates (based on electronic card transactions, which provide information about changes in expenditure by international and domestic travellers by region and industry). Focus has now moved to improving the measurement of domestic tourism volumes and expenditure, improving measures of regional tourism expenditure, and measuring the expenditure of international cruise ship visitors. Improvements to the dissemination of data also continue to be made, supporting the Tourism Industry Association of New Zealand’s Tourism 2025 strategic plan which identifies market insight as a key theme.

A lack of sufficient and appropriate labour and skills has led the Tourism Industry Association of New Zealand (TIANZ) to develop a People and Skills Strategy. It focusses on two areas: capacity (labour supply) and capability (skills, knowledge and training supply). ServiceIQ, the industry training organisation for the New Zealand services sector, is also developing Regional Roadmaps for New Zealand’s major visitor centres to link supply and

demand for skills, better connect different parts of the tertiary sector, provide information to young people about where there are likely to be opportunities, and ensure a pipeline to meet future needs. The Government is working closely with the various parties to support industry initiatives and/or remove barriers. It recognises that temporary migration will continue to play a role in filling critical skill gaps and short-term labour shortages and is making changes to immigration processes to make these more efficient.

In 2012/13, the Government initiated a China Market Review to capitalise on the rapidly growing China market. Relevant actions include signing co-operation agreements, increasing resources for marketing, developing an online toolkit to improve operators' readiness for Chinese visitors, and streamlining visa processes.

Increasing tourism revenue is a key priority for the Major Events Development Fund (MEDF) which invests in major events that generate significant immediate and long-term benefits. Examples of events supported include the 2015 Volvo Ocean Race stopover in Auckland, the 2015 International Cricket Council Cricket World Cup, and the 2015 Under 20 Men's Football World Cup.

Regional Growth Studies are assisting regions to identify their strengths and opportunities and to then determine the initiatives and investment required to realise opportunities. Tourism has been identified as a major opportunity that warrants greater investment in each study undertaken to date.

The Government has continued to support the recovery of Christchurch's visitor sector. In partnership with local bodies it has funded the development of a Visitor Sector Recovery Plan, with actions to improve air connections, accommodation development and marketing campaigns.

Outdoor activities provide a key part of the New Zealand tourism offer. It is particularly well known for innovative activities such as bungee jumping, glacier walking and zorbing, which carry some risk. The Health and Safety in Employment (Adventure Activities) Regulations 2011 require operators to register with the Government, develop safety management plans and pass safety audits. To assist operators to meet the implementation deadline of November 2014, the Government introduced a range of supportive measures including: a campaign to raise awareness of the regulations; developing guidance material including a template for safety management plans; and employing dedicated safety advisors to work alongside operators to help them prepare for audits. A further example of Government support for outdoor activities is the New Zealand Cycle Trail (Nga Haerenga), which was established in 2009 with the aim of addressing the economic downturn by stimulating regional economies and creating jobs and new tourism flows. The Government has since contributed NZD 54 million, with a further NZD 30 million from local communities to create 19 off-road cycle trails, covering some 2 600 km (Box 2.5).

Sustainability and environmental quality are very important for the future of tourism in New Zealand. Qualmark, the quality standard jointly owned by Tourism New Zealand, includes Qualmark Environmental, an official assurance system to evaluate the level of environmental sustainability of tourism businesses, with criteria including water conservation, energy efficiency, waste management, environmental conservation and community support.

Statistical profile

Table 1. New Zealand: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	15 872	17 681	16 599	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	47 422	51 263	49 753	..	..
Hotels and similar establishments	37 649	38 069	38 500	39 261	41 518
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	2 525	2 601	2 565	2 710	2 854
Overnight visitors (tourists)	2 449	2 518	2 484	2 629	2 772
Same-day visitors (excursionists)	76	83	81	82	82
Top markets					
Australia	1 120	1 156	1 156	1 219	1 248
China	123	146	197	229	265
United States	190	185	178	201	221
United Kingdom	234	230	190	192	194
Japan	88	69	72	75	81
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	26 837	25 968	24 379	26 167	27 707
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	2 026	2 093	2 169	2 197	2 276
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Australia	980	978	994	1 022	1 096
United States	99	104	122	142	165
Fiji	97	101	105	112	130
United Kingdom	92	93	96	97	101
China	64	68	66	73	77
TOURISM RECEIPTS AND EXPENDITURE, MILLION NZD					
Inbound tourism					
Total international receipts	..	..	..	..	..
International travel receipts	9 051	9 292	8 798	9 112	10 203
International passenger transport receipts	..	..	..	..	..
Outbound tourism					
Total international expenditure	..	..	..	..	..
International travel expenditure	4 208	4 356	4 584	4 705	4 947
International passenger transport expenditure	..	..	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320318>


Table 2. **New Zealand: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	97 500	95 700	92 500	92 400	94 100
Tourism industries	83 500	..	..	..
Accommodation services for visitors	3 186	..	14 500	..	..	..
Hotels and similar establishments
Food and beverage serving industry	25 000	..	..	..
Passenger transport	10 200	..	..	..
Air passenger transport
Railways passenger transport
Road passenger transport
Water passenger transport
Passenger transport supporting services	4 700	..	..	..
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	29 100	..	..	..
Other industries	11 900	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320327>Table 3. **New Zealand: Internal tourism consumption**


Million NZD

	2014		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	12 384	9 613	21 997
Tourism characteristic products	5 584	5 956	11 540
Accommodation services for visitors	1 084	1 089	2 173
Food and beverage serving services	1 195	1 644	2 839
Passenger transport services	3 305	3 223	6 528
Air passenger transport services	2 213	2 009	4 222
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	..	..	..
Cultural services	..	..	..
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	6 800	3 656	10 456
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320331>

Norway

Tourism in the economy

In 2014, Norway's GDP stood at USD 499.7 billion. In 2011, the Norwegian tourism industry employed almost 150 000 people, and tourism represented 3.2% of total GDP. Annual wealth creation attributable to tourism was NOK 70 billion in 2013. Wealth creation in the tourism industry increased by 24% between 2010 and 2013, and doubled in the preceding ten-year period. However, despite the relatively high absolute growth in the Norwegian tourism industry, the share of total value creation has decreased from 6% in 2001 to 5% in 2013.

Exchange rate conditions in 2015 have benefitted tourism in the country, making a visit to Norway more attractive and less expensive.

Tourism governance and funding

The main responsibility for development and regulation in the tourism industry lies with the Economic Policy Department at the Ministry of Trade and Fisheries. Innovation Norway is a state-owned company which functions as the National Tourism Administration. It works to promote nationwide development of tourism in order to increase overall economic growth within the tourism industry. Innovation Norway focuses on product and business development as well as international promotion and brand-building in order to attract a higher proportion of international tourists to Norway and increase profitability within the sector. This is achieved through various projects and activities, in close partnership and co-operation with the travel industry.

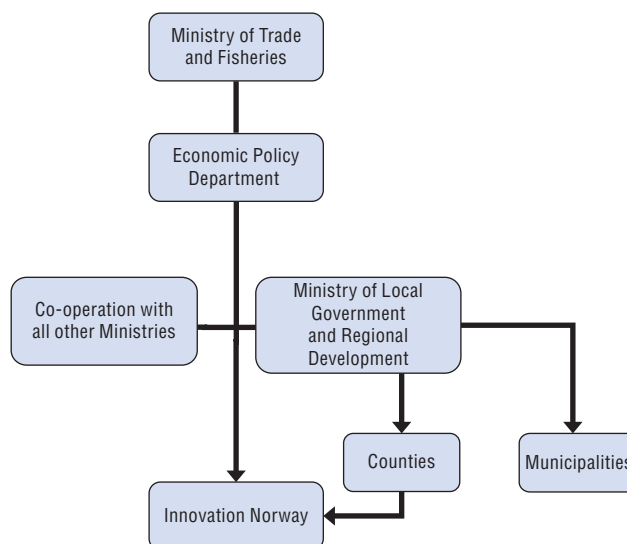
The Ministry of Trade and Fisheries co-operates with other ministries in order to co-ordinate policies in relation to the tourism industry. Co-operation with counties and municipalities is achieved in partnership with the Ministry of Local Government and Regional Development.

Some regional and local authorities have put in place strategies for tourism in their area of responsibility. A number also give financial support to the local destination management company.

Local municipalities play an important role in the tourism industry, having responsibility for infrastructure, waste management, national parks and local attractions. They are also responsible for tourist information. Local authorities are involved in marketing, planning and regulation.

The Ministry of Trade and Fisheries funds Innovation Norway on an annual basis. Between 2011 and 2013, there was a steady increase in funding from NOK 250 million to NOK 260 million, but in 2014 the level of funding dropped back to NOK 245 million.

Norway: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Trade and Fisheries, 2016.

Tourism policies and programmes

Norway's abundant nature and scenery are its main tourism attractions. In 2007, the Norwegian Government introduced Sustainable Norway 2015 to increase awareness of sustainable tourism, and to create an associated vision that gives baseline values and a clear direction for tourism development.

Sustainable tourism underpinned by a conscious and consistent effort on all matters concerning the environment, social matters and local prosperity is seen as a vital ingredient in building a stronger tourism economy in Norway. It also defines how Norway is keen to present itself to visitors. The country wishes to invite its guests to enjoy a memorable experience based on authentic local culture, food and history offered by welcoming and responsible hosts working in conjunction with their local community (Box 2.5).

This has required a holistic, inclusive and innovative approach that brings tourism into the new green economy. A Plan of Action has been drawn up to increase sustainability in travel and tourism, with responsibility shared between the Government, Innovation Norway and the tourism industry. A key feature has been the development and launch of a sustainable destination standard in 2015. The standard includes 45 criteria and 108 indicators to be measured, registered and monitored, covering nature, culture, environment, social values, community involvement and economic viability (Box 1.23).

The Government is preparing a *White Paper on Norwegian Tourism* for publication in spring 2016. Several ministries are involved in the process of mapping the challenges and developing policies to address these, including the Ministries for Transport, Environment and Agriculture.

The main priority is to define policies that will support the profitability and competitiveness of tourism. Norway is a high cost country and seen by incoming tourists as an expensive place to visit. Prices of goods, services and salaries are higher than in competing tourism destinations. Other challenges include the fact that the tourism industry is somewhat fragmented, although a large part of the industry is now working together towards a more efficient structure. The low season can be very challenging for the profitability of many tourist businesses.

Statistical profile

Table 1. Norway: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	15 260	14 160	13 280	15 060	15 450
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	53 820	50 010	43 530	53 130	56 060
Hotels and similar establishments	10 320	9 000	9 540	10 500	11 320
Specialised establishments	..	..	..	..	..
Other collective establishments	12 190	12 390	10 460	11 370	11 330
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	1 637	1 595	1 511	1 306	1 385
Sweden	959	933	999	980	1 022
Denmark	914	841	859	821	735
Great Britain	520	519	572	581	614
Netherlands	800	742	679	517	539
Nights in all types of accommodation	7 903	7 844	7 897	7 635	8 094
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	7 590	8 150	9 260	9 280	9 190
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION NOK					
Inbound tourism					
Total international receipts	..	43 103	44 404 |	..	..
International travel receipts	27 791	29 326	31 176 |	33 218	35 562 p
International passenger transport receipts	..	13 777	13 228 |	..	..
Outbound tourism					
Total international expenditure	..	103 763	112 351 |	..	..
International travel expenditure	84 766	90 086	98 122 |	108 115	118 138 p
International passenger transport expenditure	..	13 677	14 229

.. Not available; | Break in series; p Provisional data

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320343>

Table 2. Norway: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	15 327	144 200	147 700	..	..	..
Accommodation services for visitors	3 172	22 100	22 800	..	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	10 060	40 700	41 800	..	..	..
Passenger transport	..	49 900	50 600	..	..	..
Air passenger transport	..	9 100	9 000	..	..	..
Railways passenger transport	..	4 600	4 600	..	..	..
Road passenger transport	..	26 600	27 400	..	..	..
Water passenger transport	..	9 600	9 600	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	7 300	7 300	..	..	..
Travel agencies and other reservation services industry	2 095	5 000	5 100	..	..	..
Cultural industry	..	12 900	13 700	..	..	..
Sports and recreation industry	..	6 300	6 500	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320353>

Table 3. Norway: Internal tourism consumption


Million NOK

	2011		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	94 096	34 430	128 526
Tourism characteristic products	65 897	19 004	84 901
Accommodation services for visitors	7 935	5 122	13 057
Food and beverage serving services	11 279	5 295	16 574
Passenger transport services	27 679	7 167	34 846
Air passenger transport services	16 856	3 966	20 822
Railways passenger transport services	1 905	508	2 413
Road passenger transport services	3 685	494	4 179
Water passenger transport services	5 233	2 199	7 432
Passenger transport supporting services	..	..	..
Transport equipment rental services	302	207	509
Travel agencies and other reservation services industry	16 402	225	16 627
Cultural services	1 066	440	1 506
Sports and recreation services	1 234	548	1 782
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	28 199	15 426	43 625
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320366>

Poland

Tourism in the economy

The total value of the tourism economy in Poland was estimated at PLN 87.4 billion in 2014, 11.7% down on 2013. This equates to a contribution of 5.1% to Poland's GDP.

International visitor arrivals increased by 2% to 73.8 million in 2014. This includes 16.0 million tourist arrivals, a rise of 1.3% over 2013 and a new record for Poland since joining Schengen in 2007. Germany remains the largest source market, accounting for 36% of international tourist arrivals. International tourism receipts decreased by 3.7% on 2013 to reach PLN 37.8 billion in 2014 and account for 4.7% of total export earnings.

The number of domestic tourists in accommodation establishments totalled 19.6 million in 2014, up 8% on 2013. The majority of domestic trips (60.8%) were short visits of 2-4 days. In 2014, 248 700 people were employed in the accommodation and catering sector, compared with 244 700 in 2013.

Tourism governance and funding

The Ministry of Sport and Tourism is responsible for tourism-related matters, including the management and regulation of tourism in Poland and the Polish Tourism Organisation (POT).

The main activities of POT include: the promotion of Poland as an attractive tourism destination; the operation and development of domestic and international tourism information systems; and the initiation, assessment and support for plans to develop, renovate or reconstruct tourist infrastructure. POT has 14 international offices in important current and future source markets.

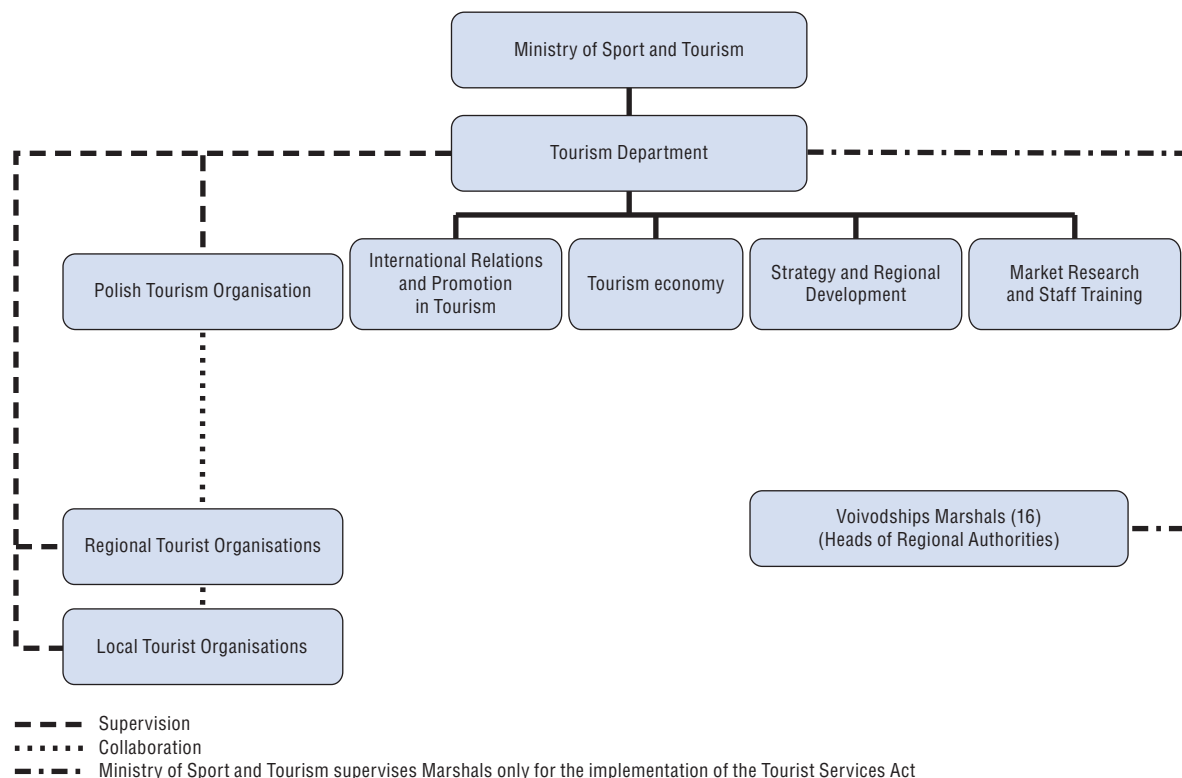
Many aspects of national policy that affect tourism fall outside the responsibility of the Ministry, while many tasks affecting tourism development fall within the remit of regional and local governments. POT also co-operates with regional and local tourism organisations and autonomous bodies involved in tourism promotion and development at the regional and local levels, based on a partnership of equal rights.

At sub-national level, the primary role in tourism development is played by regional governments (*voivodships*) and local governments (*poviats* at the county level and *gminas* at the municipality level). Local- or regional-level tasks fall into two groups: public sector tasks that are not allocated elsewhere by relevant legislation (so called own tasks); and tasks commissioned by the National Government Administration (so called commissioned tasks).

The commissioned tasks include the supervision, registration, licensing and compliance with various standards of travel agents and tour operators, mountain guides, and also the classification of hotel facilities.

Municipalities are responsible for keeping registers of campsites and non-hotel accommodation service providers, for inspecting accommodation facilities and applying sanctions if necessary.

Poland: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry of Sport and Tourism, 2016.

In 2014, the budget of the National Tourism Administration amounted to PLN 48.2 million, including a budget of PLN 39.3 million for the Polish Tourist Organisation. In addition, during 2007-13, specific tourism sector projects were supported by the European Union structural funds. Figures above do not include regional and local government budgets, which together account for additional spending on tourism in excess of PLN 500 million each year.

Tourism policies and programmes

The main objective of Poland's national-level policy is to strengthen the development of competitive and innovative tourism through supporting enterprises, organisations, institutions and initiatives in the tourism sector, while respecting the principles of sustainable development.

A comprehensive approach is focused on the following priority areas: competitive and innovative tourism; modern tourism management systems; a skilled workforce for the tourism industry; and the contribution of tourism to regional and local development, enhancing social and economic cohesion and improving quality of life.

As well as setting out operational objectives and specific tasks for the sector, the Programme for Tourism Development until 2020 identifies those organisations responsible for co-ordination, delivery and funding.

The following activities will be important in implementing the Programme:

- Developing tourism cluster networks,
- Supporting tourism projects within public-private partnerships,
- Strengthening the national system of quality management in tourism,
- Building a modern service offer and creating new tourist products,
- Encouraging specialisation based on regional potential and resources,
- Adapting innovative services to the needs and potential of the sector, including e-services, ICT platforms and sales platforms,
- Strengthening product and quality certification systems to underpin the marketing and promotion of tourist services,
- Incorporating support for tourism in the development of regional cohesion, based on infrastructure, assets and tourism development potential,
- Developing workforce skills and qualifications,
- Introducing operational innovations to achieve improved management of tourism as an economic sector based on the activity of entrepreneurs and their innovative products and services (Box 1.19),
- Strengthening the quality and attractiveness of the tourist offer at the national and regional levels through institutions, organisations and entities working together to implement initiatives,
- Establishing a Tourism Observatory with functions in the field of research and analysis for tourism development.

Statistical profile

Table 1. Poland: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	16 327	17 067	17 656	18 158	19 614
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	45 730	46 528	50 138 |	50 488	53 587
Hotels and similar establishments	19 112	20 785	21 466	22 605	24 982
Specialised establishments	..	..	..	..	..
Other collective establishments	26 618	25 743	26 775	25 928	26 545
Private accommodation	..	..	1 898	1 955	2 060
Inbound tourism					
Total international arrivals	58 340	60 745	67 390	72 310	73 750
Overnight visitors (tourists)	12 470	13 350	14 840	15 800	16 000
Same-day visitors (excursionists)	45 870	47 395	52 550	56 510	57 750
Top markets					
Germany	4 520	4 590	4 800	5 280	5 743
Ukraine	1 350	1 580	1 930	2 110	1 072
Russian Federation	400	500	670	765	1 003
Belarus	970	1 220	1 620	1 530	811
Lithuania	620	630	615	590	605
Nights in all types of accommodation	10 065	10 620	11 877 |	12 471	12 992
Hotels and similar establishments	8 029	8 397	9 425	10 129	10 667
Specialised establishments	..	..	..	..	..
Other collective establishments	2 035	2 223	2 330	2 232	2 193
Private accommodation	..	..	122	110	132
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	7 100	6 300	10 000	12 950	10 900
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION PLN					
Inbound tourism					
Total international receipts	30 472	34 415	38 860	39 210	37 765
International travel receipts	28 856	31 479	35 699	35 770	34 386
International passenger transport receipts	1 616	2 936	3 161	3 440	3 379
Outbound tourism					
Total international expenditure	27 728	26 349	29 902	28 937	28 714
International travel expenditure	26 006	24 979	28 609	27 949	27 913
International passenger transport expenditure	1 722	1 370	1 293	988	801

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320374>

Table 2. **Poland: Enterprises and employment in tourism**


	Number of establishments	Number of persons employed ¹				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	21 217	..	..	..	..	..
Accommodation services for visitors	9 885	175 663	173 722	174 811	170 061	171 138
Hotels and similar establishments	3 646	..	..	..	..	..
Food and beverage serving industry	7 533	..	..	..	..	..
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	3 799	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available

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1. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320388>Table 3. **Poland: Internal tourism consumption**


Million PLN

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	15 642	32 517	48 159
Tourism characteristic products	6 938	13 246	20 184
Accommodation services for visitors	2 639	3 555	6 194
Food and beverage serving services	2 044	4 653	6 697
Passenger transport services	1 617	2 609	4 226
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	..	..	..
Cultural services	638	2 429	3 067
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	8 704	19 271	27 975
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320393>

Portugal

Tourism in the economy

After a series of structural reforms, the Portuguese economy started to recover in 2013 and in 2014 registered positive output growth of 0.9 %. Employment growth in the private sector has followed an increase in consumer confidence and private consumption.

Despite global economic uncertainty, the Portuguese tourism industry recorded its best ever results in 2014. Hotel guests totalled 16.1 million in 2014 (up 12% on 2013), with 45.9 million overnight stays registered in hotels (up 10%). International overnight guests in hotels and similar establishments (57.8% of the total) reached 9.3 million in 2014 (up 11.8%). The number of overnights by international visitors in hotels and similar establishments was 32.1 million in 2014, a rise of 9% from 2013. Domestic overnight stays in hotels and similar establishments reached 13.8 million in 2014, an increase of 12.8% on the previous year.

International tourism represents 70% of tourist demand, with the domestic market accounting for the remaining 30%. The five leading international source markets in 2014 were in order of importance the United Kingdom, Germany, Spain, France and the Netherlands.

International travel receipts reached EUR 10.4 billion in 2014, an increase of 12.4% on 2013. This represents 45.6% of the total value of services exports and 14.8% of total exports of goods and services.

Tourism governance and funding

The Secretary of State for Tourism is located within the Ministry of Economy. Turismo de Portugal I.P. is the National Tourism Authority. It is responsible for implementing tourism policy at national level and reports to the Secretary of State for Tourism. Turismo de Portugal oversees the promotion, improvement and sustainability of tourism activities, operates a network of 12 hospitality and tourism schools, and co-ordinates the activities of the 17 tourism promotion teams in source markets.

Turismo de Portugal's main goals are to: enhance and foster tourism infrastructure; develop human resources training; support investment in the tourism sector; co-ordinate domestic and international promotion of Portugal; and regulate and inspect gambling activity.

The Commission for the Strategic Orientation of Tourism brings together the ministries directly or indirectly related to tourism in order to ensure inter-departmental co-ordination in the implementation of the National Tourism Strategy.

At regional level, there are now just five Regional Tourism Bodies (ERT). These are public-law corporate bodies with a specific territorial scope that act as destination management organisations with financial and administrative autonomy. They are responsible for

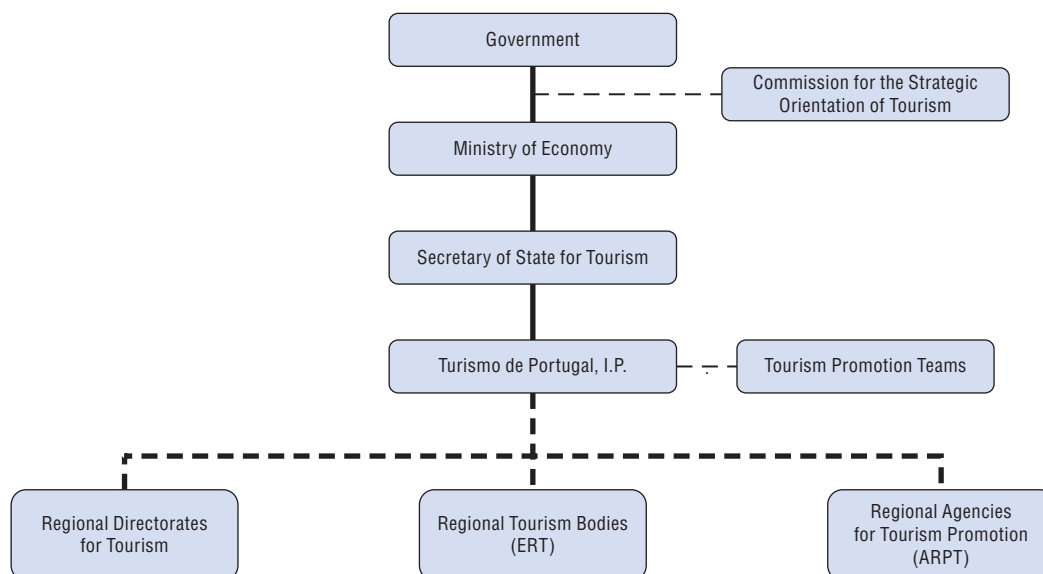
domestic marketing and product development in close co-operation with Turismo de Portugal with whom they have a contractual relationship. In addition to these bodies, there are two Regional Directorates for Tourism in the autonomous regions of Madeira and the Azores.

There are also seven Regional Tourism Promotion Agencies (ARPTs) which are non-profit, private associations which bring together the ERTs and private companies. They engage in international marketing in co-ordination with Turismo de Portugal, with whom they have a contractual relationship. Turismo de Portugal and its partners ensure that marketing plans and campaigns supported by public and private funding are in alignment with the national strategy.

The total budget of Turismo de Portugal is EUR 252.4 million in 2015, of which 38.6% is derived from dedicated taxes on gambling, 36.3% from the European Union Structural Funds and 25.1% from other public funding.

The promotional budget is around EUR 47 million and includes expenditure on promotion at national and international level, as well as the co-financing of regional promotion abroad (ARPTs), to which private companies and regional tourism bodies also contribute.

Portugal: Organisational chart of tourism bodies



Source: OECD, adapted from Turismo de Portugal, 2016.

Tourism policies and programmes

Portugal is currently revising its *National Tourism Strategy* for the period 2016-20. Issues covered include: accreditation of destinations and products; preservation of natural and cultural resources; and competitiveness of tourism businesses. Regarding the latter, the priority is to promote access to finance, entrepreneurship and innovation. Other key concerns for the industry include strategic skills and skills for ICT, quality and the digital economy, and the development of a more competitive business environment with less red tape.

One of Portugal's main challenges is connectivity. Raising awareness of, and conducting research on, the relationship between tourism and transport policies is a priority, namely

for air transport. Given the growth of tourism in emerging markets, the development of new air routes is part of this challenge.

Policy priorities include the competitiveness of the tourism industry and promotion of sustainable and inclusive growth, based on the distinctive attributes of the country, and support for local quality of life. Adaptation to a competitive and changing environment is key. In this context, knowledge management, innovation and entrepreneurship and the digitalisation of the tourism economy assume great importance. This is being assisted through a range of measures to support business.

Another priority is industry enablement, namely by empowering companies, employees and other actors with the required skills to compete in the global market. Promotion and marketing are also highlighted in the National Tourism Strategy with the following priorities:

- Focus on digital marketing strategies (online and mobile channels),
- Strengthen international tourism promotion, through digital media campaigns, trade marketing actions and initiatives of economic diplomacy,
- Focus on the domestic market,
- Promote events, focusing on those that offer authentic and innovative experiences.

A further priority is to promote co-operation in the sector, as a condition for long term competitiveness.

Business support initiatives in Portugal

Turismo de Portugal is developing a new framework to support tourism start-ups, offering intervention when external experience and operational capacity can make a difference. This framework involves the following goals and related initiatives:

- To develop a more innovative and entrepreneurial culture in the travel sector by using the potential of the Portuguese network of tourism and hospitality schools.
- To work closely in partnership with accelerators and incubators in order to foster innovation and entrepreneurship in the tourism industry.
- To help fund and attract private investment to new tourism businesses. Turismo de Portugal is a financing agency with a network of partners in this field – banks, venture capitalists, Business Angels – and also manages the European Union funds.

The *Recreational Services Initiative* is a Government reform designed to foster job creation in the tourism sector post 2009. A *National Register of Recreational Agents* was established in 2009. Reforming legislation in 2013 simplified procedures to facilitate market access for these service providers with new innovative ideas. New measures included the reduction or abolition of taxes, licenses and other requirements that posed constraints to competition and innovation. The new legal system allowed the emergence of a wide range of recreational services responsible for generating new tourism products, facilities and amenities that catered for new consumers and the dissemination of these innovative solutions. Given the simplification in the registration process, business creation and employment have grown exponentially in this field, from 520 registered companies in 2009 to over 2 100 recorded in 2014.

Source: OECD, adapted from Turismo de Portugal, 2016.

Statistical profile

Table 1. Portugal: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	6 705	6 581	6 161	6 071	6 780
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	13 783	13 437	12 424	12 210	13 777
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	6 832	7 412	7 685	8 301	9 277
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
United Kingdom	1 111	1 244	1 293	1 393	1 559
Spain	1 376	1 378	1 216	1 258	1 443
France	575	659	740	834	1 000
Germany	729	740	809	903	977
Netherlands	352	388	408	431	427
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	23 608	26 004	27 257	29 360	32 095
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	1 609	1 464	1 531	1 490	1 628
Same-day visitors (excursionists)
Top destinations					
..
..
..
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..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	9 858	10 679	11 393	12 210	13 383
International travel receipts	7 601	8 146	8 606	9 250	10 394
International passenger transport receipts	2 257	2 534	2 787	2 960	2 989
Outbound tourism					
Total international expenditure	3 549	3 554	3 499	3 748	4 057
International travel expenditure	2 953	2 974	2 946	3 120	3 318
International passenger transport expenditure	596	580	553	628	739

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320405>

Table 2. **Portugal: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	96 012 p	346 107	343 089	324 970	317 775 p	..
Accommodation services for visitors	7 630 p	54 019	56 435	54 128	53 327 p	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	74 664 p	235 299	230 390	216 327	211 199 p	..
Passenger transport	11 267 p	46 824	46 495	44 940	43 935 p	..
Air passenger transport	60 p	10 770	10 672	10 495	10 530 p	..
Railways passenger transport	2 p	..	..	..	..	..
Road passenger transport	11 073 p	35 498	35 261	34 085	33 405 p	..
Water passenger transport	132 p	556	562	360	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	2 451 p	9 965	9 769	9 575	9 314 p	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available; p Provisional data

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1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320419>Table 3. **Portugal: Internal tourism consumption**


Million EUR

	2008		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	6 126	8 847	14 973
Tourism characteristic products	5 648	6 766	12 414
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 industry	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	448	29	477
Other consumption products	478	2 081	2 559
Tourism connected products	122	995	1 117
Non-tourism related consumption products	356	1 086	1 442
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320420>

Slovak Republic

Tourism in the economy

In 2014, international travel receipts in the Slovak Republic reached EUR 1 941 million, up 0.8% on the previous year. This amounts to a contribution of 2.6% of GDP and 31.8% of exports of services.

Expenditure by Slovak citizens travelling abroad in 2014 totalled EUR 1 860 million, 4.4% more than in 2013. The surplus in the balance of payments in international travel declined but remained slightly positive at EUR 80.8 million in 2014.

The total number of domestic and international tourists decreased by 7.9% in 2014 to 3.7 million, of whom more than 1.4 million came from abroad. In total, Slovakia recorded 11 million overnights in 2014. The five leading international markets are the Czech Republic, Poland, Germany, Austria and Hungary, which together accounted for 58% of international arrivals in 2014.

In total, 20 471 enterprises provided accommodation and food services in 2014, 2% more than in 2013. Of these, 3 318 provided accommodation services offering 61 104 rooms with 156 053 beds. The number of employees in accommodation and catering establishments was 119 200 in 2014, about 5% of the total employed workforce.

Tourism governance and funding

Since 2010, responsibility for tourism has rested with the Ministry of Transport, Construction and Regional Development. 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. Responsibilities include mainly: preparation of legislative regulations, strategy formulation, implementation of the Tourism Support Act and processing statistical data.

The Slovak Tourism Board (STB) is a government-funded agency responsible for promoting the Slovak Republic as a tourism destination and providing information on travel opportunities. It has nine national branch offices and six international offices located in Austria, the Czech Republic, Germany, Hungary, Poland and the Russian Federation.

The Slovak Convention Bureau was established in 2010 to promote Slovakia as a conference destination. It is an affiliate association of STB and works in partnership with key service providers in the Meetings, Incentives, Convention and Events segment (MICE).

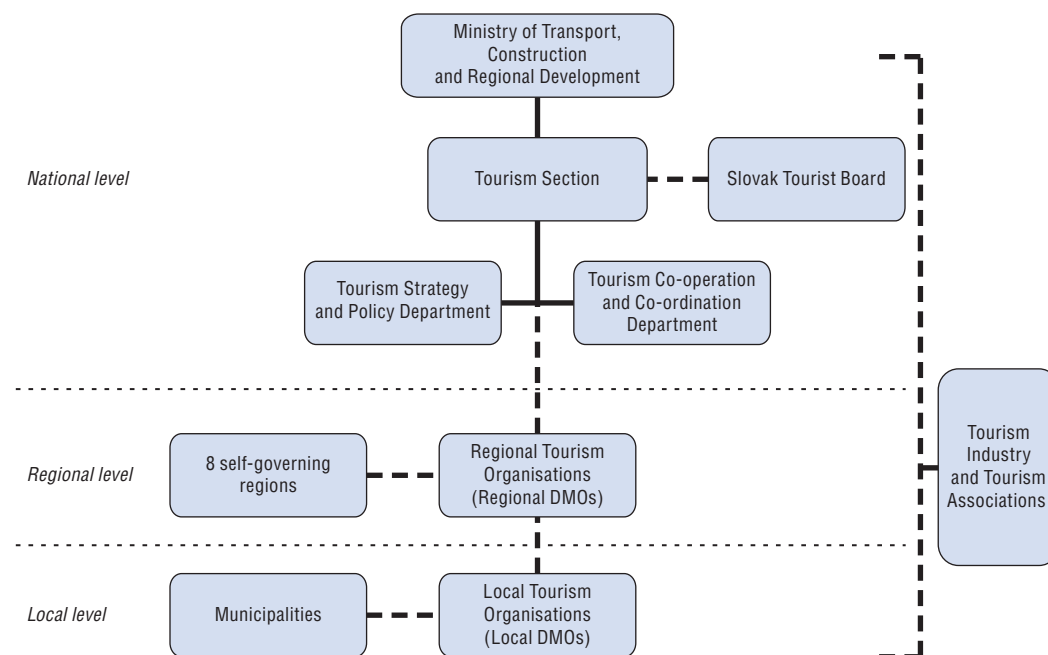
At the regional level, tourism responsibilities were devolved in 2001 to self-governing bodies in the eight regions. Local governments in municipalities and towns also play an important role in the development of tourism in their areas.

Tourism associations contribute at local and regional levels, primarily in the fields of quality improvement, professional training, the application of quality standards and the communication of best practices.

Representatives of the seven most important nationwide tourism associations founded the Slovak Tourism Association in 2011 as a voluntary, non-political organisation of employers in tourism. The Association is seeking greater co-ordination in the sector, involvement in legislative changes and more intense co-operation with STB in promoting Slovakia and supporting domestic tourism. The founding members are the Association of Hotels and Restaurants, the Association of Tour Operators and Travel Agents, the Bratislava Hotel Association, LAVEX – cableways and ski lifts, the Historical Hotels of Slovakia, the Slovak Association of Rural Tourism and Agri Tourism and the Slovak Tourist Guides Association.

The Ministerial budget for tourism was EUR 3.8 million in 2014, of which EUR 45 000 represented the budget of the tourism section and EUR 3.7 million was distributed in the form of subsidies to the local and regional tourism organisations. In addition, the budget of the Slovak Tourist Board was EUR 5.5 million.

Slovak Republic: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Transport, Construction and Regional Development, 2016.

Tourism policies and programmes

In its 2012-16 Manifesto, the Government committed to fostering the competitiveness of tourism and using its potential to eliminate regional disparities and create new jobs. To achieve this goal, it is necessary to:

- Reform the management and co-ordination of activities related to the development of tourism at all levels,
- Develop a new strategy to revive tourism, increasing quality and competitiveness,

- Further exploit the tourism potential of the Slovak Republic,
- Improve effectiveness and transparency in the use of public resources for the support of tourism, including more effective use of the European Union funds,
- Foster the development of air transport as an essential component of the tourism industry.

To this end, in 2013 the Government approved the Tourism Development Strategy to 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. The Slovak Tourist Board has also drawn up a new marketing strategy for this period.

A number of key programmes have been initiated to address some of the key challenges.

- Implementation of a destination management approach to tourism development through the Act on Support of Tourism. In October 2011, the Slovak Parliament approved an amendment to the Act on Support of Tourism to facilitate the creation and operation of local and regional tourism organisations that will be responsible for the development of tourism within their defined territories. These voluntary public-private partnerships are funded by membership fees and matching subsidies from the national budget. In 2014, the Ministry provided EUR 3.7 million to 33 tourism organisations, of which 29 were local and 4 regional, for product development, media campaigns, building and maintaining tourist infrastructure.
- Establishment of a voluntary national quality system for tourism services, to help increase the competitiveness of this sector.
- Approval of the National Strategy of Development of Cycling Transport and Cycle Touring in the Slovak Republic 2013-20.
- Introduction of a competition to encourage tourism innovation and promote positive change in tourism development. Twelve Slovak entrepreneurs participated in the first competition in 2014.
- Launch of a National System of Qualifications (NSQ) in 2014, with the aim of increasing the competitiveness of Slovakia's economy. Sectoral councils have been created including one for trade, marketing, gastronomy and tourism. The NSQ will be a publicly accessible register containing a description of qualifications required for work activities within each profession. The launch of the register is expected by the end of 2015.
- Signing of a co-operation agreement by the Ministry and the Statistical Office of the Slovak Republic to improve statistics relating to inbound tourism and establish Tourism Satellite Accounts. The Ministry financially supports the Statistical Office in this work.

Slovakia is party to the Carpathian Convention and its 2011 Protocol on Sustainable Tourism and 2014 Strategy for Sustainable Tourism Development of the Carpathians. The main goal of the Carpathian Strategy is to make the Carpathians an active competitive tourism destination. Implementation of the Strategy will bring new sustainable tourism products and improved services in accordance with the protection of natural and cultural values.

Statistical profile

Table 1. Slovak Republic: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	10 433	11 928	10 123	..	..
Overnight visitors (tourists)	5 382	5 912	4 789	..	..
Same-day visitors (excursionists)	5 051	6 016	5 334	..	..
Nights in all types of accommodation	19 484	21 401	20 127	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	5 723	7 785	8 272	8 486	..
Overnight visitors (tourists)	1 327	1 460	1 528	1 670	1 475
Same-day visitors (excursionists)	4 396	6 325	6 744	6 816 p	..
Top markets					
Czech Republic	433	477	491	493	437
Poland	162	172	164	168	158
Germany	132	133	136	154	138
Austria	52	59	66	74	67
Hungary	51	59	60	69	58
Nights in all types of accommodation	3 807	4 039	4 101	4 340	3 904
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	4 949	6 119	4 568	..	..
Overnight visitors (tourists)	3 066	3 583	2 880	..	..
Same-day visitors (excursionists)	1 883	2 537	1 689	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	1 767	1 805	1 846	1 983	2 002
International travel receipts	1 685	1 745	1 789	1 925	1 941
International passenger transport receipts	83	61	57	58	62
Outbound tourism					
Total international expenditure	1 677	1 817	1 818	1 934	2 018
International travel expenditure	1 471	1 567	1 666	1 782	1 860
International passenger transport expenditure	207	250	151	152	158

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320430>


Table 2. **Slovak Republic: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2012	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	26 436	114 574	125 421	131 893	..	..
Accommodation services for visitors	2 892	12 934	14 814	13 987	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	12 546	51 177	57 470	64 053	..	..
Passenger transport	3 327	23 784	24 926	25 023	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	702	1 395	942	1 483	..	..
Travel agencies and other reservation services industry	1 311	3 329	3 151	3 093	..	..
Cultural industry	1 572	9 073	10 012	8 973	..	..
Sports and recreation industry	4 086	12 882	14 106	15 281	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320441>Table 3. **Slovak Republic: Internal tourism consumption**


Million EUR

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	..	..	..
Tourism characteristic products	1 900	2 125	4 025
Accommodation services for visitors	250	293	542
Food and beverage serving services	235	411	646
Passenger transport services	479	395	874
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	55	21	76
Travel agencies and other reservation services industry	93	5	98
Cultural services	38	11	49
Sports and recreation services	128	54	182
Country-specific tourism characteristic goods	525	898	1 424
Country-specific tourism characteristic services	97	38	135
Other consumption products	..	..	..
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320456>

Slovenia

Tourism in the economy

Tourism GDP in Slovenia amounted to EUR 1.7 billion in 2009, representing 4.9% of total GDP. If direct and indirect tourism consumption are taken together, they contributed EUR 3.0 billion, representing 8.5% of total GDP.

In 2014, international travel receipts reached EUR 2.1 billion, accounting for more than one third of all exports of services. The surplus of trade in travel services dropped slightly in 2014 to EUR 1.3 billion.

There were more than 3.5 million overnight visitors in Slovenia in 2014, an increase of 4.1% from 2013. Of this figure, international tourists represented 68.4% of the total. Italy, Austria, Germany, Croatia and Serbia were the largest source markets, accounting for 48% of arrivals from abroad and 33% of total overnight visitors. In 2014, 9.6 million nights were registered in all means of accommodation, of which 63.5% were by international tourists. International travel receipts totalled EUR 2.1 billion in 2014, an increase of 0.8% on 2013. Tourism exports represented 37% of total exports of services. In 2014 domestic overnight visitors totalled 1.1 million (1% fewer than in 2013), spending 3.5 million nights in all means of accommodation (3.3% fewer).

The domestic population undertook 2.6 million overnight outbound trips in 2014, with international travel expenditure increasing to EUR 732 million, up from EUR 695 million in 2013.

There were 9 426 employees in the accommodation services for visitors in 2014, and 21 651 employees in the food and beverage serving industry. Total tourism employment directly accounted for 6.1% of total employment in Slovenia.

Tourism governance and funding

The Ministry of Economic Development and Technology (MEDT) is the main governmental body responsible for producing and implementing national tourism policy as part of overall economic policy. Given the cross-cutting nature of tourism, it is regulated by a number of national laws requiring permanent cross-sectoral co-ordination. The legislation requires the adoption and implementation of a Tourism Strategy for a five-year period.

The promotion of Slovenia as a tourism destination and the corresponding marketing activities are the responsibility of the public agency SPIRIT Slovenia. The tourism division at SPIRIT Slovenia acts as the National Tourist Board. It operates six offices in Europe and works with promotional offices worldwide.

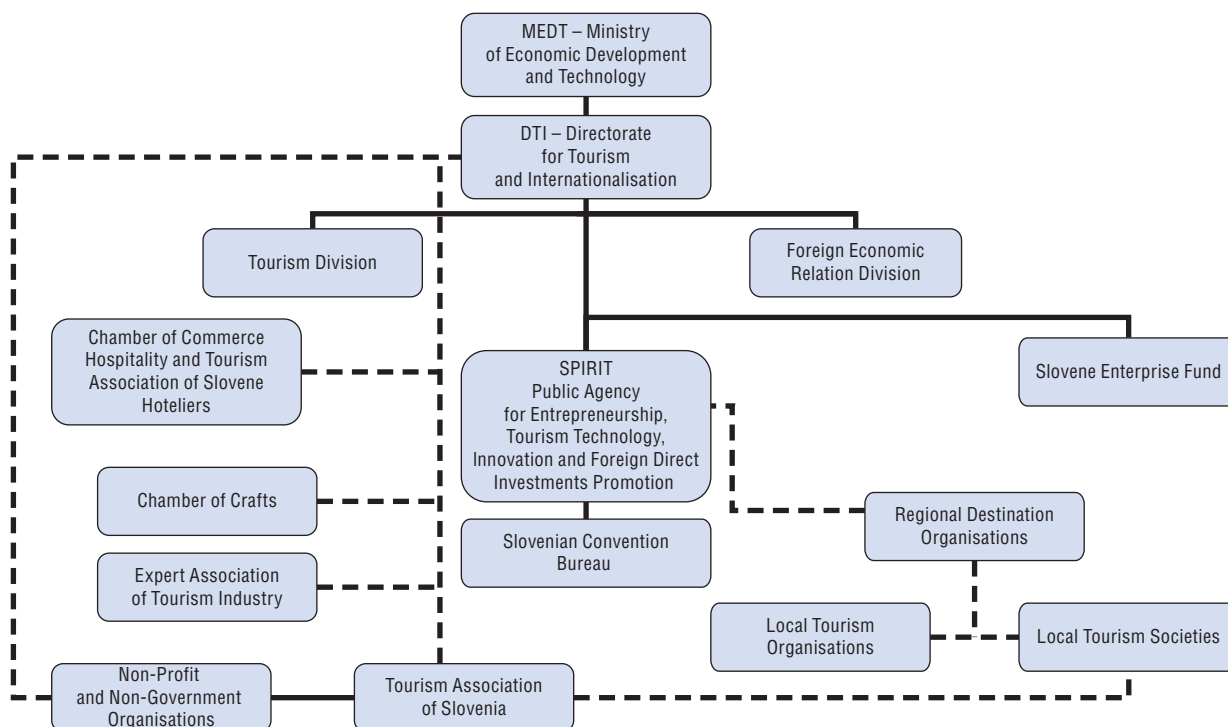
Tourism development at regional level is undertaken by 12 Regional Development Agencies which are responsible to the Regional Councils comprised of Mayors of local communities. Regional tourism development has to be managed according to national

legislation and the national development objectives of Slovene tourism, which include some specific regional development objectives. The MEDT has sought the establishment of Regional Destination Organisations (RDOs) with the aim of achieving better integration of local tourism destinations in the 12 regions. With the support of the national tourism budget and the European Regional Development Funds, 12 RDOs have been funded since 2010 with specific development and marketing programmes and destination brands.

At the local level, each mayor and community council is responsible for tourism development according to the national legislation and national strategic objectives. The locally collected tourist accommodation tax goes directly to the community budget. It is the main financial source for local tourism development and has to be used for this purpose, including the construction of information centres, trails, parks, sports facilities along with local marketing activities.

The National budget for the promotion and development of tourism has remained relatively stable between 2010 and 2015, at just under EUR 10 million. This figure is forecast to increase to just under EUR 15 million by 2017.

Slovenia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Transport, Construction and Regional Development, 2016.

Tourism policies and programmes

Slovenia's current tourism strategy, Partnership for the Sustainable Development of Slovenian Tourism 2012-16, has three objectives:

- Increasing competitiveness by further development and promotion of tourism destinations at the regional and local level, encouraging SME networking to produce efficient and competitive tourist products, improving employee qualifications and skills, encouraging innovation and diversification, and promoting investment 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 towards 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.

Under the first objective, Slovenia promotes and stimulates the introduction of the European Union Flower ecolabel for tourism accommodation. In 2014, SPIRIT Slovenia started work on the establishment of a green scheme for Slovenian tourism destinations – Slovenia Green. In addition, traditional Slovene restaurants that satisfy strict criteria can gain the Gostilna Slovenia Quality Label Award. Standards include: traditional local architecture and ambience, local/regional food with an emphasis on organic food, traditional music and folklore etc. The project was initiated by the tourism administration and implemented by the hospitality and tourism section at the Chamber of Crafts and Small Business of Slovenia. The scheme has been welcomed by industry and 41 awards have been made to date, with a further 10 restaurants being assessed.

The lack of an adequately skilled work force is a major problem. To improve this situation, the MEDT along with other Ministries, Chambers, educational and employment agencies organises workshops and media campaigns to support and promote skills in tourism and hospitality-related jobs with the aim of improving the overall competitiveness of the tourism sector.

Under the second objective, the National Development Programme 2015-16 includes a number of de-regulation measures that can contribute to a more competitive business and investment environment in Slovenia. These include: reducing administrative barriers in terms of taxes; speeding up the issue of construction licenses; reforming spatial planning; reinforcing activity in research and development; privatising state-owned enterprises; promoting the use of e-commerce and e-governance; and promoting the establishment of new SMEs.

Slovenia will continue with public support to SMEs, including those in tourism, through subsidies, favourable bank loans and state guarantees for loans taken, through the activities of the Slovene Enterprise Fund.

Under the third objective, SPIRIT Slovenia stimulates the diversification of tourist products by encouraging creativity amongst tourism providers through the Bank of Tourism Potentials which promotes the networking of ideas, annual awards for innovative tourism products, seminars, workshops and consultations for the tourism industry. SPIRIT Slovenia has introduced state-of-the-art marketing tools and ICT systems to help promote tourism more efficiently and supports research and development in Slovenian tourism.

The priority in marketing policy is to improve promotion of the most distinctive national products and to increase the visibility of Slovenia in priority markets. The current marketing campaign is “Slovenia Green, Active, and Healthy”. This is supported by a new creative approach.

The current five-year tourism strategy expires in 2016. Analysis of achievements is underway and there are concerns. Slovenia has slipped down the rankings of the *WEF Travel and Tourism Competitiveness Index* which suggests the need for a new approach over the new 10-year programming period. Expectations in the tourism industry are higher

owing to the current signs of economic recovery in Slovenia and the renewal of legislation in areas where there are obstacles to tourism development.

In parallel, there is improved co-ordination between MEDT and the Ministry of Transport in all matters that impact on tourism. MEDT also co-operates closely with the Ministry for Foreign Affairs on visa procedures and facilitation. There is now an outsourcing policy in India and the Russian Federation which means tourists can now apply for visas in numerous offices of the outsourcing partners. Additionally, in 2014 Slovenia signed the Ministers Conclusions of the meeting of the European Union Mediterranean member states on “Facilitating Tourism to the Mediterranean through the EU’s Visa Policy”. Slovenia considers these Conclusions as offering a helpful new direction on how the European Union facilitates visa procedures for tourists from visa mandatory countries to the Mediterranean Basin.

MEDT also consults regularly with the Ministry for Environment and Special Planning on areas that impact on tourism performance: long-term conservation and protection of natural resources and protected areas; air and water quality regulations; spatial planning including environmental impact assessments; and environmental capacity assessments of all investment projects in tourism.

Storytelling based tourism marketing campaign by SPIRIT Slovenia

Slovenian tourism policy over the last two years has focused on sustainable development of natural, cultural, social and human resources. The priority has changed from the development of new accommodation and recreational facilities to the promotion and marketing of the national and tourism brand, “I feel Slovenia”, and presenting itself as a green, active and healthy tourist destination. To this end, in 2014 SPIRIT Slovenia launched the Storytelling Project, a tourism marketing campaign featuring the country’s wealth of ancient myths, legends and fairy tales. The aim of this innovative marketing campaign is to replace traditional one-way communication with tourism consumers using uninspiring advertising slogans and traditional marketing tools with an interactive story-telling tool that adds value to local tourism products and strengthens the tourism brand “I feel Slovenia”.

Statistical profile

Table 1. Slovenia: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	1 137	1 181	1 142	1 126	1 113
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	3 909	3 924	3 733	3 617	3 500
Hotels and similar establishments	2 138	2 179	2 046	1 973	1 945
Specialised establishments	..	..	..	..	..
Other collective establishments	1 640	1 613	1 553	1 497	1 413
Private accommodation	132	132	135	148	142
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	1 869	2 037	2 156	2 259	2 411
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Italy	412	420	414	414	443
Austria	202	222	240	243	266
Germany	194	219	238	243	251
Croatia	103	110	114	119	120
Serbia	76	81	78	81	82
Nights in all types of accommodation	4 997	5 464	5 777	5 962	6 090
Hotels and similar establishments	3 715	4 006	4 150	4 202	4 294
Specialised establishments	..	..	..	..	..
Other collective establishments	1 015	1 157	1 274	1 342	1 332
Private accommodation	267	301	354	418	464
Outbound tourism					
Total international departures	5 340	5 073	4 465	4 440	4 672
Overnight visitors (tourists)	2 874	2 722	2 474	2 612	2 642
Same-day visitors (excursionists)	2 466	2 351	1 991	1 828	2 030
Top destinations					
Croatia	1 545	1 549	1 351	1 449	1 494
Austria	150	152	132	203	162
Italy	195	158	152	170	157
Bosnia and Herzegovina	144	105	128	143	129
Germany	127	115	121	91	117
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	2 062	2 117	2 138	2 181	2 215
International travel receipts	1 925	1 975	2 008	2 039	2 057
International passenger transport receipts	137	142	130	141	158
Outbound tourism					
Total international expenditure	1 046	941	846	802	851
International travel expenditure	923	817	730	695	732
International passenger transport expenditure	123	124	116	107	119

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320469>

Table 2. **Slovenia: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	15 134	52 301	49 414	48 402	47 433	48 749
Accommodation services for visitors	2 264	10 403	10 252	10 064	9 567	9 426
Hotels and similar establishments	423	9 177	9 052	8 899	8 404	8 268
Food and beverage serving industry	8 160	21 767	21 755	20 996	20 727	21 651
Passenger transport	1 206	.. c	.. c	.. c	4 805	.. c
Air passenger transport	67	576	593	533	503	539
Railways passenger transport	1	.. c	.. c	.. c	.. c	.. c
Road passenger transport	1 081	3 771	3 686	3 682	3 621	3 798
Water passenger transport	57	.. c	.. c	.. c	.. c	.. c
Passenger transport supporting services	314	5 492	2 815	2 807	2 812	2 889
Transport equipment rental	172	.. c	.. c	.. c	235	.. c
Travel agencies and other reservation services industry	813	1 783	1 743	1 847	1 801	1 809
Cultural industry	1 679	3 933	4 100	4 137	4 222	4 400
Sports and recreation industry	526	3 646	3 541	3 399	3 264	3 251
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available; c Confidential data

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1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320472>Table 3. **Slovenia: Internal tourism consumption**


Million EUR

	2009		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	1 163	2 099	3 262
Tourism characteristic products	810	964	1 774
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 industry	78	16	94
Cultural services	48	14	62
Sports and recreation services	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

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320481>

Spain

Tourism in the economy

Tourism is a key economic sector in Spain and contributes around 11% of GDP to the national economy – this is estimated to rise to 15.2% if indirect impacts are also included (WTTC). Tourism is also an important source of jobs, with 2.2 million people employed in tourism industries or 12.7% of total employment.

Low oil prices and the euro-dollar exchange rate have impacted Spanish competitiveness and inbound tourism. Spain registered a record of 64.9 million international tourist arrivals in 2014 (an increase of 7.1% on 2013), generating an estimated EUR 49.1 billion for the Spanish economy in international travel receipts (up 4.2%). Growth was recorded in each of the main source markets: the United Kingdom (4.7%), France (11.3%), Germany (3.5%) and Italy (14.6%).

Over 139.6 million domestic overnight trips were recorded in 2014, down 3.4% on the previous year. Domestic travel receipts fell by a similar magnitude to reach EUR 19.8 billion.

Tourism governance and funding

National responsibility for tourism lies with the Ministry of Industry, Energy and Tourism through the State Secretariat for Tourism. The State Secretariat is responsible for 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 Secretariat for Tourism co-ordinates three entities at national level: Turespaña, Paradores de Turismo S.A. and SEGITTUR (*Sociedad Estatal para la Gestión de la Innovación y las Tecnologías Turísticas*).

Turespaña is an autonomous body attached to the Ministry, carrying out its activity abroad through the network of Spanish Tourism Offices supported by Spain's embassies and consulates. Its remit includes:

- Tourism promotion in international markets in collaboration with the regional authorities (*Comunidades Autónomas*), local authorities and the private sector,
- Drawing up tourism policy in collaboration with other state organisations, public authorities and the private sector,
- Supporting Spanish tourism firms abroad and also expediting international tourism co-operation and relations,
- Analysing and disseminating knowledge and intelligence for the tourism economy,
- Drawing up plans and programmes to foster innovation, quality, sustainability and competitiveness of tourism products and destinations,

- Driving the modernisation of the tourism sector, improving its technological capacity and enhancing the effectiveness and efficiency of management processes,
- Strategy and investment for the Paradores de Turismo.

Paradores de Turismo S.A., a public corporation established as such in 1991 but whose origins dates back to 1930, runs the state-owned hotel network. There are now 94 establishments, employing 3 500 people, most of which are located in historic sites and other interesting natural areas.

SEGITTUR is a state-owned company responsible for promoting research and development for innovation in the Spanish tourism industry, in both the public and private sectors.

The main co-ordination instruments between public and private tourism stakeholders are the:

- Inter-Ministerial Committee for Tourism (*Comisión Interministerial de Turismo*) whose members represent those national ministries that have responsibility for tourism-related matters,
- Sectoral Tourism Conference (*Conferencia Sectorial de Turismo*) which brings together public representatives from central government and the autonomous regions with tourism responsibilities,
- Spanish Tourism Council (*Consejo Español de Turismo*) 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,
- Advisory Council of Turespaña (*Consejo Asesor de Turespaña*), established in 2013 to enhance collaboration with the private sector. It comprises 11 members, 5 of which come from the private sector.

The 17 autonomous regions are responsible for the promotion and regulation of tourism within their own territories. Local entities (provinces and municipalities) manage their own tourism interests, mainly in terms of promotion and dissemination of information.

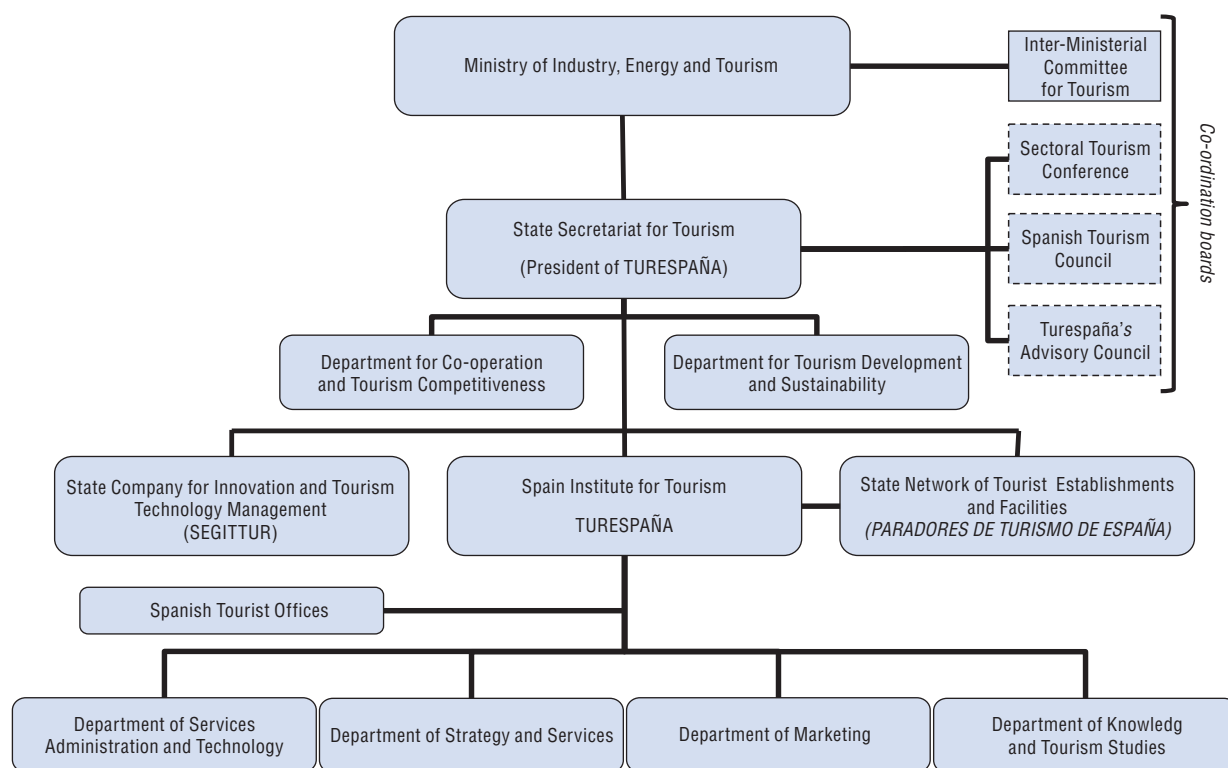
Total resources allocated to tourism at State level in 2015 is EUR 323.72 million, a 2.18% increase over 2014, but significantly less than in 2011. This includes EUR 236 million to the Secretariat for Tourism and EUR 85 million to Turespaña. The main source of funding is the General Budget of the State. At state level there are no specific touristic taxes. Turespaña gets about 20% of its income resources from its commercial activity. The Secretariat for Tourism is responsible for a special EUR 220 million fund, not included in the General Budget, to provide loans for the modernisation of tourism destinations.

In addition, a very important share of tourism expenditure comes from the 17 Autonomous Communities and their own budgets.

Tourism policies and programmes

The scale and diversity of existing tourism legislation is a significant hindrance. The Secretariat for Tourism has analysed the tourism laws of the 17 regional authorities, 2 Spanish cities in the coast of North Africa and 17 activity subsectors. Over the last two years there has been progress in the development of a national strategy to support harmonisation of the different regional regulations.

Spain: Organisational chart of the tourism bodies



Source: OECD, adapted from Ministry of Industry, Energy and Tourism, 2016.

The current issues for tourism are the sustainable use of natural resources (environmental, economic and social) and the need for planning and management in public tourism policies. Other key issues are seasonality and geographical diversification, away from the coast and towards higher spending markets. Spain has a wide range of relevant products including niche areas such as rural and urban tourism, gastronomy, shopping and health tourism. There is a rural tourism promotion plan for 2014, which is already giving results, and a Plan for Shopping Tourism focused on Asian markets. A new health tourism cluster has been created, with the combined efforts of different ministries and the private sector in international promotion. Other areas of diversification include: golf tourism, ecotourism and religious tourism.

Policy priority areas are defined in the National and Integral Tourism Plan 2012-15 (PNIT) which lays down a series of objectives for the Spanish tourism sector:

- Boost tourism activity and profitability,
- Generate quality employment,
- Encourage market unity,
- Improve international ranking,
- Enhance the cohesion and renown of brand “Spain”,
- Favour public-private co-responsibility.
- Address the seasonality of tourism.

These objectives will be accompanied by three instruments: boosting knowledge, entrepreneurship and training; improving tourism supply; and diversifying demand.

Emphasis is placed on strengthening the Spanish brand, and using the tourism brand as a lever to improve the overall country brand, helping to generate confidence for investing in, and trading with, Spain.

Emphasis is also placed on customer satisfaction. A loyalty programme has been created along with initiatives addressing airport fees and the red tape associated with the tourism visa process.

Policies also support the repositioning of mature destinations, with credit facilities for renewing tourism infrastructure, customer experience management, standardisation of accommodation rating and categorisation, bringing out the importance of Spain's cultural and natural heritage, wine and cuisine and innovation in destination management with the design of Smart Destinations and Smart Cities specially supported by SEGITTUR.

In order to disseminate improved knowledge and information about the sector, there is a new approach to national tourism statistics under the National Institute of Statistics, creating synergies and reducing costs and allowing Turespaña to prioritise information analysis.

To capitalise on talent and entrepreneurship, new financial instruments have been developed to facilitate access by SMEs to money for Research, Development and Innovation (R+D+I) projects and the development of innovative products. Credit lines for young entrepreneurs seek to facilitate innovative business models, to improve competitiveness in the sector and support the incorporation of young entrepreneurs and their projects.

Statistical profile

Table 1. Spain: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	354 425	347 695	372 811	398 423	462 761
Overnight visitors (tourists)	145 477	147 408	148 369	144 527	139 615
Same-day visitors (excursionists)	208 947	200 287	224 442	253 896	323 146
Nights in all types of accommodation	636 415	649 479	647 931	657 780	621 835
Hotels and similar establishments	107 291	111 755	98 985	97 100	95 568
Specialised establishments	..	..	..	..	..
Other collective establishments	46 718	49 551	45 341	42 911	41 577
Private accommodation	482 406	488 173	503 604	517 770	484 690
Inbound tourism					
Total international arrivals	93 744	99 187	98 128	103 231	107 614
Overnight visitors (tourists)	52 677	56 177	57 464	60 675	64 995
Same-day visitors (excursionists)	41 067	43 010	40 664	42 555	42 619
Top markets					
United Kingdom	12 440	13 615	13 624	14 334	15 007
France	8 125	8 375	8 913	9 539	10 616
Germany	8 814	8 975	9 319	9 857	10 422
Nordic countries	3 574	3 898	4 168	4 875	5 045
Italy	3 490	3 765	3 538	3 225	3 698
Nights in all types of accommodation	501 684	516 477	511 424	542 631	576 069
Hotels and similar establishments	227 292	247 402	251 822	267 359	279 696
Specialised establishments	..	..	..	..	..
Other collective establishments	42 348	35 668	29 307	31 141	34 859
Private accommodation	232 044	233 406	230 295	244 132	261 514
Outbound tourism					
Total international departures	14 254	15 944	14 916	13 434	13 952
Overnight visitors (tourists)	12 379	13 347	12 422	11 246	11 783
Same-day visitors (excursionists)	1 875	2 597	2 494	2 188	2 169
Top destinations					
Morocco	12 604	11 926	10 833	13 227	13 246
France	12 959	14 257	13 426	11 621	12 638
Italy	9 275	11 225	8 285	7 593	8 694
Portugal	7 612	8 530	6 939	6 941	8 366
United Kingdom	7 450	8 641	6 947	6 679	6 494
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	..	..	..	..	..
International travel receipts	41 218	44 712	45 268 p	47 110 p	49 067 p
International passenger transport receipts	.. c	.. c	.. c	.. c	.. c
Outbound tourism					
Total international expenditure	..	..	..	..	..
International travel expenditure	12 787	12 492	12 012 p	12 360 p	13 679 p
International passenger transport expenditure	.. c	.. c	.. c	.. c	.. c

.. Not available; c Confidential data; p Provisional data

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320524>


Table 2. **Spain: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	633 992	2 152 044	2 160 902	2 077 025	2 083 544	2 203 044
Accommodation services for visitors	177 947	325 563	360 751	320 424	313 190	321 742
Hotels and similar establishments	14 805	294 438	320 012	282 136	276 159	281 373
Food and beverage serving industry	265 366	1 057 623	1 040 288	1 016 518	1 019 399	1 082 036
Passenger transport	63 838	280 767	273 173	257 890	257 342	267 550
Air passenger transport	245	51 413	45 639	35 808	39 516	41 501
Railways passenger transport	59	27 652	24 648	27 739	26 692	24 614
Road passenger transport	63 149	197 426	197 294	188 224	185 334	191 924
Water passenger transport	385	4 275	5 591	6 118	5 799	9 512
Passenger transport supporting services	24 090	..	..	..	..	..
Transport equipment rental	6 495	165 370	174 365	161 740	170 216	178 068
Travel agencies and other reservation services industry	15 812	55 692	53 719	54 354	55 724	62 144
Cultural industry	30 895	99 622	92 065	93 090	89 369	96 630
Sports and recreation industry	49 549	167 406	166 541	173 008	178 305	194 874
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320536>Table 3. **Spain: Internal tourism consumption**


Million EUR

	2008		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	53 923	51 736	120 889
Tourism characteristic products	42 616	34 790	91 013
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 industry	3 384	418	6 043
Cultural services	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

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320547>

Sweden

Tourism in the economy

In 2014 Sweden's GDP was SEK 3 907 billion. Tourism's share of GDP is 2.8%, and has been growing steadily for the last ten years and is an important contributor to the economy and the labour market in Sweden.

Tourism generates significant revenues. In 2014 the total tourism turnover amounted to SEK 268.5 billion, an increase of 79% at nominal prices since 2000. The value of domestic tourism in 2014 amounted to SEK 172 billion. Of this figure, SEK 125 billion was generated from the leisure segment and SEK 47 billion from the business segment.

Tourism's contribution to employment is also growing in importance. In 2014, the average number of employees in tourism was 159 000, an increase of 22% since 2000, compared to 10% growth in total employment over the same period. While employment in many traditional basic industries in Sweden has fallen, tourism has helped to create more jobs in a variety of service industries.

Tourism's total export value amounted to SEK 96.5 billion in 2014, an increase of 7.1% from 2013, with travel receipts accounting for SEK 87.1 billion of this figure, up 15.8%. While the value of Sweden's total exports have increased by 66% since 2000, tourism's export value during the corresponding period increased by 138%. This rapid growth in tourism's export value means that tourism's share of total exports increased during the period from 3.9% in 2000 to 5.5% in 2014.

The total number of international commercial guest nights in 2014 was 13.7 million, an increase of 6.7% from the previous year, and an increase of 14.9% from 2008.

The main markets by arrivals are Denmark and Norway, however, the main markets by visitor nights are Norway and Germany, with 3.3 million and 2.8 million commercial guest nights respectively, followed by Denmark with 1.1 million. The largest increase in nominal numbers occurred from the German and British markets. The largest percentage increase was from India and Spain. Russia and Denmark have declined.

Tourism governance and funding

The Swedish Agency for Economic and Regional Growth, Tillväxtverket, and VisitSweden AB are responsible for developing tourism at the national level and marketing Sweden as a tourist destination internationally. These organisations report to the Ministry of Enterprise and Innovation.

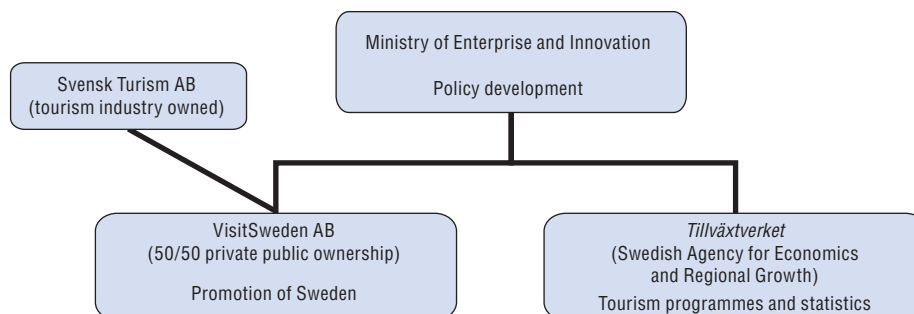
Tillväxtverket develops, implements and supports knowledge initiatives and activities to promote tourism industry development and entrepreneurship. It is responsible for official tourism statistics and the production and dissemination of knowledge about the development of tourism and its effects on the Swedish economy as well as co-ordinating

with other governmental agencies with responsibilities related to tourism. Tillväxtverket is based in Stockholm but has a regional structure handling issues related to structural funds.

VisitSweden AB is a company jointly owned by the Government and the Swedish tourism industry, represented by Svensk Turism AB. It promotes Sweden as a tourist destination abroad and has offices in several countries. VisitSweden prioritises marketing activities in twelve international markets: Norway, Denmark, Finland, Russia, Germany, the Netherlands, Great Britain, the United States, France, Spain, Italy and China.

The Swedish Association of Local Authorities and Regions (SALAR) is an umbrella organisation for local and regional authorities. In recent years, SALAR has increased its engagement in tourism through partnerships with the industry organisations. Formal links between the different administrative levels are limited, but there is a growing awareness among stakeholders at all levels – private, public and non-profit organisations – that both horizontal and vertical co-ordination is crucial for further development.

Sweden: Organisational chart of the tourism bodies



Source: OECD, adapted from the Ministry of Enterprise and Innovation, 2016.

The budget for tourism statistics and development is integrated in the budget for Tillväxtverket which totals around SEK 25 million, excluding the Sustainable Destination Development Programme 2012-15 which has had an annual governmental budget of SEK 20 million for the last three years. The budget for VisitSweden is about SEK 110 million. This sum is matched by industry for marketing campaigns. Resources for tourism projects are also allocated through regional and European Union funds.

There are no specific tourism taxes but in recent years there have been some changes in taxation relevant to tourism. VAT on restaurants and catering services was lowered from 25% to 12% in 2012 to help stimulate employment. Initial reports show that the reform has contributed to: an increase in employment with 4 000 full-time jobs, 2 335 new companies, consumer price decreases of around 4% and decreased administrative burden. There have also been changes to payroll tax for young people.

In 2009, the industry and labour organisations created the Research and Development Fund of the Swedish Tourism and Hospitality Industry to support research and innovation projects in the sector.

Tourism policies and programmes

The major challenges for Swedish tourism are connectivity and transport, profitability, destination and product development, seasonality, and sustainability.

Transport is crucial and at the same time challenging because of Sweden's large size and geographical location in northern Europe, combined with a rather small population.

The same variables make destination development and profitability particularly challenging in rural areas. When it comes to seasonality work is ongoing in practically all Swedish regions to extend the tourism season. A positive for Sweden is that a rapidly growing number of international visitors tend to naturally extend the short summer season, due in large part to later vacations and other holiday dates in other countries.

In the absence of a government-initiated national strategy for tourism, the industry through Svensk Turism launched a Strategy for Swedish Tourism in 2010 to promote destination development, marketing and industry co-ordination. The vision is to double overall tourism revenue to SEK 500 billion by 2020. Increased product and destination development is identified as a crucial component to reach this target.

To support this, the Government asked Tillväxtverket to conduct the Sustainable Destination Development Programme 2012-15 to develop sustainable destinations, increase SME competitiveness, and improve knowledge in how to develop attractive and functional destinations. The programme focuses on five pilot destinations with international potential. The conclusions and models of destination development will be further developed and communicated to the stakeholders in the industry. For example, a permanent tourism development and marketing partnership was established in the Stockholm Archipelago region and Vimmerby. On the west coast, 11 municipalities in Bohuslän have signed a co-operation agreement and established a quality assured tourism product development process that can be adopted by other destinations.

The Swedish Agency for Growth Policy Analysis is evaluating the programme, and a report from The Centre for Municipality Studies was launched by Tillväxtverket in 2015. The five destination projects are evaluated and described in the “EFQM Excellence Model”. The work will be completed in early 2016 and aims to draw comparable conclusions and construct working models in order to help other destinations to implement structured destination development.

Pilot destination approaches to sustainability will be separately evaluated with the overall goal to draw conclusions on which sustainability models and efforts seem to work best. One particular model that has been tested in the programme is “Swedish Welcome”.

As part of the Programme, Tillväxtverket has also worked with the Government Agency Co-ordination Group. Some 12-13 government agencies related to tourism participate and co-operate with each other and with representatives for the five destinations. Connectivity and transport, regulations connected to natural resources, and issues related to land owning are some of the areas that have been covered in the group. A further creative example of enhancing co-operation is given in the box.

A tour for Swedish tourism stakeholders to promote co-operation

During 2014 Svensk Turism evaluated the national strategy and the work done so far in the tourism industry. One conclusion was the importance and need of stronger co-operation between private and public stakeholders at all levels. As a result, a tour around Sweden has been initiated where national, regional and local authorities, industry organisations and tourism companies can meet, raise awareness of the potential of the tourism industry and discuss challenges and possibilities for further development of the industry.

Connect Sweden is an initiative formed in collaboration between the state owned airport group Swedavia, Visit Sweden, Stockholm Business Region Development and other regional authorities. The project was formed in 2013 with the purpose of strengthening Sweden's and Stockholm Arlanda Airport's role as an international air hub and aims to establish at least five new non-stop international air routes within a three year period.

In the budget proposition for 2016 the Swedish government proposes a system for “fast tracks to Swedish labour market” for recently arrived immigrants, after discussions between the government, employer organisations and unions. The first fast track agreed on in late September 2015 is for chefs, where there is a current shortage, and means that newly arrived immigrants may validate their professional chef/cooking skills in their own language where the validation is made by certified professional skills assessors.

Statistical profile

Table 1. Sweden: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	39 603	39 743	39 916	40 846	42 654
Hotels and similar establishments	25 795	26 129	26 587	27 044	28 374
Specialised establishments	..	..	..	..	..
Other collective establishments	13 808	13 614	13 329	13 801	14 280
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	19 405 p	20 011 p	18 803 p	19 945 p
Overnight visitors (tourists)	..	11 567 p	12 372 p	11 139 p	10 750 p
Same-day visitors (excursionists)	..	7 838 p	7 639 p	7 664 p	9 195 p
Top markets					
Denmark	..	2 237 p	2 586 p	2 225 p	1 967 p
Norway	..	1 956 p	1 791 p	1 785 p	1 754 p
Finland	..	1 792 p	1 769 p	1 523 p	1 550 p
Germany	..	1 369 p	1 578 p	1 303 p	1 285 p
United Kingdom	..	527 p	636 p	548 p	603 p
Nights in all types of accommodation	12 803	12 881	12 775	12 890	13 748
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	13 042	14 651	15 548	15 900	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION SEK					
Inbound tourism					
Total international receipts	77 237	83 928	86 628	90 055	..
International travel receipts	62 440	68 600	71 900	75 200	87 100
International passenger transport receipts	14 797	15 328	14 728	14 855	..
Outbound tourism					
Total international expenditure	107 696	112 889	120 922	..	..
International travel expenditure	94 102	100 100	105 800	114 700	127 000
International passenger transport expenditure	13 594	12 789	15 122

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320557>

Table 2. Sweden: Enterprises and employment in tourism

	Number of establishments ¹	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	142 000	145 700 p	155 300 p	151 800 p	159 200 p
Tourism industries	..	137 200	140 400 p	149 100 p	148 600 p	155 800 p
Accommodation services for visitors	..	60 200	61 800 p	68 300 p	69 700 p	75 800 p
Hotels and similar establishments	2 033	..	..	..	..	..
Food and beverage serving industry
Passenger transport	..	20 400	21 700 p	22 000 p	21 200 p	20 000 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	..	11 900	12 100 p	12 300 p	12 300 p	11 800 p
Cultural industry	..	15 100	14 300 p	16 400 p	15 500 p	16 600 p
Sports and recreation industry
Retail trade of country-specific tourism characteristic goods	..	29 600	30 500 p	30 100 p	29 900 p	31 600 p
Other country-specific tourism industries
Other industries	..	4 800	5 300 p	6 200 p	3 200 p	3 400 p

.. Not available; p Provisional data

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1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320561>

Table 3. Sweden: Internal tourism consumption


Million SEK

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	169 610 p	85 789 p	255 399 p
Tourism characteristic products	114 361 p	38 912 p	153 364 p
Accommodation services for visitors	44 022 p	6 342 p	50 364 p
Food and beverage serving services	17 869 p	12 572 p	30 442 p
Passenger transport services	..	..	..
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	28 825 p	14 735 p	43 650 p
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	14 863 p	0 p	14 863 p
Cultural services	8 782 p	5 263 p	14 045 p
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	55 249 p	46 877 p	102 035 p
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320574>

Switzerland

Tourism in the economy

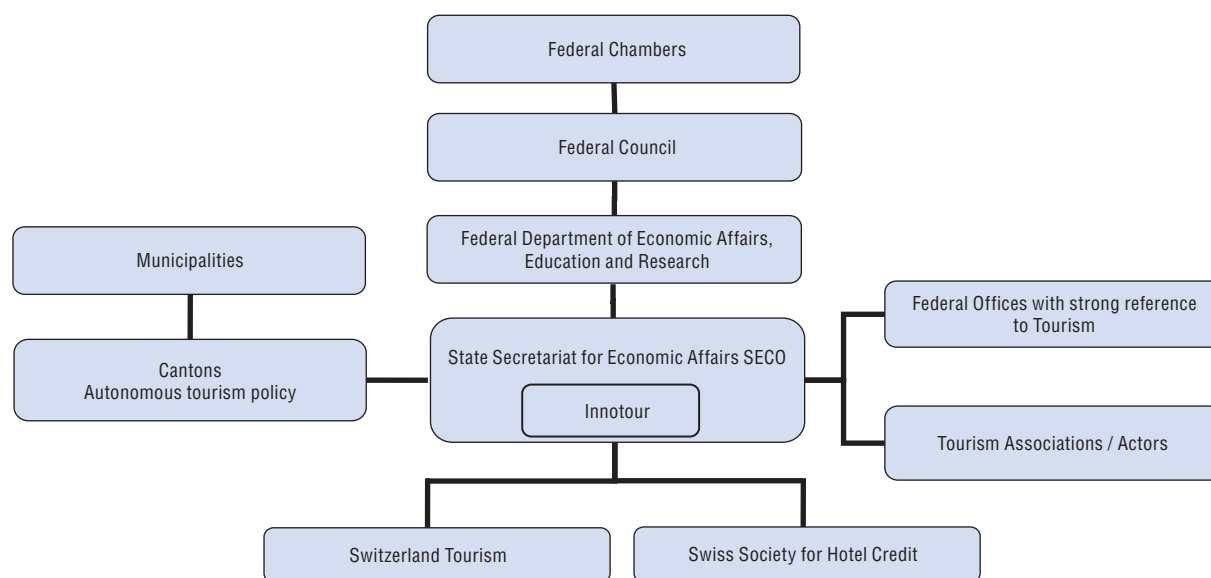
Tourism is an important pillar of the Swiss economy. In 2013, around 168 000 people worked in the tourist industry (full-time equivalents), corresponding to 4.3% of total employment. Tourism contributed 2.6% of the Swiss GDP in 2013.

Almost 36 million overnight hotel stays were registered in Switzerland in 2014. Compared to the previous year, this is a slight increase of almost 1%. Around 55% of overnight hotel stays were taken by guests from abroad. The most important source market remains Germany; however, the number of overnight hotel stays taken by German guests has fallen significantly in recent years. In contrast, the number of overnight hotel stays from China has increased sharply. China has become the fifth most important international source market for Swiss tourism after Germany, the United States, the United Kingdom and France.

Tourism governance and funding

The State Secretariat for Economic Affairs SECO is responsible for executing the Swiss national tourism policy. Numerous political bodies at a national and regional level influence the execution of this policy. The Confederation has two associations, Switzerland Tourism (ST) and the Swiss Society for Hotel Credit (SGH), tasked with implementing

Switzerland: Organisational chart of tourism bodies



Source: OECD, adapted from the State Secretariat for Economic Affairs (SECO), 2016.

important tourism-related measures. ST carries out marketing activities relating to Swiss tourism and SGH supports investments in the accommodation sector and provides consultancy services at market prices.

SECO executes the Federal Act on the Promotion of Innovation, Co-operation and Knowledge Transfer in Tourism (Innotour). A number of different industry associations and actors influence the sector and its contribution to the economy.

In 2014, CHF 58.3 million were available for national tourism policies. Of this, by far the largest part (CHF 52.8 million) is the contribution to Switzerland Tourism. As in previous years, CHF 5 million were available in 2014 for the financing of the promotion of innovation, co-operation and knowledge transfer in tourism.

The Swiss Society for Hotel Credit (SGH) is supported by the Confederation with an existing interest-free loan of around CHF 136 million. In addition, the SGH was granted an additional loan of CHF 100 million, made available in 2011 for a period up to 2015. This period has subsequently been extended to 2019. By the end of 2014 the SGH had used around CHF 27 million of this additional loan.

For the implementation of the Tourism Impulse Programme (see below) the resources for Innotour for 2016-19 have been increased by CHF 10 million to CHF 30 million. In addition, the loan amount for the consolidation of new, replacement or renovation initiatives as well as for non-repayable contributions via the new regional policy (NRP) has been increased by CHF 200 million.

Tourism policies and programmes

The 2013 *Tourism Report* analysed the structural situation of Swiss tourism and the future tourism strategy of the Federal Government. The tourism policy in Switzerland has been guided by this report. The tourism policy is implemented on the basis of four-year programmes.

High prices and costs present a major challenge for Swiss tourism. This was further intensified with the discontinuation of the EUR rate ceiling on Thursday 15 January 2015. Tourism services became significantly more expensive overnight for guests from the Euroregion. At the same time, the tourism offerings in the Euro region became much cheaper for Swiss guests. The result was that Swiss tourism suffered a loss of price-competitiveness.

The difficult situation faced by tourism is known to the policy makers who support tourism with targeted actions to overcome the structural challenges. This is being addressed by the Tourism Impulse Programme 2016-19, which includes the following four approaches:

- Approach I: Modernisation of the accommodation sector. The promotion of the accommodation sector by NRP and Innotour will be intensified. The aim is, amongst other things, to focus on more accommodation projects which use synergies with tourism infrastructures that exist locally. The Federal Government has revised the implementing provisions of the SGH to optimise accommodation development (Box 1.16).
- Approach II: Strengthening of quality and product development. The impulse programme will set greater incentives for product and quality development. Innotour will promote national projects and regional model projects. The resulting experiences and best practices will be made available to the destinations and regions, who will be encouraged to initiate similar projects that can be better supported by the NRP.

- Approach III: Optimisation of structures and strengthening of co-operation. The aim is for continuous improvement of destination structures and marketable accommodation offers. To achieve this, incentives for the development of destinations and co-operation at the operational level are created by Innotour and NRP.
- Approach IV: Strengthening the acquisition and diffusion of knowledge. Improved knowledge will be made available to the cantons and the tourism industry about certain key issues, to help them take appropriate action. For example, questions remain about the exact consequences of the second home initiative on the tourism industry.

Statistical profile

Table 1. **Switzerland: Domestic, inbound and outbound tourism**

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	69 587	63 035	70 455 |	75 850	..
Overnight visitors (tourists)	7 574	7 695	7 732	7 864	8 004
Same-day visitors (excursionists)	62 012	55 340	62 723 |	67 987	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	15 765	15 752	15 690	15 889	16 026
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	8 628	8 534	8 566	8 967	9 158
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	2 238	2 039	1 871	1 854	1 812
United States	680	669	687	726	752
United Kingdom	732	682	659	698	712
France	701	681	669	692	699
Italy	521	483	489	494	504
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	20 443	19 734	19 076	19 735	19 907
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	10 011	10 466	12 924 |	13 569	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Germany	1 911	1 722	3 053 |	2 952	..
France	1 267	1 625	2 042 |	2 247	..
Italy	2 060	1 905	2 091 |	1 951	..
Austria	763	839	949 |	981	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION CHF					
Inbound tourism					
Total international receipts	18 365	18 236	18 409	18 855	19 205 p
International travel receipts	15 356	15 185	15 100	15 552	15 976 p
International passenger transport receipts	3 009	3 051	3 309	3 303	3 229 p
Outbound tourism					
Total international expenditure	14 023	14 537	16 885	17 697	18 528 p
International travel expenditure	11 644	12 128	14 256	14 970	15 681 p
International passenger transport expenditure	2 379	2 409	2 629	2 727	2 847 p

.. Not available; | Break in series; p Provisional data
Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320585>

Table 2. **Switzerland: Enterprises and employment in tourism**


	Number of establishments	Number of persons employed ¹				
	2014	2010	2011	2012	2013	2014
Total	167 621	168 075	167 984 p	..
Tourism industries	129 066	129 330	129 182 p	..
Accommodation services for visitors	39 419	39 569	39 197 p	..
Hotels and similar establishments	5 129	..	39 419	39 569	39 197 p	..
Food and beverage serving industry	44 488	44 241	43 702 p	..
Passenger transport	23 394	23 982	24 713 p	..
Air passenger transport	7 054	7 062	7 448 p	..
Railways passenger transport	11 740	12 168	12 382 p	..
Road passenger transport	3 443	3 483	3 544 p	..
Water passenger transport	1 158	1 269	1 339 p	..
Passenger transport supporting services	1 077	841	893 p	..
Transport equipment rental	493	506	528 p	..
Travel agencies and other reservation services industry	8 791	8 727	9 102 p	..
Cultural industry	3 236	3 215	3 045 p	..
Sports and recreation industry	5 416	5 448	5 184 p	..
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries	2 751	2 799	2 817 p	..
Other industries	38 555	38 746	38 802 p	..

.. Not available; p Provisional data

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320596>Table 3. **Switzerland: Internal tourism consumption**


Million CHF

	2011		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	23 155	14 939	38 094
Tourism characteristic products	12 615	10 485	23 100
Accommodation services for visitors	2 360	3 068	5 429
Food and beverage serving services	2 688	2 510	5 199
Passenger transport services	4 371	3 707	8 078
Air passenger transport services	2 462	2 810	5 272
Railways passenger transport services	1 344	561	1 905
Road passenger transport services	492	299	791
Water passenger transport services	73	37	110
Passenger transport supporting services	304	178	483
Transport equipment rental services	8	218	226
Travel agencies and other reservation services industry	1 932	68	2 000
Cultural services	90	113	203
Sports and recreation services	563	497	1 060
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	298	125	423
Other consumption products	10 540	4 454	14 994
Tourism connected products	2 856	2 042	4 898
Non-tourism related consumption products	7 685	2 412	10 097
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320609>

Turkey

Tourism in the economy

Turkey has seen a significant and rapid growth in tourism over the last ten years. Between 2002 and 2014 international tourist arrivals to Turkey increased by over 210%, while tourism receipts increased by over 145% over the period 2003-14. The direct contribution of travel and tourism to GDP in 2014 was USD 34.3 billion, accounting for 4.3% of total GDP.

In 2014, Turkey received 39.8 million international tourists, an increase of 5.3% over 2013. Provisional data shows that Germany, the Russian Federation and United Kingdom were the top tourism markets for Turkey in 2014. International receipts (exports) amounted to USD 37.4 billion, an increase of 6.7% on 2013.

Domestic tourism also recorded growth in 2014, with 70.9 million overnight trips taken (up 3.6% on 2013). Domestic travel receipts grew strongly, increasing by 22.7% to TRY 22.6 billion.

Tourism governance and funding

The Ministry of Culture and Tourism is responsible for tourism in Turkey. The Ministry has a number of different directorates covering activities relating to marketing, investment, training and conservation of heritage and assets. There are also 81 Provincial Culture and Tourism Directorates in the country and 44 Culture and Promotion Offices abroad in 39 countries.

Other key ministries identified in Turkey's tourism strategy include the Ministry of Environment and Urbanisation, Ministry of Food, Agriculture and Livestock, Ministry of Economy, Ministry of Development, and Ministry of Transport, Maritime and Communication. Local administrations and municipalities also have responsibilities for implementing the strategy.

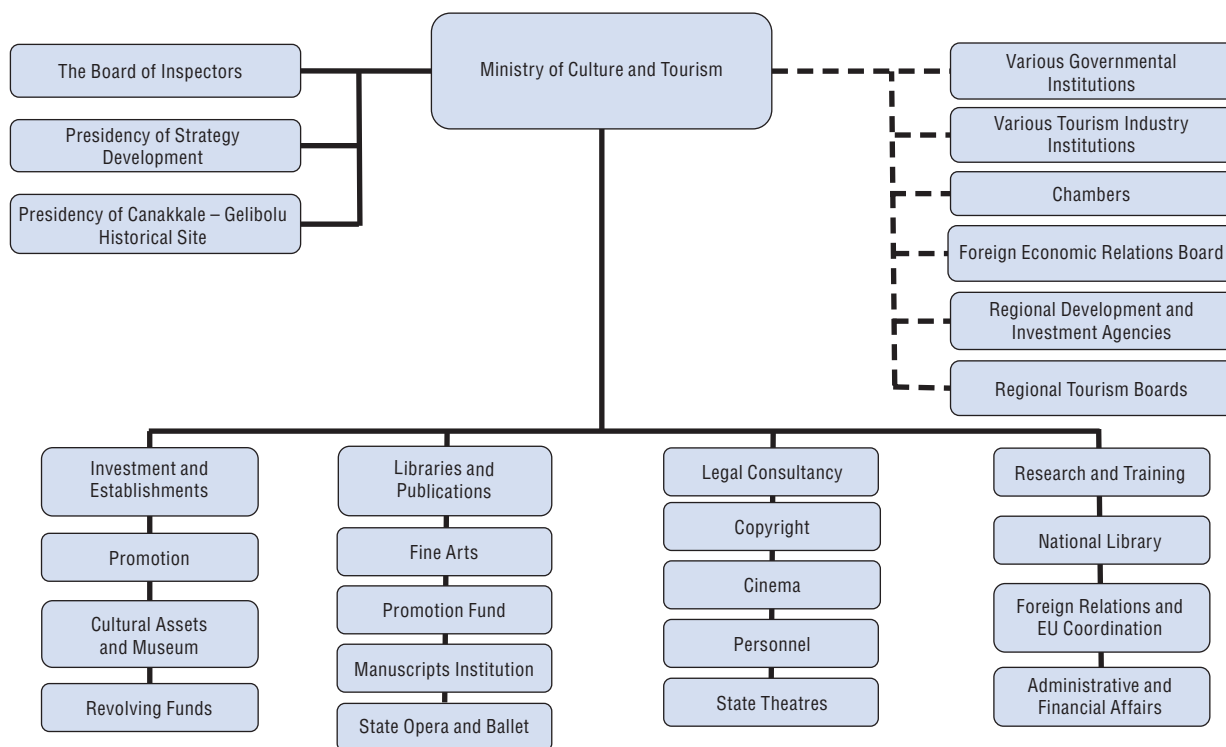
Several professional institutions and private sector associations work closely with the Ministry of Culture and Tourism on planning the future of the tourism in Turkey and addressing specific issues. These include: Association of Turkish Travel Agencies; Touristic Hotels and Investors Association; Hoteliers Federation; Turkish Tourism Investors Association; Union of Tourist Guides' Chambers; Prime Minister's Investment Support and Development Agency; and a number of others. There are also many local associations throughout Turkey in the travel and tourism sector.

In 2014 the public budget allocated to tourism was TRY 495 million (USD 185 million), amounting to 1.2% of the overall General Budget.

Tourism policies and programmes

The 2015-19 Strategic Plan of the Ministry of Culture and Tourism sets out Turkey's tourism objectives and goals which are to:

Turkey: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Culture and Tourism, 2016.

- Enhance Turkey's competitiveness, market share and brand value in tourism on an international scale,
- Spread and develop tourism activities all year long and across all the regions of the country by diversifying alternative tourism types particularly health tourism; enhancing the quality of tourism sector,
- Enhance and apply promotional strategies aimed at creating a consistent, significant and attractive brand for Turkey at international level.

The main policy issues and challenges facing tourism in Turkey are:

- Addressing seasonality of demand. As a sun and sea destination tourism flows and occupancy levels are quite peaked, which limits the profitability of businesses and contribution of tourism to the economy,
- Increasing employment, and tourism as a source for development in the different regions of Turkey,
- Improving the sustainability of tourism products, including addressing issues of climate change and use of resources,
- Responding to global political and economic crises and their effect on tourism,
- Improving quality and skills in tourism.

A number of actions are being pursued to address these challenges, including:

- Diversifying the offer and developing more niche and special interest tourism products throughout the country, including making use of Turkey's natural and cultural assets, which are attractive year round,

- Implementing a market-orientated approach which takes account of consumer expectations,
- Making holidays accessible to all segments of the community,
- Focusing on digital promotion and marketing by using social/digital media and mobile technologies.

Tourism policy and action is driven by the Tourism Strategy of Turkey – 2023. This aims to make tourism in Turkey more sustainable and competitive. It provides the basis for co-operation between the public and private sectors.

Efforts are made to ensure that the above strategy is in line with, and reflected in, the overall development strategy for Turkey. The Tourism Strategy itself was the result of a policy of the 9th Development Plan of the Turkish Government, covering the period 2007-13. The 10th Development Plan, for 2014-18, reflects the main issues and challenges facing tourism.

Particular initiatives that have been taken in line with the strategy include:

- National and local branding and marketing. Starting from 2014, the Ministry of Culture and Tourism launched a social and digital media promotion project together with “Turkey:Home” campaign which relate the Turkey brand to the country’s natural, historical, cultural and tourism values;
- Diversification of the product offer. The 10th Development Plan supports activities to enhance, winter tourism, golf tourism, cultural tourism, conventions and cruises. A particular focus has been given to the development of health tourism, with projects relating to hot springs, spas and other health infrastructure;
- Sustainability. Standards for environmentally friendly accommodation establishments have been established, providing the basis for certification;
- Tourism training. The Ministry of Culture and Tourism has organised tourism education programmes in order to create tourism awareness in the community and to improve the quality of service. In 2014, 4 257 tourism professionals participated in this training. The Ministry has also worked with the International Co-operation and Co-ordination Agency, tourism associations and universities within the Black Sea Economic Co-operation Organisation, to deliver international tourism education programmes, supported by bilateral and multilateral agreements within the Black Sea region.

Digital marketing and promotion in Turkey

The Ministry of Culture and Tourism launched a social and digital media promotion project in 2014 to brand and market Turkey as a destination. Within the context of this activity, new accounts have been created on each social media channels such as Facebook, Twitter, Google+, Instagram, Youtube, Pinterest, Linkedin and Vine. Creative visuals and projects have been shared in all these accounts to attract people and increase the total number of followers, likers, commenters. By September 2015, total number of followers on all social media accounts is over 3.8 million, placing Turkey in fourth place globally for such activities. Besides content management of social media accounts, advertising activity with TripAdvisor, Expedia, Matador Network, Google and Yahoo have also been undertaken. In addition to the social and digital promotion, destination branding has been carried out as a basis for promoting different towns, cities and regions. Local branding has been integrated within the “Turkey:Home” campaign picking up on the fact that throughout the history Turkey has been the home of many different civilisations leaving varied cultural heritage.

Statistical profile

Table 1. Turkey: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	111 501	104 171	106 226	..	..
Overnight visitors (tourists)	68 373	65 854	64 922	68 452	70 894
Same-day visitors (excursionists)	43 128	38 317	41 304	..	..
Nights in all types of accommodation	555 145	558 270	556 803	557 459	575 871
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	32 997	36 769	37 715	39 861	41 627
Overnight visitors (tourists)	31 364	34 654	35 698	37 795	39 811
Same-day visitors (excursionists)	1 633	2 115	2 017	2 066	1 816
Top markets					
Germany	4 385	4 826	5 029	5 041	5 250
Russian Federation	3 107	3 468	3 600	4 269	4 479
United Kingdom	2 674	2 582	2 457	2 509	2 600
Georgia	1 112	1 153	1 405	1 769	1 755
Bulgaria	1 434	1 492	1 492	1 583	1 694
Nights in all types of accommodation	74 326	78 889	90 822	89 594	97 581
Hotels and similar establishments	74 324	78 840	90 762	89 543	97 315
Specialised establishments	..	..	..	..	..
Other collective establishments	2	49	60	51	266
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	6 557	6 282	5 803	7 526	7 982
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	26 319	30 301	31 565	35 036	37 372
International travel receipts	22 585	25 054	25 345	27 997	29 552
International passenger transport receipts	3 734	5 247	6 220	7 039	7 820
Outbound tourism					
Total international expenditure	5 818	5 373	4 586	5 253	5 474
International travel expenditure	5 194	4 883	4 094	4 817	5 072
International passenger transport expenditure	624	490	492	436	402

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320615>


Table 2. **Turkey: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	13 228	..	..	..	..	..
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	4 239	..	..	..	..	..
Food and beverage serving industry	962	..	..	..	..	..
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	8 018	..	..	..	..	..
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	9
Other industries

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320623>

United Kingdom

Tourism in the economy

Tourism is a major part of the United Kingdom economy. The Office for National Statistics (ONS) Tourism Satellite Account shows that in 2014 tourism directly contributed an estimated GBP 59.6 billion in gross value added (GVA), or around 4% of the total United Kingdom economy. Economic analysis by Deloitte in 2013 suggests that when indirect economic effects are included, GVA for 2014 could be as high as GBP 133.6 billion, or 9% of GDP.

Tourism also makes a substantial contribution to employment. Employment in UK tourism industries increased at almost twice the rate (5.4% compared to 2.8%) of the non-tourism related industries between 2009 and 2013, from 2.7 million to 2.8 million jobs. Deloitte estimates that 3.2 million employees worked in tourism associated industries in 2014, equivalent to almost one in ten of jobs. Of this, 1.8 million jobs were estimated to be directly related to tourism.

Data from the ONS show that 34.4 million visits were made to the United Kingdom in 2014 (5% increase on 2013), with a spend of GBP 21.8 billion (3% increase on 2013). The top five markets by volume were France, Germany, the United States, the Irish Republic and Spain. The top five by value were the United States, Germany, France, Australia and Spain.

London received the largest number of overseas visitors with 17.4 million, while the rest of England received 14.2 million, Scotland 2.7 million and Wales 0.9 million. Northern Ireland received 2.2 million external visitors, including those from elsewhere in the United Kingdom. There were 16.8 million inbound visits to the United Kingdom between January-June 2015, up 3% on the same period in 2014. Provision estimate indicate spend from these visits was up 2% to GBP 9.5 billion for the same period.

Domestic overnight tourism trips numbered 114.2 million in 2014, a 7% drop compared to 2013, with domestic spending of GBP 22.7 billion down by 3%. However, in the period January to June 2015, domestic Great Britain trips were up 12% to 56.8 million from 50.6 million in the same period in 2014. Expenditure was also up 15% for the period at GBP 10.9 billion. In 2014, 1.6 billion domestic tourism day visits were made, with an associated spend of GBP 53.8 billion, down slightly on 2013 levels. The volume of day visits in Great Britain for January to June 2015 declined by 4% when compared with the same period in 2014, to 711.2 million. The value of those visits decreased by 2% during the same period to GBP 23.6 billion.

Tourism governance and funding

The Department for Culture, Media and Sport (DCMS) is the sponsoring government department for tourism in the United Kingdom. Tourism is a devolved competence in Scotland, Wales, Northern Ireland and Greater London. DCMS retains responsibility for tourism in England and overseas promotion of Great Britain as a destination.

VisitBritain is a public body responsible for promoting Britain worldwide and developing its visitor economy. Funded by DCMS, it works with a range of partners to grow the value of inbound tourism to Britain. VisitBritain aims to increase visitor spend in all parts of Britain and improve Britain’s ranking in the eyes of international travellers. It also has a statutory function to advise the Government on matters affecting tourism.

VisitEngland is an advisory body which works to grow the value of tourism in England. England has no formal regional tourism structures. VisitEngland works with destinations directly through the Destination Management Forum, as well as with organisations on an ad hoc basis and through its corporate communications, promotional activity, partnerships and enterprise support teams.

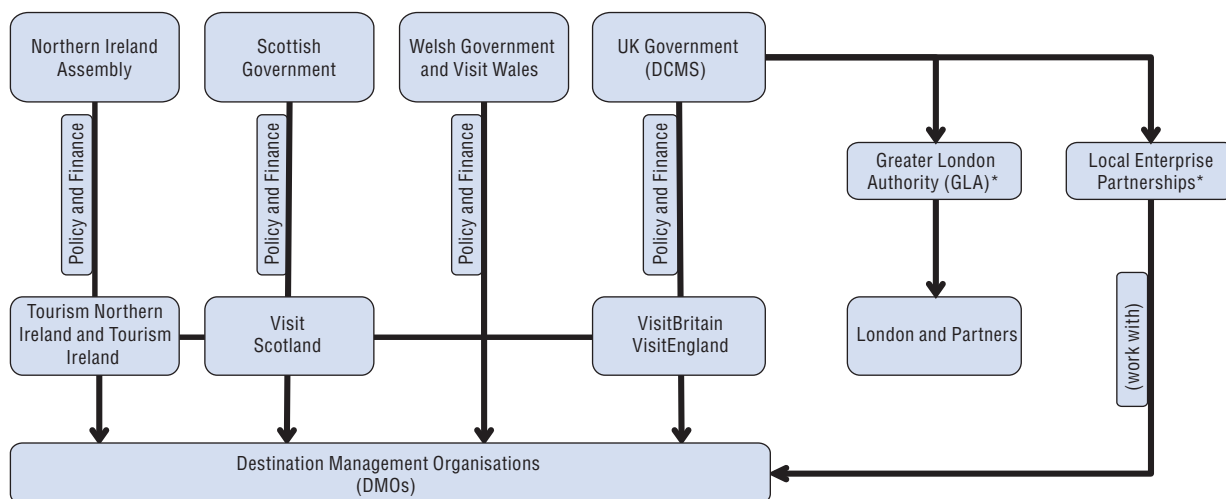
In 2015, the Triennial Review of VisitBritain and VisitEngland made recommendations on the form and function and how to improve the effectiveness, efficiency and corporate governance of both bodies.

VisitScotland is a public body responsible to the Scottish Government. Its main role is to market Scotland in the United Kingdom and internationally, encourage the highest quality standards within the industry and operate an events strategy to support tourism and raise the country’s international profile. Scotland’s enterprise agencies provide business support and investment to encourage growth in the tourism sector.

VisitWales sits within the portfolio of the Welsh Department for Economy, Science and Transport. It is responsible for formulating tourism policy, encouraging investment in, and improving the quality of the visitor experience in Wales. VisitWales is also responsible for marketing Wales in the United Kingdom and internationally.

In Northern Ireland, the Department of Enterprise, Trade and Investment is responsible for tourism strategy and policy and has oversight of two tourism organisations: Tourism Northern Ireland, which is in charge of product development and marketing to visitors from the island of Ireland, and Tourism Ireland, which markets the island of Ireland in Great Britain and overseas. In addition Invest NI administers accommodation grants and provides business support and advice to tourism businesses.

United Kingdom: Organisational chart of tourism bodies



* Separate funding relationships apply.

Source: OECD, adapted from the Department for Culture, Media and Sport (DCMS), 2016.

DCMS funds VisitBritain and VisitEngland through a grant-in-aid funding settlement under which funding for top priority programmes is protected as far as possible. In 2015-16 this amounted to GBP 19.6 million for VisitBritain and GBP 7 million for VisitEngland. This includes funding for VisitBritain’s core international marketing and PR activities, which is provided on the basis that it is match-funded by the private sector. It also includes funding to VisitEngland for investment and support for destination organisations, businesses, enterprise partnerships and local authorities involved in tourism.

Additional public funding has also been made available for specific purposes, including:

- GBP 19.8 million between 2012-15 from the Regional Growth Fund for the Growing Tourism Locally programme, aimed at creating over 9 000 new jobs and administered by VisitEngland. (This funding has now closed).
- A Northern Tourism Growth Fund of GBP 10 million and South West Tourism Growth Fund of GBP 5 million in 2015-16 to support inbound tourism to these areas, largely through marketing.
- GBP 51.5 million by 2014-15 for VisitBritain’s GREAT campaign aimed at shifting perceptions of the United Kingdom and GBP 10 million since 2012 for VisitEngland’s Holidays at Home are GREAT campaign.

Tourism funding in Scotland, Wales and Northern Ireland is determined by the devolved governments. The grant-in-aid funding from Scottish Government to VisitScotland over the financial years 2011/12 to 2014/15 was GBP 195.8 million.

Tourism policies and programmes

In July 2015, DCMS published a document entitled *Backing the Tourism Sector: a Five Point Plan*, which sets out to boost tourism right across the United Kingdom, spread the benefits of one of the fastest growing sectors beyond the capital and help to create jobs and rebalance the economy. A new Inter-Ministerial Group has been formed to co-ordinate and align action across government to ensure that the right infrastructure is in place to make it easy for visitors to discover the best of what the country has to offer (Box 1.6).

Since hosting the Olympic and Paralympic Games in 2012, the United Kingdom has sought to build on the legacy of these and other events, notably through showcasing Britain and enhancing its image around the world, particularly in tourism’s new growth markets.

In 2013-14, VisitBritain entered the third year of its match-funded GBP 100 million “GREAT Britain You’re Invited” programme, which aims to capitalise on the international interest generated by major events. It is also running a GREAT image campaign in selected cities around the world as part of the broader government initiative to show the world that Britain is a GREAT place to visit, study, invest and do business. This is tightly integrated with the work of other government agencies and departments such as United Kingdom Trade and Investment, Foreign and Commonwealth Office and British Council.

VisitBritain’s marketing programme has three simple aims: build awareness of the country’s attractiveness as a tourism destination amongst those who have not yet visited Britain; encourage prior visitors to return; and provide a series of opportunities and incentives to visit Britain now, working in partnership with the private sector.

Domestically, VisitEngland works with VisitScotland, VisitWales and Tourism Ireland/ Tourism Northern Ireland to promote the GREAT campaign to domestic markets.

In April 2013, VisitBritain launched its Delivering a Golden Legacy: a growth strategy for inbound tourism 2012-20. It calls for industry and Government to unite behind a long-term ambition for growth that would see Britain welcome 40 million overseas visitors by 2020, spending GBP 31.5 billion and supporting an additional 200 000 jobs across the United Kingdom. The strategy is built around 4 key objectives:

- Building on Britain's improved international image: by playing to its strengths such as heritage, traditional and contemporary culture, and building on the Olympic legacy,
- Increasing engagement with the travel trade to ensure that Britain is packaged and sold,
- Broadening Britain's strong product offering so that it continues to meet the expectations of visitors,
- Making it easier to get to Britain 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.

Scotland has also pursued an active programme of marketing. Following the very successful year of Homecoming in 2009, a series of themed years were introduced from 2010 to 2013 to celebrate Scotland's reputation as a land of food and drink, as an active nation and a place of culture, creativity and natural beauty. A second Homecoming event was held in 2014 and a further series of themed years have been announced to 2018.

Wales saw in 2013 the launch of Partnership for Growth, the Welsh Government Strategy for Tourism 2012-20. This is built around five key areas: promoting the brand; product development; people development; profitable performance; and place building. The strategy identified a product-led approach to developing and marketing tourism in Wales. The focus is on high quality reputation-enhancing experiences such as all year round attractions, activities and cultural experiences, and innovative, unusual and distinctive products.

Northern Ireland will see the production of an updated tourism strategy, following one of the key recommendations of the independent review of tourism structures published in 2014. The review had four key themes: setting the strategic direction for tourism; building relationships within the sector; closer alignment with Invest NI; and cultural change within Tourism Northern Ireland to develop a more customer focussed approach. Events have continued to play an important role in tourism promotion.

Statistical profile

Table 1. United Kingdom: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	1 668 635	1 836 019	1 710 910	1 699 240
Overnight visitors (tourists)	115 711	126 635	126 019	122 910	114 240
Same-day visitors (excursionists)	..	1 542 000	1 710 000	1 588 000	1 585 000
Nights in all types of accommodation	361 398	387 329	388 240	373 610	349 550
Hotels and similar establishments	100 819	106 996	113 514	107 450	103 990
Specialised establishments	..	..	..	..	..
Other collective establishments	118 726	128 467	123 941	113 570	106 220
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	29 803	30 798	31 084	32 692	34 377
Overnight visitors (tourists)	28 296	29 306	29 282	31 064	32 613
Same-day visitors (excursionists)	1 508	1 492	1 802	1 629	1 764
Top markets					
France	3 618	3 633	3 787	3 974	4 114
Germany	3 004	2 947	2 967	3 048	3 220
United States	2 711	2 846	2 840	2 778	2 976
Ireland	2 629	2 574	2 453	2 350	2 486
Spain	1 809	1 836	1 716	1 746	1 986
Nights in all types of accommodation	227 960	234 363	230 149	245 412	264 367
Hotels and similar establishments	65 082	66 005	65 388	77 553	78 428
Specialised establishments	..	..	..	..	..
Other collective establishments	40 012	42 458	40 225	56 643	51 858
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	55 562	56 836	56 538	57 792	60 082
Overnight visitors (tourists)	53 759	54 946	54 604	56 088	58 364
Same-day visitors (excursionists)	1 803	1 890	1 934	1 704	1 718
Top destinations					
Spain	..	..	..	..	..
Italy	..	..	..	..	..
Belgium	..	..	..	..	..
United Kingdom	..	..	..	..	..
Germany	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION GBP					
Inbound tourism					
Total international receipts	26 022	27 973	29 775	34 238	38 112
International travel receipts	21 338	22 301	23 617	26 708	28 341
International passenger transport receipts	4 684	5 672	6 158	7 530	9 771
Outbound tourism					
Total international expenditure	43 151	43 800	45 202	46 984	48 445
International travel expenditure	36 042	35 363	36 115	37 391	38 428
International passenger transport expenditure	7 109	8 437	9 087	9 593	10 017

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320647>

Table 2. **United Kingdom: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	1 373 370	1 457 450	1 531 850	..	..
Tourism industries	213 460	1 066 570	1 137 550	1 171 750	..	..
Accommodation services for visitors	15 365	273 450	307 830	298 340	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	115 953	392 640	414 530	433 590	..	..
Passenger transport	12 746	155 550	153 060	171 220	..	..
Air passenger transport	566	46 880	47 880	54 250	..	..
Railways passenger transport	66	24 090	23 250	25 550	..	..
Road passenger transport	11 370	82 750	80 440	89 570	..	..
Water passenger transport	744	1 830	1 490	1 850	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	3 837	2 130	1 590	1 500	..	..
Travel agencies and other reservation services industry	6 980	99 230	106 810	106 000	..	..
Cultural industry	28 429	62 110	66 040	72 600	..	..
Sports and recreation industry	26 637	81 060	87 230	88 100	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	3 513	400	460	400
Other industries	..	306 800	319 900	360 100

.. Not available

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1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320651>Table 3. **United Kingdom: Internal tourism consumption**


Million GBP

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	106 628	21 753	128 381
Tourism characteristic products	73 491	12 463	85 954
Accommodation services for visitors	8 709	4 547	13 255
Food and beverage serving services	28 388	3 288	31 675
Passenger transport services	23 513	3 988	27 501
Air passenger transport services	16 372	2 956	19 328
Railways passenger transport services	3 877	329	4 206
Road passenger transport services	2 311	456	2 767
Water passenger transport services	954	247	1 201
Passenger transport supporting services	..	..	..
Transport equipment rental services	669	106	775
Travel agencies and other reservation services industry	2 930	97	3 027
Cultural services	5 409	190	5 599
Sports and recreation services	3 615	155	3 770
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	258	93	351
Other consumption products	33 137	9 290	42 427
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320669>

United States

Tourism in the economy

Travel and tourism is a major contributor to the United States economy, accounting for 2.6% of GDP. Travel and tourism-related exports accounted for 31% of all United States services exports and 9% of all United States exports in 2014.

According to the United States Travel and Tourism Satellite Accounts, the industry produced USD 1.5 trillion in total economic output in 2014 (USD 894 billion of direct tourism output plus USD 641 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 2014, of which 1.1 million were supported by travel and tourism-related exports.

The United States welcomed a record 75 million international visitors in 2014, an increase of 7.2% over 2013. The largest source markets are Canada and Mexico (accounting for 31% and 23% of total arrivals, respectively), followed by the United Kingdom, Japan and Brazil.

International visitors collectively spent USD 220.8 billion on travel to, and tourism-related activities within, the United States in 2014 – an increase of nearly 3% over the previous year. In order of contribution (spending in USD), the top international markets for United States travel and tourism-related exports are Canada, China, Mexico, Japan, the United Kingdom, and Brazil.

Tourism governance and funding

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). The National Travel and Tourism Office (NTTO), within the International Trade Administration of the United States Department of Commerce, serves as the central point of contact within the federal government and represents the United States in inter-governmental fora, including OECD and APEC. The 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.

The Corporation for Travel Promotion (CTP), formed in 2010 and operating as Brand USA, is a non-profit corporation that promotes travel to the United States and works with the United States Government to communicate and improve the entry process for international visitors. The NTTO is the official government liaison to Brand USA.

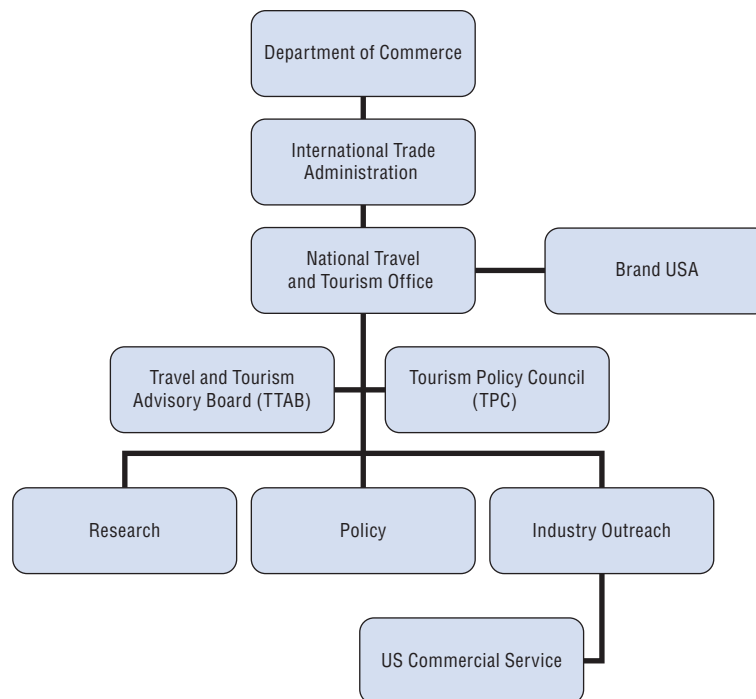
The Federal Government does not regulate travel and tourism as a distinct industry. However, some sectors, such as transport, are regulated at the federal level. States and local governments may regulate the conduct of travel and tourism business within their

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 United States Travel and Tourism Advisory Board (TTAB) and the Tourism Policy Council (TPC). The TTAB consists of 32 private-sector representatives from companies and organisations in the travel and tourism industry, who are appointed to provide policy input to the Secretary of Commerce.

The TPC is an inter-agency council established by law for the purpose of ensuring that the nation's tourism interests are considered in federal decision-making. Its major function is to co-ordinate national policies and programmes 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.

United States: Organisational chart of the tourism bodies



Source: OECD, adapted from the United States Department of Commerce, 2016.

The NTTO obtains its funds from a congressional appropriation to the Department of Commerce, which then allocates resources to NTTO. In addition, the NTTO sells research reports and data to generate additional operating revenues, along with inter-agency agreements that also generate funds. The NTTO's operational budget for 2014 was approximately USD 4.7 million from all sources.

Brand USA is supported by a portion of the fees 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 Program (VWP). Up to USD 100 million is made available each year to Brand USA to match qualified private sector contributions.

Tourism policies and programmes

The United States travel and tourism industry is among the most competitive in the world. After many years of decline, the United States is increasing its share of long-haul travel due to several enhancements, including Brand USA marketing efforts (Box 1.11), significant improvements in visa processes and expansion of the Visa Waiver Program, and public-private partnerships aimed at improving the arrivals experience. Policy priorities for the United States continue to be related to raising its competitiveness in the global travel and tourism market, and include marketing the United States as a premier travel destination and improving the ease and perception of entry/exit processes. Brand USA is working closely with Federal Government partners on the communication of United States entry policy, as well as on the implementation of the National Travel and Tourism Strategy.

The United States continues to implement the Strategy, which sets an ambitious but achievable goal of increasing American jobs by attracting 100 million international visitors 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 United States is implementing the Strategy in five key areas:

- 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 7% increase in international visitors achieved in 2014 is above the average 5% compounded annual growth rate needed to meet the Strategy's goal of welcoming 100 million visitors by 2021.

The United States is working to ensure that government services meet demand generated by Brand USA and embassies in key markets. The Department of State is streamlining operations and expanding capacity to meet the increasing demand for visas. New visa arrangements have been put in place with a number of countries. The United States is also committed to preserving and expanding the Visa Waiver Program.

Extending Visa Validity between the United States and China

In November 2014, the United States and the People's Republic of China concluded a reciprocal visa validity arrangement to strengthen the ever-broadening economic and people-to-people ties between the two countries. The National Travel and Tourism Office played a leading role in extending China visa validity by making the economic case of the importance of welcoming more Chinese visitors to the United States and the need to meet growing demand for Chinese visas to the United States. Both countries agreed to increase the validity of short-term tourist and business visas issued to each other's citizens from one to ten years – the longest validity possible under United States law – and increase the validity of student and exchange visas from one to five years. This arrangement will improve trade, investment, and business ties by facilitating travel and offering easier access to both economies. Since this policy change was implemented, Chinese demand for United States visas has grown by more than 50% compared to the same period in 2014.

In 2014, the President issued a memorandum announcing a key focus on improving the entry experience at top United States airports and calling for a new national goal to provide a best-in-class arrivals experience to an ever-increasing number of international visitors, while maintaining the highest standards of national security. To achieve this goal, a working group comprised of representatives of companies with acknowledged expertise in customer service was charged with determining the key drivers of a traveller's perception of the international arrivals experience and making recommendations to the United States Government on how best to measure those factors across the entire arrivals experience.

The Department of Homeland Security is engaging with public and private sector partners on an array of initiatives, such as leveraging new technologies to facilitate the entry process, enhancing the queuing area of primary entry, improved signage that is easily understood by international travellers, wait-time monitoring and reporting. Customs and Border Protection's Trusted Traveller programmes, which facilitate the entry process, reached record numbers of enrolment in 2014.

Statistical profile

Table 1. United States: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	164 080	167 600	171 320	177 662	177 953
Overnight visitors (tourists)	60 010	62 821	66 657	69 995	75 011
Same-day visitors (excursionists)	104 069	104 779	104 663	107 667	102 942
Top markets					
Canada	20 176	21 337	22 697	23 407	23 003
Mexico	13 472	13 601	14 199	14 547	17 070
United Kingdom	3 851	3 835	3 763	3 835	4 149
Japan	3 386	3 250	3 698	3 730	3 620
Brazil	1 198	1 508	1 791	2 060	2 264
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	147 678	141 471	141 281	145 168	149 728
Overnight visitors (tourists)	61 060	59 210	60 697	61 344	68 176
Same-day visitors (excursionists)	86 618	82 261	80 584	83 824	81 552
Top destinations					
Mexico	20 012	20 590	20 308	20 851	25 882
Canada	11 749	11 595	11 887	11 478	11 515
United Kingdom	2 366	2 405	2 537	2 640	2 832
Dominican Republic	1 796	1 675	2 252	..	2 709
France	1 739	1 756	2 024	2 002	2 124
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	167 997	187 630	200 996	214 543	220 757
International travel receipts	137 010	150 867	161 632	172 901	177 241
International passenger transport receipts	30 987	36 763	39 364	41 642	43 516
Outbound tourism					
Total international expenditure	110 049	116 447	129 903	136 136	145 677
International travel expenditure	86 623	89 700	100 338	104 107	110 787
International passenger transport expenditure	23 426	26 747	29 565	32 029	34 890

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320677>


Table 2. **United States: Enterprises and employment in tourism**

	Number of establishments 2012	Number of persons employed				
		2010	2011	2012	2013	2014
Total	..	4 925 100	5 107 100	5 175 800	5 393 900	5 491 800
Tourism industries	746 220	4 747 000	4 914 000	4 974 800	5 174 600	5 302 000
Accommodation services for visitors	56 815	1 268 200	1 300 100	1 327 900	1 354 100	1 379 000
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	578 003	1 550 700	1 625 200	1 659 700	1 719 000	1 776 300
Passenger transport	..	995 700	1 020 100	1 030 400	1 055 200	1 060 500
Air passenger transport	5 819	424 200	436 300	439 700	445 700	450 700
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	8 752	..	..	..	..	..
Travel agencies and other reservation services industry	17 573	..	..	..	..	..
Cultural industry	5 902	..	..	..	..	..
Sports and recreation industry	72 366	504 900	520 000	527 300	556 200	572 900
Retail trade of country-specific tourism characteristic goods	..	427 500	448 600	429 500	490 100	513 300
Other country-specific tourism industries	990
Other industries	..	178 100	193 100	201 000	219 300	227 100

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320681>Table 3. **United States: Internal tourism consumption**


Million USD

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	697 836	165 780	863 617
Tourism characteristic products	514 682	126 031	640 715
Accommodation services for visitors	110 625	35 701	146 326
Food and beverage serving services	93 131	25 520	118 651
Passenger transport services	154 540	44 940	199 480
Air passenger transport services	123 493	43 335	166 828
Railways passenger transport services	2 034	112	2 146
Road passenger transport services	17 087	935	18 022
Water passenger transport services	11 926	558	12 484
Passenger transport supporting services	10 906	838	11 744
Transport equipment rental services	31 577	301	31 879
Travel agencies and other reservation services industry	39 822	1 465	41 287
Cultural services	16 809	1 573	18 382
Sports and recreation services	57 272	15 693	72 966
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	183 154	39 749	222 902
Tourism connected products
Non-tourism related consumption products
Non-consumption products

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320693>

PART III

Partner country profiles

Brazil

Tourism in the economy

Brazil welcomed 6.4 million international tourists in 2014, up 10.6% on the previous year. Total revenue from international tourists visiting Brazil amounted to USD 6.8 billion in 2014, an increase of 2% over 2013, which is a new record for the country. The main source markets were Argentina with 1.7 million visitors (27.1% of the total), followed by the United States (10.2%), Chile (5.2%), Paraguay and France.

Employment in activities that make up the tourism sector amounted to just over 2 million jobs in total in 2014, compared to 1.9 million in 2013.

A key influence on tourism in Brazil in recent years has been the impact of two major sporting events, the FIFA World Cup in 2014 and the Olympic Games in 2016. It is anticipated that the legacy of these events will help Brazil to achieve a new level of international tourism in the next decade.

Tourism governance and funding

The National Council of Tourism is responsible for bringing together government actors with the private and non-profit sectors to establish the strategic direction for tourism in Brazil. Its activities are co-ordinated by the Ministry of Tourism.

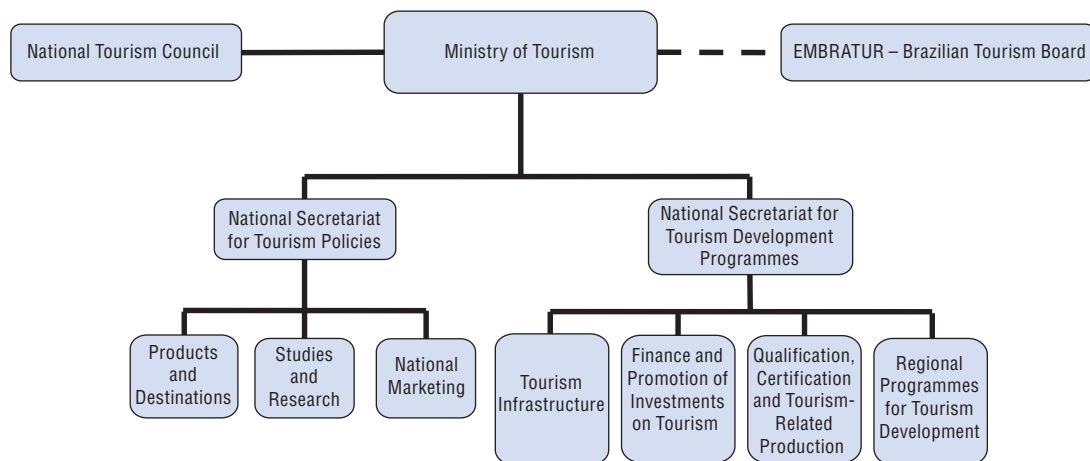
Other ministries with an influence on the tourism sector, and its impact, include the Ministry of Transport and National Land Transportation Agency, Education, Justice, Finance, Labour and Employment, Civil Aviation and Foreign Affairs.

Horizontal co-ordination at a sub-national level is led by the National Forum of State Tourism Ministers (FORNATUR) and the National Association of Municipal Ministers and Directors of Tourism (ANSEEDITUR).

In 2015 the Ministry of Tourism adopted a new methodology for categorising destinations at a local level, to help improve the development of public policies for the sector. It creates a framework for objective assistance in the decision making process and identification of priority areas, based on the performance and needs of the destinations. The process has involved the categorisation of 3 345 cities divided into 303 touristic regions, using data on number of jobs and establishments in the hospitality sector and the flow of domestic and international visitors.

Tourism policies and programmes

The tourism environment in Brazil has seen important recent changes. Since 2013, there has been major investment to prepare for hosting the 2014 FIFA World Cup and the 2016 Olympic Games. The country is especially strong in terms of natural and cultural resources, but this is now complemented by significant improvements in airports and

Brazil: Organisational chart of tourism bodies

Source: OECD, adapted from the Ministry of Tourism, 2016.

other tourism infrastructure and in the tourism labour market. The main challenges faced by Brazil include issues around market openness (e.g. the visa regime), safety and the business environment.

The need to build on the opportunities and address the challenges is reflected in the National Tourism Plan 2013-16, which links to Brazil's overall Multi-Year Plan 2012-15. The National Tourism Plan sets out the contribution of the sector towards economic and social development and the elimination of poverty. It is based on a number of principles, including the need to improve participation and dialogue with society, generate employment and entrepreneurial opportunities, encourage innovation and knowledge and strengthen regionalisation in the territorial and institutional approach to planning.

The four main priorities of the National Tourism Plan are to:

- Prepare Brazil tourism for mega events (World Cup and Olympics),
- Increase the generation of foreign currency receipts and visits by international tourists,
- Encourage Brazilians to travel within Brazil,
- Improve the quality and increase the competitiveness of Brazilian tourism.

Priority actions for the application of public and private resources cover a wide range of topics in areas of infrastructure, financing and capitalisation of the sector, technical and managerial training, fiscal/tax treatment, technological innovation, domestic and international promotion, certification, registration, development of micro and small enterprises in the tourism sector and development of tourist destinations, among others.

Particular attention is given to the need to improve the production and dissemination of tourism statistics, aligned to the 2008 International Recommendations on Tourism Statistics and the Tourism Satellite Account Recommended Methodological Framework. A programme has been introduced to co-ordinate national, state and municipal tourism statistics and identify information gaps at all levels. Indicators and information decisions are designed to measure demand, supply, employment and economic, social and environmental impacts. Research projects and studies are being supported and relevant technical assistance provided.

In light of the need to encourage innovation and stimulate domestic and foreign investment in the tourism sector, various actions have been identified to improve the business environment. This includes introducing mechanisms to improve stability and reliability with regard to obtaining licences, permits, concessions and other requirements for the installation and operation of tourism enterprises in Brazil.

Statistical profile

Table 1. **Brazil: Domestic, inbound and outbound tourism**

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	5 161	5 433	5 677	5 813	6 430
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Argentina	1 400	1 594	1 672	1 711	1 744
United States	641	595	586	593	657
Chile	201	217	251	268	337
Paraguay	194	193	246	269	294
France	200	208	219	224	282
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	6 498	7 805	8 466	8 666	8 824
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
United States	1 198	1 508	1 791	2 060	2 264
Argentina	1 197	1 282	1 214	1 083	1 082
Portugal	364	441	479	504	475
Uruguay	377	426	397	393	462
Spain	241	370	410	394	441
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	5 962	6 830	6 890	7 020	7 404
International travel receipts	5 702	6 555	6 645	6 711	6 843
International passenger transport receipts	261	275	245	310	562
Outbound tourism					
Total international expenditure	19 338	25 071	26 201	29 600	29 998
International travel expenditure	16 420	21 264	22 233	25 342	25 567
International passenger transport expenditure	2 918	3 806	3 969	4 258	4 431

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320708>

Table 2. **Brazil: Enterprises and employment in tourism**


	Number of establishments	Number of persons employed ¹				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	237 217	1 995 430	2 052 620	2 059 715	1 938 955	..
Accommodation services for visitors	28 331	288 919	298 139	301 927	318 782	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	167 382	1 086 404	1 110 953	1 118 993	1 009 715	..
Passenger transport	14 457	449 306	470 245	468 856	443 385	..
Air passenger transport	773	58 293	62 167	61 780	59 419	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	13 158	384 426	401 108	400 621	376 834	..
Water passenger transport	526	6 587	6 970	6 455	7 132	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	5 397	40 616	35 546	32 973	33 952	..
Travel agencies and other reservation services industry	12 130	96 025	102 612	102 008	98 332	..
Cultural industry	9 520	34 160	35 125	34 958	34 789	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available

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1. Data refer to number of jobs.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320712>

Bulgaria

Tourism in the economy

Bulgaria welcomed a total of 7.3 million international tourists (excluding transit passengers) in 2014, an increase of 6% over the previous year. Other European Union countries are the most important source markets for Bulgaria, with a share of 60.6 % in 2014, with Greece, Romania and Germany among the main countries of origin.

The revenues from international tourism in 2014, according to data from the Bulgarian National Bank, amounted to EUR 3.1 billion, up 1.9% compared to 2013.

A total of 3.2 million domestic tourism trips generated BGN 843 million in 2014, a rise of 4.2% and 5.4% respectively on 2013.

In 2014, tourism directly contributed 3.7 % of GDP and generated 3.4 % of employment in Bulgaria. Taking into account indirect and induced impacts, the total impact of is estimated to be 13.1% of GDP and 12.1% of employment (WTTC).

Tourism governance and funding

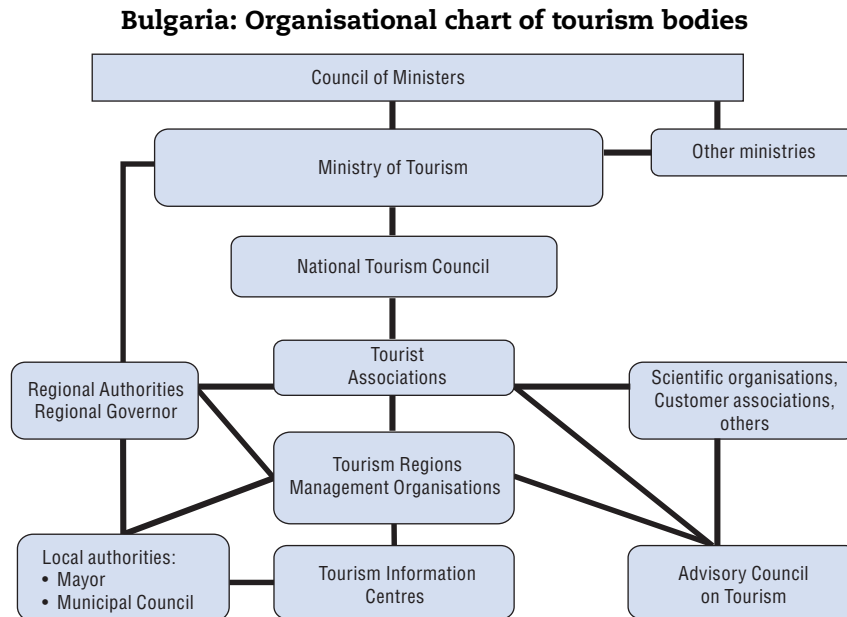
The Council of Ministers is responsible for formulating national tourism policy in Bulgaria. The Ministry of Tourism implements this policy and co-ordinates the relevant activities of other ministries and institutions. The Ministry of Tourism is also responsible for regulation, product development, marketing, research and information, management of external funding for projects and assistance to regional management organisations.

The National Tourism Council is a government consultative body under the authority of the Ministry of Tourism. Its members include representatives of tourism-related ministries and national, regional and local tourism associations, transport operators and consumer bodies.

At regional level, the regional authorities develop and implement tourism strategies and programmes in line with the national tourism and regional development strategies. Destination Management Organisations carry out product development and marketing. These are legal bodies established and registered under the Tourism Act, members of which include tourism associations, regional and municipal administrations, institutes, museums, scientific bodies and tourism schools.

The Tourism Act also makes provision for local authorities to adopt tourism development programmes according to local resources and needs. The local mayor is in charge of establishing an Advisory Council on Tourism and a Municipal Expert Commission to categorise tourism facilities and supporting initiatives in line with national tourism policies.

In 2014 the budget for tourism was EUR 5 million, of which EUR 2.8 million was allocated for marketing. The Ministry of Tourism administers revenues from the following sources: the state budget, registration of tourist activities, fines and penalties, interest charges, international programmes, donations and grants, and other sources.



Source: OECD, adapted from the Ministry of Tourism, 2016.

Tourism policies and programmes

The efforts of the Ministry of Tourism in Bulgaria are focussed on four priority areas:

- Improvement of the quality of the national tourism product and tourist services and increased consumer protection,
- Promotion of sustainable tourism development,
- Diversification of the national tourism product and reduction of regional disparities by creating strong regional brands of specialised types of tourism,
- Positioning Bulgaria as a well-known and preferred year-round destination with an easily recognisable national identity, preserved culture and nature and a leading tourist location in Central and Eastern Europe.

Action to overcome regional disparities and strengthen performance at a regional level includes measures to: strengthen the Destination Management Organisations; consolidate the establishment and functioning of a network of tourism information centres; create conditions for public-private partnership; and regulate the status and management of national resorts.

Work is ongoing to strengthen the business environment by providing assistance to investors to modernise facilities and improving the quality of human resources. Legislative changes are being made to address issues related to the quality of the tourism product and employment in the sector, while also seeking to diminish administrative burdens on business.

Action to strengthen Bulgaria's appeal as a year-round destination focuses on the development of specialised forms of tourism. This includes the use of European Structural Funds and strengthening marketing in target markets. Trans-national tourism products are also being developed.

Action on sustainable development includes adaptation of products to climate change, improving energy efficiency and waste management, protecting landscapes and biodiversity, and strengthening regulations to combat excessive development in seaside and mountain resorts.

Strengthening cross-border tourism relations with Bulgaria's neighbours

In 2011, Bulgaria and Romania were nominated as co-ordinators in the field of tourism and culture for the European Union Strategy for the Danube Region. This has led to various product development and marketing initiatives, including:

- European Cultural Routes in the Middle and Lower Danube Region – a project to create the Roman Emperors Route and the Danube Wine Route linking points of cultural and ethnological heritage in Bulgaria, Croatia, Romania and Serbia.
- Collaboration between Bulgaria and Romania in establishing a joint tourism information centre in China, focusing on cultural and historical tourism, wellness tourism and festivals.

Bulgaria is also further strengthening cross-border co-operation with Greece and Romania in the sustainable use of heritage and natural resources, through the Interreg V programme, and with the Former Yugoslav Republic of Macedonia, Serbia and Turkey through European Union Pre-Accession assistance.

Statistical profile

Table 1. Bulgaria: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	2 328	2 623	2 862	3 027	3 154
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	5 696	6 394	6 801	7 247	7 621
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	8 374	8 713	8 867	9 192	9 409
Overnight visitors (tourists)	6 047	6 328	6 541	6 897	7 311
Same-day visitors (excursionists)	2 327	2 385	2 326	2 294	2 098
Top markets					
Greece	1 018	1 121	1 087	935	1 032
Romania	1 445	1 449	1 468	941	947
Germany	853	837	785	683	714
Russian Federation	390	470	610	682	656
Former Yugoslav Republic of Macedonia	410	440	424	397	408
Nights in all types of accommodation	10 565	12 461	13 451	14 370	14 078
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	3 676	3 803	3 758	3 930	4 158
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Turkey	1 227	1 179	1 044	1 061	1 107
Greece	899	1 001	790	829	867
Former Yugoslav Republic of Macedonia	293	306	337	316	327
Romania	288	328	318	308	322
Serbia	295	295	292	300	316
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	4 036	4 554	4 202	4 631	..
International travel receipts	3 571	4 021	3 689	4 051	3 967
International passenger transport receipts	464	533	513	581	..
Outbound tourism					
Total international expenditure	1 381	1 498	1 475	1 755	..
International travel expenditure	1 232	1 339	1 301	1 525	1 202
International passenger transport expenditure	150	159	174	230	..

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320734>

Table 2. **Bulgaria: Enterprises and employment in tourism**

	Number of establishments ¹	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total
Tourism industries
Accommodation services for visitors	3 163	..	..	..	..	..
Hotels and similar establishments	2 166	39 230	41 277	39 230	41 331	..
Food and beverage serving industry	..	101 530	104 234	101 530	101 266	..
Passenger transport
Air passenger transport
Railways passenger transport
Road passenger transport
Water passenger transport
Passenger transport supporting services
Transport equipment rental
Travel agencies and other reservation services industry
Cultural industry
Sports and recreation industry
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available

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1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320740>Table 3. **Bulgaria: Internal tourism consumption**


Million BGN

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	1 045	6 120	7 164
Tourism characteristic products	892	4 191	5 083
Accommodation services for visitors	179	1 274	1 453
Food and beverage serving services	324	1 644	1 968
Passenger transport services	283	714	997
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	14	..	14
Cultural services	77	496	572
Sports and recreation services	14	63	78
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	153	1 929	2 081
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320756>

Colombia

Tourism in the economy

Tourism contributed COP 14.1 billion to the Colombia economy in 2014, equivalent to 2.7% of total GDP. It is the country's biggest service export and the third largest sector in the economy, behind oil and coal. Tourism directly supports 1.8 million jobs, or 8% of total employment.

In 2014, Colombia received 4.2 million international tourists, an increase of 11.9% on 2013. The United States is the main source market, followed by Venezuela, Ecuador, Brazil and Argentina. Just over 20.1 million domestic trips were recorded in 2014, up 6.3% on 2013.

Colombia has become an attractive country for foreign investment in tourism. Between 2011 and 2014, investment reached COP 2.2 billion for the construction of 20 557 new and 11 355 refurbished rooms.

Tourism governance and funding

The Ministry of Trade, Industry and Tourism supports the management of tourism in the regions and helps to improve the competitiveness and sustainability of tourism in Colombia. The mission of the Vice-Ministry of Tourism is to work with regions and providers to position Colombia as a sustainable tourism destination known for its diverse and multicultural offer. Its functions are to:

- Agree, implement and evaluate tourism policy and related plans and programmes, in conjunction with relevant public and private sector entities, and thereby improve the competitiveness and sustainability of tourism products and destinations and promote domestic and inbound tourism,
- Adjudicate on complaints related to tourism services and other offences covered by tourism legislation,
- Co-ordinate the National Register of Tourism and certification related to the provision of tourism services,
- Create and ensure the implementation of the Tourism Sector Plan.

The Vice-Ministry works with other entities related to tourism. In 2013, Decree 1837 established the Superior Tourism Council (*Consejo Superior del Turismo*) as the co-ordinating body between state authorities, under the direction of the Ministry. This Council brings together relevant ministries and seeks to co-ordinate the tourism programmes and projects implementing the tourism policy formulated by the Ministry.

Under the General Tourism Law (1996), regional and local authorities are responsible for developing tourism activities in their territories, within the context of national tourism policy. The Ministry co-ordinates tourism planning with the regional and local authorities

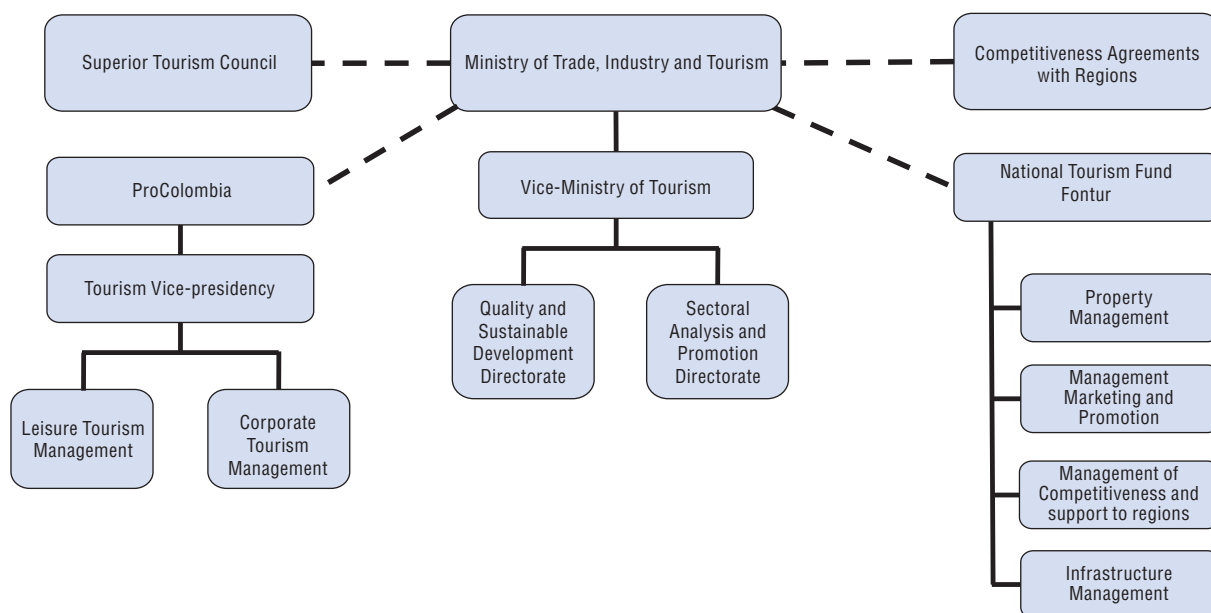
through Competitiveness Agreements, which identify the priorities for joint work over a three-year period.

The National Tourism Fund (*Fondo Nacional de Turismo – Fontur*) is responsible for the collection, management and execution of resources for tourism infrastructure, promotion and tourism competitiveness.

Funding for tourism development comes from a number of sources, including:

- Fiscal resources assigned by the Government from the General Budget to the Ministry of Trade, Industry and Tourism for tourism infrastructure, promotion and competitiveness,
- Obligatory contributions from tourism service providers for the promotion and competitiveness of national tourism destinations,
- Tourism taxes from international visitors entering Colombia by air. The tax rate in 2015 is USD 15 per visitor, with proceeds used to increase competitiveness and for promotion,
- Resources from the management of tourism properties by the State,
- Income from the exploitation of tourism-related brands owned by the Ministry,
- Resources from penalties imposed on tourism service providers for legal infractions.

Colombia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Trade, Industry and Tourism, 2016.

Tourism policies and programmes

The priority issues for tourism in Colombia are quality, infrastructure, human resources, promotion, connectivity, tourism culture, entrepreneurship and co-ordination with other national entities and local authorities.

The National Development Plan 2014-18 recognises tourism as a priority sector for the national economy and contains tourism actions to support economic goals. The National Tourism Plan 2014-18, *Tourism for Peace Building*, reflects the aspirations incorporated in the National Development Plan and sets the goal of positioning Colombia as a sustainable tourist destination, renowned for its diverse and multicultural offer displayed in highly

competitive products and services that empower the regions in the construction of peace. The vision is that by 2018, the tourism sector will generate 300 000 new jobs and USD 6 billion in foreign currency.

The National Tourism Plan 2014-18 proposes four major strategies to achieve this: competitiveness for regional development, connectivity, promotion and governance. The Plan also includes three horizontal strands: responsible and sustainable tourism, tourism culture, and Peace Tourism.

Specific actions focus on:

- Strengthening world-class destinations: Cartagena Region, San Andrés and Providencia, the Santa Marta-Salamanca-Tayrona Region and the Coffee Cultural Landscape,
- Promoting high value tourism products: nature and adventure tourism; Meetings, Incentives, Conventions and Exhibitions (MICE) tourism; and health and wellness tourism,
- Promoting domestic tourism: Gulf of Morrosquillo, Cluster Melgar-Girardot-Honda and the development of territories in Peace (Putumayo, La Macarena, Urabá-Darién and Sierra Nevada of Santa Marta),
- Promoting tourism products and destinations in Colombia through national and international tourism promotion.

In addition, cross-cutting strategies are developed in the field of standards and security, infrastructure, human talent, investment and financing, and institutional strengthening.

The Ministry has created and follows a Quality Policy, the main objective of which is to improve quality in the provision of tourism services. It seeks to create a culture of excellence amongst tourism service providers and destinations as part of the wider strategy to position Colombia as a distinct, competitive and sustainable destination. Sustainability is one of the main principles of the Quality Policy.

Tourism is declared in law as a national interest activity and requires tourism service providers to be registered to operate. Tourism sectors have also been standardised, with norms for each sector that include sustainability requirements. The sectors include: gastronomy, hotels, travel agencies, tour guides, time-share and sustainable tourism. It is mandatory for tourism service providers to undertake self-assessment in compliance with the norms that apply to their sector. When a tourism provider or destination meets the requirements of the norm, they obtain a certificate of quality tourism. Only those tourism service providers in the National Registry of Tourism will qualify for tax and fiscal incentives.

Statistical profile

Table 1. **Colombia: Domestic, inbound and outbound tourism**

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	13 235	13 235	16 104	18 924	20 106
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	2 611	3 354	3 492	3 748	4 193
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
United States	357	329	329	344	377
Venezuela	188	215	230	239	273
Ecuador	116	102	107	114	127
Brazil	64	91	83	90	125
Argentina	77	86	10	121	118
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	3 062	3 424	3 836	4 367	4 917
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
United States	883	874	978	1 121	1 223
Venezuela	150	171	475	607	496
Panama	283	318	346	342	406
Ecuador	225	231	319	320	329
Spain	184	199	187	190	195
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	3 440	3 801	4 364	4 758	4 887
International travel receipts	2 797	3 010	3 460	3 611	3 825
International passenger transport receipts	644	791	903	1 148	1 062
Outbound tourism					
Total international expenditure	3 188	3 631	4 362	4 484	5 171
International travel expenditure	2 641	3 032	3 626	3 941	4 678
International passenger transport expenditure	547	599	737	544	492

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320762>


Table 2. **Colombia: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	20 416	1 547 964	1 599 418	1 682 606	1 726 442	1 783 161
Accommodation services for visitors	..	84 835	92 552	93 753	93 743	101 863
Hotels and similar establishments	10 881	..	..	..	..	..
Food and beverage serving industry	945	505 226	553 388	614 602	619 260	633 533
Passenger transport	..	..	..	..	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	294	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	584 264	594 569	603 189	616 353	657 991
Transport equipment rental	137	..	..	..	..	..
Travel agencies and other reservation services industry	5 179	24 204	22 069	22 924	31 249	24 094
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	2 980	349 435	336 840	348 136	365 837	365 680
Other industries	..	..	..	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320774>

Costa Rica

Tourism in the economy

Tourism in Costa Rica has been growing firmly since 2009. In 2014 the country received 2.5 million international tourists, an increase of 4.1% over 2013 and more than 31.4% compared with 2009.

On average, 70% of the tourists arrive to Costa Rica by air. In 2014, 68% were from the United States and Canada, 17% from Europe, and 11% from Mexico and South America.

Domestic tourism is also important for Costa Rica; around 574 000 families travelled within Costa Rica in 2014.

In 2014, international visitors spent USD 2.9 billion on travel and tourism, accounting for about 23% of exports. Tourism directly accounted for 5.3% of GDP. The sector is responsible for around 150 000 direct jobs (almost 7% of total employment), rising to 450 000 if indirect jobs are also included.

Tourism governance and funding

The Costa Rican Tourism Board (*Instituto Costarricense de Turismo – ICT*) is responsible for tourism policy in Costa Rica. The institution, created 60 years ago, is headed by a Board of Directors, which is appointed by the Governing Council. The Directors are representatives of the private sector and serve a six-year term. The Minister of Tourism is the president of the Board.

ICT's main objective is to promote Costa Rica as a tourism destination, and support an appropriate and effective tourism development, with the purpose of improving quality of life for Costa Ricans by maintaining a balance between economic and social impacts, environmental protection, culture and facilities.

The ICT has eight regional offices in the main destinations, through which it maintains a relationship with regional and local chambers and individual businesses. The regional offices also provide a link with other government offices and municipalities.

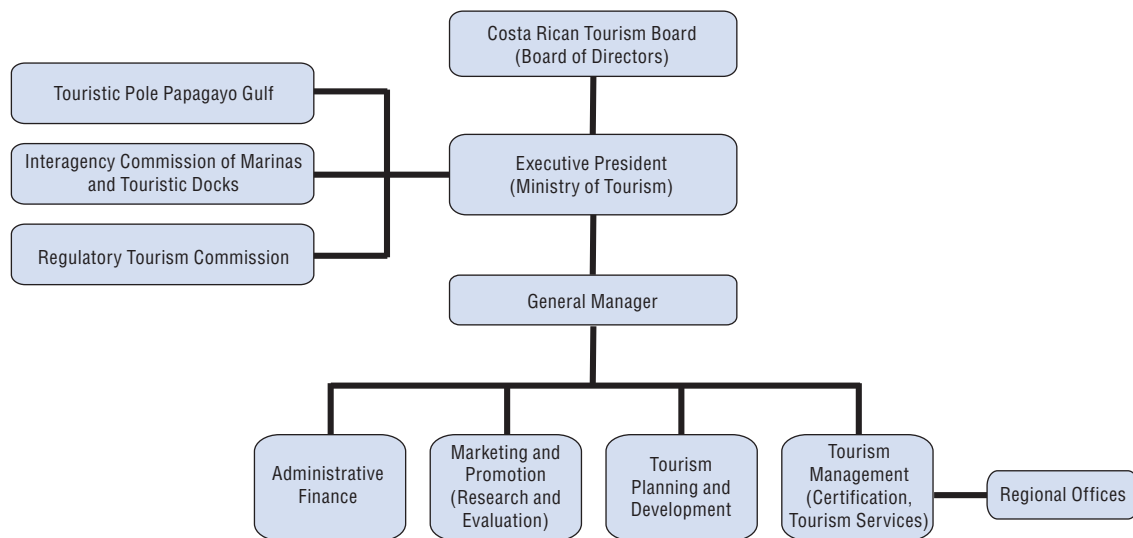
The ICT's budget for 2015 was approximately USD 55 million. Its funding is primarily sourced from charges on air flights and is independent of the national budget.

Tourism policies and programmes

Tourism policy in Costa Rica is based on the following broad principles that underlie the actions of the Costa Rica Tourism Board:

- Sustainability will be the fundamental basis for tourism activity and the national tourism product,

Costa Rica: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2016.

- Tourism shall generate economic benefits, protect the environment, support cultural values and avoid any form of social degradation,
- Tourism development shall foster the well-being of Costa Rican families and improve products in different areas,
- Any incentives given to tourism development must require compliance with ethical, quality and sustainability standards,
- National or foreign tourism investment must also show a commitment to local development,
- Small- and medium-sized companies of high quality will be supported as a strategy for engaging communities,
- International and national promotion will be well planned and relate to the country's overall tourism goals,
- Tourism development will be guided by plans, with objectives, programmes, control measures and actions which are followed up.

Key policy challenges for tourism in Costa Rica include ensuring that tourism remains a principal economic driver and provider of employment, balancing the relationship between quality and price, and continuing to improve the sustainability model.

Costa Rica also needs to increase its tourism competitiveness, focusing on the following areas of improvement: regulations, safety, environment, health, transportation, information technology, price, infrastructure, human resources, cultural resources, affinity for tourism and prioritisation of the sector.

Other challenges identified include the need to strengthen knowledge and data on the tourism sector and its performance and to develop advisory and training programmes. There is also an opportunity to pursue the development of tourism in coastal areas, but this needs to be based on approved plans and programmes to control environmental impacts and meet the needs of local populations.

In order to meet these challenges and opportunities, Costa Rica is updating its National Plan for Sustainable Tourism for the period 2017-21, and is working on an institutional plan for the ICT covering 2016-21, and reviewing its Marketing Plan 2017-21, based on the diversification of markets. All these plans are validated with tourism chambers and private sector associations.

An important part of the strategy to diversify the tourism offer, reduce seasonality and strengthen economic linkages is to promote the Meetings, Incentives, Conferences and Exhibitions (MICE) market and products. This includes the promotion of events, congresses and conventions in various areas by government, non-governmental and corporate bodies. A specific initiative is the development of the first Conference and Convention Centre, with construction due to start in 2016.

Costa Rica has had a comprehensive technical and political agenda to develop air access since 2008, through its airline attraction programme. The programme involves regular meetings with airlines that currently operate in Costa Rica and those in which the country has a future interest. This has helped to develop mutual understanding and work towards short, medium and long-term goals.

Costa Rica's tourism development model is based on the principles of sustainability. This is highly significant in terms of the country's product, market and general tourism principles. A key component of the model is a provision of standards and certification, which is currently being revised.

Sustainability standards and compliance in Costa Rica

The Government of Costa Rica implemented in the touristic industry the Certification for Sustainable Tourism (CST) since 1995. This requires a balanced interaction between the use of natural and cultural resources and improvement of quality of life for local communities and economic success of the industry, which also contributes to national development. The CST scheme encourages adherence to sustainability principles in the development and operation of tourism enterprises, with the active participation of communities and providing a new source of competitiveness in the business sector. CST certification is voluntary and by 2014 had been granted to around 330 companies. This certification is now being reviewed and CST 2.0 is being developed. The new scheme will expedite the process of evaluating companies while maintaining its rigour. The standard will be widely adapted to a full range of tourism activities. It will also assess compliance with performance indicators rather than just the presence of certain activities.

Another standard and certification that is also being further developed in Costa Rica is the Blue Flag Programme for beaches. This joint initiative involves institutions from the tourism, health, water, environment and education sectors. Coastal communities play a key part in actions to ensure that beaches and maritime environment achieve the required standards.

Statistical profile

Table 1. Costa Rica: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	2 495	2 528	2 542	2 641	2 760
Overnight visitors (tourists)	2 100	2 192	2 343	2 428	2 527
Same-day visitors (excursionists)	395	336	199	213	233
Top markets					
..
..
..
..
..
Nights in all types of accommodation	22 258 e	24 113 e	27 181 e	28 164 e	31 333 e
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	662	717	773	790	798
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
Slovak Republic	..	..	..	..	..
Croatia	..	..	..	..	..
Austria	..	..	..	..	..
Italy	..	..	..	..	..
Greece	..	..	..	..	..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	2 179	2 375	2 557	2 907	2 953
International travel receipts	1 999	2 152	2 313	2 665	2 864
International passenger transport receipts	180	223	244	243	89
Outbound tourism					
Total international expenditure	533	522	567	560	586
International travel expenditure	424	405	429	440	461
International passenger transport expenditure	109	117	138	121	125

.. Not available; e Estimated value

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320798>


Table 2. **Costa Rica: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	120 084	130 438	150 552	147 925
Tourism industries	3 312	..	94 754	106 747	124 794	121 528
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	2 549	..	66 580	79 774	89 339	87 420
Food and beverage serving industry	334	..	..	..	..	..
Passenger transport	..	..	14 291	11 492	10 499	12 141
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	22	..	..	..	..	..
Passenger transport supporting services	20	..	..	..	..	..
Transport equipment rental	38	..	..	..	..	..
Travel agencies and other reservation services industry	322	..	..	..	..	..
Cultural industry	..	..	13 883	15 481	24 956	21 967
Sports and recreation industry	27	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries	25 330	23 691	25 758	26 397

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320800>

Croatia

Tourism in the economy

Croatia has a service-based economy with the tertiary sector worth HRK 329 billion in 2014, equivalent to 70% of GDP. Tourism is a key factor in the positive trend in the international trade of services. International tourist arrivals and overnights in commercial accommodation facilities increased by 6.1% and 2.7% respectively in 2014, compared to 2013. Tourism revenue increased by 2.8% compared over the same period, amounting to EUR 7.2 billion in 2014.

The increase in the total number of arrivals reflects growth primarily from Germany, Austria and Italy following harmonisation with the EU visa system, while the biggest decrease in arrivals was from the Russian Federation. Growth in arrivals from Hungary, United Kingdom, Bosnia and Herzegovina, Slovenia and Slovakia was also recorded.

According to latest Tourism Satellite Account data, internal tourism expenditure was EUR 8.2 billion, while internal tourism consumption amounted to EUR 8.6 billion in 2011. The gross added value of tourism industries was EUR 3.3 billion, tourism direct gross value added was EUR 3.97 billion and tourism direct gross domestic product was EUR 4.6 billion. Tourism's total contribution to GDP (indirect impact included) was estimated to be 17.2% in 2014.

Tourism governance and funding

The national body responsible for tourism is the Ministry of Tourism. It is in charge of drafting strategies, policies and measures at national level and drawing up proposals for legislation regulating the tourism and hospitality industry, the role and activities of the Croatian National Tourism Board and tourism tax issues.

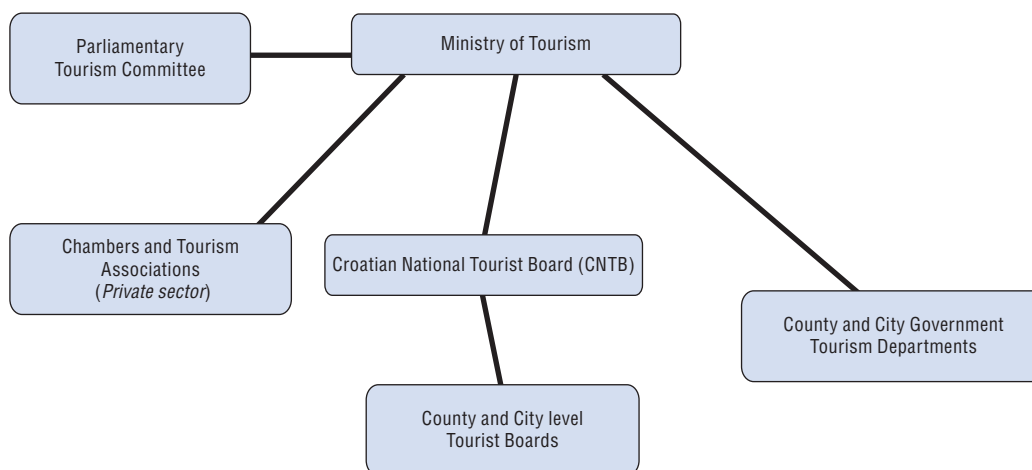
There are four Directorates within the Ministry: International Co-operation, Development and Competitiveness of Tourism, the Tourist Board System and Destination Management and Legal Affairs. The Ministry regularly co-operates with hotel, travel agent and other industry associations as well as with non-governmental organisations and trade unions.

Tourism promotion is the responsibility of the Croatian National Tourism Board (CNTB). The Minister of Tourism is, *ex officio*, its President, while the Executive Director manages the CNTB's daily operations and activities.

At regional level, most county administrative offices have a department responsible for tourism and handle the classification of, and issuing of permits for, private accommodation operators. The classification of hotels, camping sites and marinas is the responsibility of the Ministry.

In 2014, the overall State budget slightly exceeded HRK 113.9 billion. The share allotted to the Ministry of Tourism was HRK 220.9 million representing 0.2% of the overall State Budget. Some HRK 80.8 million were transferred to the CNTB for promotional activities.

Croatia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2016.

Tourism policies and programmes

The three main goals of Croatia's National Strategic Reference Framework are to encourage faster economic growth that is based on the integration of the market and institutional reforms, to generate higher employment levels and to promote sustainable development.

The Croatian Tourism Development Strategy 2013-20 sets out the main priorities for tourism in the country, which include:

- Improving the quality of accommodation and seeking diversification of the offer through themes,
- Developing new attractions with a potential to attract regional and international demand,
- Branding of the national and regional food offer,
- Creating modern visitor centres at key attractions,
- Incentivising the development of cultural themed routes.

The Strategy seeks EUR 7 billion in new investments in tourism by 2020 with the focus on hotels that can attract tourist outside the summer months, bring more and longer employment and more income to the local economy. The Ministry has supported public infrastructure development with grants from the Tourism Development Fund allocated to public agencies/institutions. The Ministry has also provided financial support for SME development, with grants aimed at small businesses, rural homesteads and private individuals.

The main aim is to increase the attractiveness and competitiveness of tourism by 2020. Croatia is also seeking to exploit off-peak spare capacity and develop the potential of interior regions based on the quality of the natural and cultural resources. Other goals for Croatian tourism policy are to improve the infrastructure and quality of accommodation, create new employment in the sector, encourage new investments and increase tourism expenditure.

The main policy responses and initiatives underway or planned to achieve progress towards the above objectives are:

- Diversification. Various programmes are conducted by the Ministry and CNTB to support diversification of the tourism offer, including support for cultural, gastronomic and sport events, tourist attractions, innovative tourism products, thematic parks and cycling routes,
- Destination management. The CNTB financially supported nine destination tourism agencies to develop special packages consisting of transport, accommodation and other tourist services targeted at special interest markets like eco, cultural, gastro and sports tourism,
- ICT. The Ministry supported free internet access in tourism destinations with the aim of improving competitiveness, stimulating tourism expenditure through better, more accessible information, stimulating e-marketing and e-sale of the Croatian tourism offer and supporting the promotion of tourism destinations,
- Education and skills in tourism. The Ministry co-financed 23 projects including scholarships in vocational and art schools in 2014 to promote vocational tourism careers. The programme also sought to motivate young people to consider careers in tourism and hospitality and to enhance connections between educational institutions and businesses,
- Combatting seasonality. The Ministry and CTNB have launched Project Croatia 365 with the aim of attracting tourists to the country all year round. Twenty two destinations were chosen for the pilot project. The project has six focal themes to attract tourists in the low season: culture, gastronomy and wine, active tourism, bike tourism, health and wellness and business tourism,
- Improving access. The Action Plan on Social Tourism/Tourism for All involves activating the national hostel network, constructing a social tourism database, launching a web site with relevant offers, developing a national programme of leisure vouchers and organising a public awareness campaign on the importance of social tourism,

Combatting seasonality with the Croatia365 programme

Croatia365 involves 40 destinations and involves the development of an attractive and competitive value-added destination offer in pre and post-season. It aims to position Croatia as a country offering special, authentic and attractive tourism products year-round and encourage the development of customised products for different consumer and special interests markets, in order to reduce seasonality and increase tourist traffic. Initiatives include targeted presentations to tour operators and travel agencies, study and familiarisation trips, and dedicated marketing activities by the Croatian National Tourism Board. The project focuses on six product areas, each with dedicated page on the website of the Croatian National Tourist Board: culture, wine and gastronomy, cycling, business trips, wellness and health, active holidays.

A system of designations and certifications has been introduced, covering actors from public and private tourism sector. The benefits of designation for destinations and businesses include improved visibility/recognition, clearer market positioning, unlimited use of the designation in all marketing activities, membership of destination and national clubs and inclusion in promotional campaigns by the Croatian National Tourist Board. A unique visual identity has been designed for the Croatia 365 campaign, with a logo and slogan. A phased implementation approach for the project was planned, starting in the post-season 2014 and followed by a full roll-out in 2015.

- Improving the quality of the tourism offer. The Innovative Tourism programme involves new product development and improvement of tourism and hospitality services. The Ministry has financially supported the development of visitor centres situated at key tourism locations,
- Economic crisis and recovery. In 2013, the Government called for expressions of interest for the establishment of the right to build and use property in the Kupari, the former military resort close to Dubrovnik. The complex consists of five hotels (1 626 beds) which have not been in use since the early 1990s,
- Visas. Croatia's visa policy was harmonised with that of the European Union in 2013 and efforts have been made to ease visa procedures. Measures include allowing holders of valid Schengen documents entry and short-term stay in Croatia without obtaining an additional Croatian visa.

Statistical profile

Table 1. Croatia: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	14 852	15 088	15 843	16 515
Overnight visitors (tourists)	5 438	6 010	6 056	6 225	5 411
Same-day visitors (excursionists)	..	8 842	9 032	9 618	11 104
Nights in all types of accommodation	25 652	30 347	28 760	29 767	28 040
Hotels and similar establishments	..	3 357	3 134	3 592	3 624
Specialised establishments	..	..	..	..	..
Other collective establishments	..	1 831	1 473	1 691	818
Private accommodation	..	25 159	24 153	24 484	23 598
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	9 111	9 927	10 369	10 948	11 623
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	1 525	1 661	1 853	1 932	1 989
Slovenia	1 017	1 100	1 054	1 067	1 102
Italy	1 018	1 150	1 051	1 017	1 061
Austria	810	892	946	969	1 019
Czech Republic	606	638	647	652	661
Nights in all types of accommodation	50 992	54 751	57 522	59 680	61 324
Hotels and similar establishments	17 011	18 054	18 879	18 892	18 892
Specialised establishments	..	..	..	..	..
Other collective establishments	16 075	17 181	18 271	19 602	19 657
Private accommodation	17 757	19 362	20 229	21 052	22 649
Outbound tourism					
Total international departures	..	5 526	4 326	5 444	4 638
Overnight visitors (tourists)	1 873	2 880	2 680	2 927	2 763
Same-day visitors (excursionists)	..	2 646	1 646	2 517	1 875
Top destinations					
Bosnia and Herzegovina	..	676	643	627	523
Slovenia	..	313	268	200	314
Germany	..	279	291	333	308
Austria	..	304	277	248	304
Italy	..	283	271	289	257
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	8 255	9 638	8 865	9 720	..
International travel receipts	8 051	9 388	8 637	9 518	..
International passenger transport receipts	204	250	228	203	..
Outbound tourism					
Total international expenditure	860	918	962	922	..
International travel expenditure	833	882	926	903	..
International passenger transport expenditure	26	37	36	19	..

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320823>

Table 2. Croatia: Enterprises and employment in tourism

	Number of establishments ¹	Number of persons employed ²				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	19 379	51 358	52 722	54 937	55 928	61 494
Accommodation services for visitors	2 574	29 578	30 276	31 036	30 868	31 206
Hotels and similar establishments	844	..	..	..	..	..
Food and beverage serving industry	15 288	16 713	17 223	18 506	19 839	24 473
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	1 517	5 067	5 223	5 395	5 221	5 815
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available

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1. Data refer to number of enterprises.

2. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320839>

Table 3. Croatia: Internal tourism consumption


Million EUR

	2011		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	1 674	6 555	8 582
Tourism characteristic products	809	3 984	5 145
Accommodation services for visitors	200	1 788	2 341
Food and beverage serving services	302	1 555	1 857
Passenger transport services	141	295	436
Air passenger transport services	12	234	246
Railways passenger transport services	32	7	39
Road passenger transport services	69	14	83
Water passenger transport services	28	39	67
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	67	74	140
Cultural services	99	273	372
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	865	2 571	3 436
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320842>

Egypt

Tourism in the economy

International visitor arrivals to Egypt reached 9.9 million in 2014, generating a total of USD 7.2 billion in revenues. Travel receipts constituted the fifth largest provider of foreign currency. Tourism directly and indirectly contributed 11.3% to GDP in Egypt in the fiscal year 2013/14.

The total number of international tourist nights reached 97.3 million in 2014. About 83% of inbound tourists came from Europe, with 31% coming from Russia, followed by 30% from Western European countries and 12% from Eastern European countries. Tourists from Arab countries account for 17% of international arrivals.

Hotels and food and beverages services account for 1.3% of total investment in the fiscal year 2013/14, of which 73% came from the private sector. Tourism contributes 19% of the direct taxes on services and 4.5 % of the total direct sales tax to the national budget.

According to Egypt's Tourism Satellite Account, there are 1.7 million full-time workers serving the tourism industry directly, in addition to 2.2 million workers in other tourism related sectors. Tourism directly and indirectly supports 14.1% of total employment in the country in 2013.

Tourism governance and funding

The Ministry of Tourism is responsible for tourism policy and for establishing a coherent legal and regulatory framework for tourism development. Both the Egyptian Tourism Authority and the Tourism Development Authority fall under the jurisdiction of the Ministry.

The Tourism Development Authority works primarily on setting and implementing regulations for tourism projects and investments, by assisting with the provision of land and facilitating access to loans for developing infrastructure projects. The Egyptian Tourism Authority is responsible for promoting inbound and domestic tourism. It manages the development and diversification of the tourism product, both regionally and internationally.

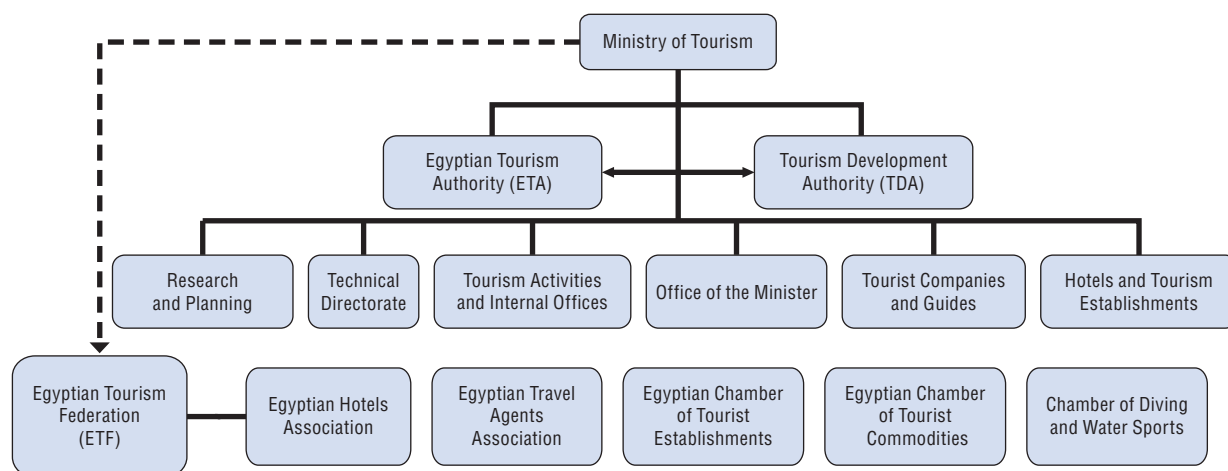
The Egyptian Tourism Federation is composed of five tourism industry business associations: the Egyptian Hotels Association, the Travel Agents' Association, the Chamber of Tourist Establishments, the Egyptian Chamber of Tourist Commodities and the Egyptian Chamber of Diving and Water sports. It works closely with the Ministry of Tourism in areas related to tourism planning, and for managing the Tourism Workforce Skills Development Project. By law, the Egyptian Tourism Federation's views are considered before any new legislative measures.

The Ministry recognises the need for an effective institutional framework to support horizontal co-ordination with other ministries and institutions for tourism policy

development. To achieve this, there are proposals to: improve management structures and enhance co-operation between public agencies, the private sector and civil society at different levels; decentralise responsibility for tourism to improve relations between the government and private sectors; clearly identify the role of the government and investment sectors; sustain private sector participation, represented by Egyptian Tourism Federation and its five chambers, and strengthen relations between the Ministry and other tourism clusters; and provide regular, accurate and transparent data.

The annual budget for tourism promotion and marketing is around USD 60 million for all promotional activities in 2015. In addition a new branding campaign was launched, costing USD 126 million over three years for global marketing and associated initiatives. These activities are managed by the Egyptian Tourism Authority (ETA) and financed by the Tourism Fund at the Ministry.

Egypt: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2016.

Tourism policies and programmes

Egypt faces a number of challenges within the tourism sector, including: suboptimal infrastructure, with restrictions on charter airlines at Cairo airports, overcrowded roads in Cairo and Alexandria and outdated railways; quality of service and workforce qualification gaps and the need for on the job training and basic technology skills as well as a lack of certified instructors and guides; a complex legislative and licensing framework, with a cumbersome project licensing process and a multiplicity of laws governing tourism investment and duplication in organisational responsibilities; safety and security and the need for enhanced marketing and promotion to deal with political and stability perceptions; environmental sustainability; and entry regulations and connectivity to Egypt.

Egypt's Sustainable Tourism Strategy 2020 considers tourism as an important national industry. It seeks to address these challenges and create a suitable environment to raise competitiveness and support inclusive growth.

The Strategy sets the target of welcoming 20 million international arrivals by 2020. By raising revenues to USD 26 billion and increasing average tourist expenditure by 50% to USD 120 per night, Egypt is aiming to increase the value of tourism at a faster rate than its volume with high and sustainable economic growth to alleviate poverty, reduce income

disparities, create productive jobs and increase gender equality. Other targets include increasing Egypt's share of world tourism to 1.5%, doubling Egypt's share of Arab tourism and attracting USD 10 billion of new foreign direct investment in tourism.

Specific initiatives include:

- **Enhancing safety and security:** Creating a hygiene unit to monitor food and beverage quality; using geographical information and global positioning systems to support speed limit compliance and rapid response to emergencies; applying the New Norms system of classification for hotels and resorts; introducing control cameras and advanced metal detectors in hotels; opening the road safety training centre; developing a tourism awareness campaign for locals; and the Egypt Now project which direct broadcasts images from cameras installed in tourist areas to reassure visitors of the stability of key destinations including Cairo, Luxor, Aswan, Hurghada and Sharm El Sheikh.
- **Marketing and promotion:** High impact public relations and advertising campaign, including the new cultural tourism “Live the magic” advert; branding Egypt in a more creative, innovative and people friendly way; and enhanced e-marketing including a social media campaign targeting China, India and Scandinavian countries.
- **Improving service quality:** Education and vocational training through the National Skill Standards Project; creating a culinary training centre; and applying accreditation and certification systems.
- **Enhancing sustainability:** Establishing a green tourism unit and green star hotel programme to monitor environmentally friendly and social responsible management of hotels; enhancing environmental awareness; pursuing energy efficiency; encouraging the use of solar and renewable energy sources; reducing water consumption; and maintaining the biodiversity and reducing solid/liquid waste and carbon emissions.
- **Making institutional changes:** Tourism Development Authority and Ministry of Tourism as a one-stop-shop for licences and permits; launching an intranet system linking five and four stars hotels with the Egyptian Hotels Association and Ministry; and gathering selected independent professionals to provide skills and experience.
- **Providing visas on arrival** for many source market countries and provide support for new or enhanced transport routes.

Statistical profile

Table 1. Egypt: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	18 190	16 481	16 725	19 549	..
Overnight visitors (tourists)	8 100	7 340	7 456	8 713	..
Same-day visitors (excursionists)	10 090	9 141	9 269	10 836	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	14 700	9 800	11 500	9 500	9 900
Overnight visitors (tourists)	14 021	9 452	11 164	9 209	9 650
Same-day visitors (excursionists)	680	348	336	291	250
Top markets					
Russian Federation	2 856	1 832	2 518	2 394	3 139
United Kingdom	1 456	1 034	1 012	955	906
Germany	1 329	965	1 165	885	877
Italy	1 144	555	719	504	400
France	599	345	318	192	145
Nights in all types of accommodation	147 400	114 200	137 800	94 410	97 256
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	1 377	1 550	1 857	1 854	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	13 633	9 333	10 823	6 742	7 979
International travel receipts	12 528	8 707	9 940	6 042	7 208
International passenger transport receipts	1 105	626	883	700	771
Outbound tourism					
Total international expenditure	2 695	2 574	3 037	3 260	3 485
International travel expenditure	2 240	2 203	2 618	3 014	3 139
International passenger transport expenditure	456	372	419	247	346

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320857>


Table 2. **Egypt: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	21 325	..	..	1 706 700	1 699 000	..
Accommodation services for visitors	1 261	178 000	147 200	166 900	156 900	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	1 257	..	..	366 000	382 400	..
Passenger transport	..	928 000	1 017 000	1 026 500	1 022 700	..
Air passenger transport	..	..	..	34 500	28 600	..
Railways passenger transport	..	..	..	63 500	60 100	..
Road passenger transport	..	..	..	914 000	927 600	..
Water passenger transport	..	..	..	14 500	4 200	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	2 300	2 200	..
Travel agencies and other reservation services industry	16 487	..	..	70 100	58 200	..
Cultural industry	..	..	..	14 400	13 500	..
Sports and recreation industry	314	..	..	31 200	34 500	..
Retail trade of country-specific tourism characteristic goods	..	..	..	12 500	12 700	..
Other country-specific tourism industries	2 006	..	..	16 800	17 900	..
Other industries	..	..	..	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320864>Table 3. **Egypt: Internal tourism consumption**


Million EGP

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	20 786	78 509	113 139
Consumption products	20 786	75 520	110 151
Tourism characteristic products	13 270	65 023	92 137
Accommodation services for visitors	2 122	9 265	23 173
Food and beverage serving services	3 708	20 361	24 072
Passenger transport services	6 113	15 555	23 468
Air passenger transport services	3 965	9 525	13 490
Railways passenger transport services	288	79	371
Road passenger transport services	1 766	4 781	6 549
Water passenger transport services	94	1 170	3 058
Passenger transport supporting services	..	..	..
Transport equipment rental services	0	299	299
Travel agencies and other reservation services industry	611	5 119	5 730
Cultural services	100	3 243	3 601
Sports and recreation services	518	5 309	5 828
Country-specific tourism characteristic goods	93	4 856	4 950
Country-specific tourism characteristic services	0	1 014	1 014
Other consumption products	7 516	10 497	18 013
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products	0	2 988	2 988

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320872>

Former Yugoslav Republic of Macedonia (FYROM)

Tourism in the economy

Tourism directly contributed MKD 6.4 billion or 1.3% of GDP in 2013, and accounted for 3.3% of total employment. Estimates for 2014 indicate the direct contribution to GDP to be MKD 7.3 billion (1.4% of GDP), rising to MKD 27.4 billion or 5.2% of GDP when the wider effects from investment, the supply chain and induced income impacts are taken into account. Tourism supported an estimated 33 000 jobs in 2014, equivalent to 4.7% of total employment (WTTTC).

International tourist arrivals rose to 425 314 in 2014, up 6.4% on the previous year. International travel receipts rose by 10.4% over the same period to USD 298 million. Turkey was the biggest source market, followed by Greece, Serbia, Bulgaria and the Netherlands.

Tourism governance and funding

The Ministry of Economy is charged with responsibility for tourism, with this work being undertaken by the Tourism Department and the Agency for Promotion and Support for Tourism.

The Committee for Tourism is an overarching body led by the Prime Minister which is made up of stakeholders from the ministries of Economy, Transport and Communications, Culture, Agriculture and Finance, as well as the Agency for Promotion and Support for Tourism, the Agency for Promotion and Investment, tourism chambers and non-governmental organisations and other relevant institutions.

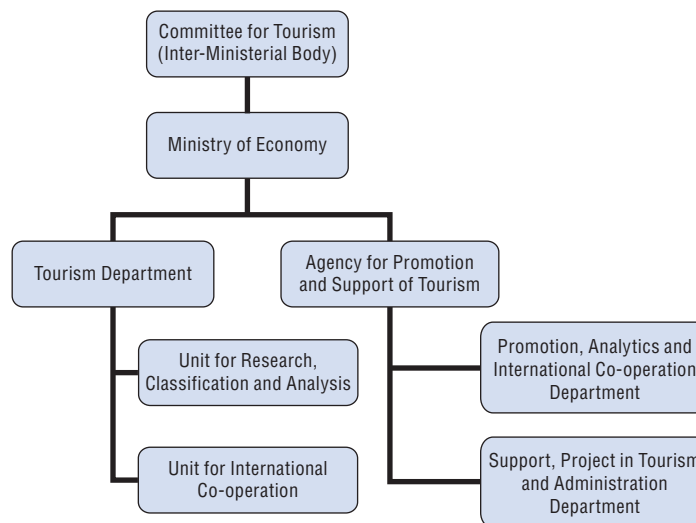
The Ministry of Economy oversees the Agency for Promotion and Support of Tourism and its activities to raise awareness of and promote the FYROM as a destination internationally and to support sustainable tourism development.

Municipalities are in charge of tourism development and promotion at a local level, including the formation of destination management organisations. Municipalities link the Agency for Promotion and Support of Tourism concerning promotion and marketing and the Tourism Department in the Ministry of Economy concerning law, policies, and the system of classification and categorisation as they relate to tourism.

The budget of the Tourism Department of the Ministry of Economy is about EUR 250 000 and is drawn from the national budget. The budget for the Agency for Promotion and Support of Tourism is about EUR 3 million and is supported by the national budget and an accommodation tax.

There are also some special funds for tourism development largely from European Union sources but also from other international donors.

Former Yugoslav Republic of Macedonia: Organisational chart of tourism bodies



Source: OECD, adapted from Ministry of Economy, 2016.

Tourism policies and programmes

The Former Yugoslav Republic of Macedonia sees considerable potential for strong growth in tourism development and foreign investment. By branding the country under the slogan “Timeless”, the Republic is seeking to position itself as a destination that shows different perspectives on time and provides unique experiences, communicating diverse religions and ethnic groups. The country has developed market segments described through six products that communicate the six human senses.

National laws covering catering and tourism have been harmonised with relevant European legislation. These govern the delivery of tourism in line with the overall National Development Strategy 2012-18. The vision for tourism is to establish the country’s image as a prime European destination for environmentally-enriched culture and nature-based tourism which intends to become recognised for its high quality and sustainable products and services developed in line with global best practice.

The country has a programme for promoting the competitiveness of small and medium-sized enterprises, including those in the tourism sector. It is active in training tourism industry personnel in the hospitality sector and via special courses at hospitality colleges.

A number of tourism development plans aim to create a vibrant tourism sector that can expand its contribution to the economy. These seek to support the sector through a variety of programmes and initiatives including the development of specific tourism subsectors such as cultural, lake-based, hunting, rural, archaeological, mountain and wine tourism, in addition to promoting the congress sector.

Work continues on the categorisation of tourism facilities, through the adoption of the universal Rulebook on Categorisation by the Hotelstars Union. This is being extended through the adoption of special rulebooks for national restaurants and for accommodation facilities in rural areas.

A number of topics have been the subject of tourism policy reforms, including:

- Reduction of VAT on tourism from 18% to 5%,
- Attraction of foreign investment for construction of hotels and tourist facilities,

- Tourism Development Zones,
- One image - one brand for Macedonia as a tourist destination,
- Macedonia Timeless Campaign,
- Tour operator and airline subsidies.

The Tourism Development Zones aim to attract investors by offering an initial bidding price for zoned land at EUR 1/m², personal income tax of 0% for the first 10 years, Value Added Tax for construction matters and construction services of 0%, training and job creation grants, and connection to utilities, with complete infrastructure outside the boundaries of the Tourism Development Zones provided by the Government.

In order to stimulate the organised international tourism market, the Government decided to provide subsidies towards the costs of travel and tourism programmes developed and sold by tour operators and airlines bringing international visitors to the country. These subsidies range from EUR 25 for European countries to EUR 65 for some special tourism markets, with EUR 45 for intercontinental flights.

Statistical profile

Table 1. Former Yugoslav Republic of Macedonia: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	325	320	312	302	310
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	1 461	1 418	1 340	1 276	1 273
Hotels and similar establishments	236	236	238	241	257
Specialised establishments	194	198	195	200	202
Other collective establishments	288	261	240	200	162
Private accommodation	744	723	667	635	652
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	262	327	351	400	425
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Turkey	20	39	50	68	64
Greece	27	46	44	46	43
Serbia	36	36	37	38	41
Bulgaria	16	19	20	21	26
Netherlands	7	22	27	26	26
Nights in all types of accommodation	559	755	812	881	923
Hotels and similar establishments	469	667	727	796	827
Specialised establishments	..	..	..	..	..
Other collective establishments	50	45	43	44	49
Private accommodation	10	15	15	13	16
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	199	243	236	270	298
International travel receipts	197	240	234	267	295
International passenger transport receipts	2	2	3	3	3
Outbound tourism					
Total international expenditure	131	159	153	168	186
International travel expenditure	92	113	111	131	149
International passenger transport expenditure	39	46	42	37	37

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320885>


Table 2. **Former Yugoslav Republic of Macedonia: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	4 493	20 425	20 445	21 909	24 741	..
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

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320892>

India

Tourism in the economy

Tourism directly contributed INR 3.7 trillion to India's economy in 2012, equivalent to 3.7% of GDP, and employed 28.8 million people, or 5.3% of total employment.

Tourism experienced growth over the last decade. International tourism arrivals reached 7.7 million in 2014, up from 2.4 million in 2002, growing at a compound annual growth rate (CAGR) of about 10.3% over the period. Foreign exchange earnings from tourism also increased from USD 3.1 billion in 2002 to USD 20.8 billion in 2014. India's share of world tourism arrivals has grown to 0.7% in 2014, up from 0.3% in 2002.

Domestic tourism plays an important role in the overall development of tourism in India. The number of domestic tourist visits increased from 270 million in 2002 to an estimated 1.3 billion in 2014, a CAGR of 11.8%.

Outbound travel by Indian nationals rose to 18.3 million in 2014, registering an annual growth of 10.3% over 2013.

Tourism governance and funding

The Ministry of Tourism formulates national policies and programmes for the development and promotion of tourism in India. The Ministry also plays a crucial role in co-ordinating the activities of various central and state-level government agencies, 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. A network of domestic field offices provide tourist information and monitor the implementation of tourism projects, while 14 overseas offices promote India as a tourism destination.

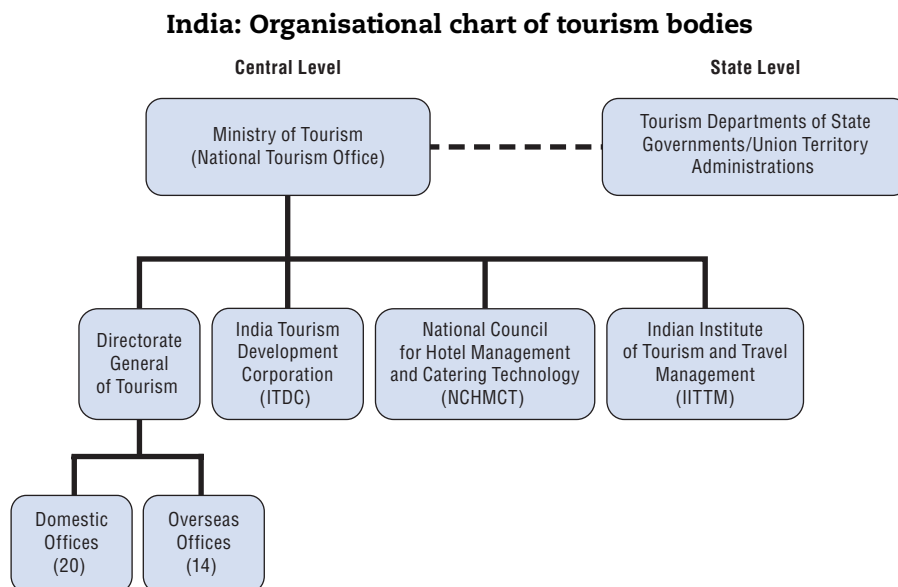
The India Tourism Development Corporation (ITDC) is a public sector enterprise under the administrative control of the Ministry of Tourism. It plays a key role in the development of tourism infrastructure. Apart from developing the largest hotel chain in India, the ITDC offers tourism-related services like transport, duty-free shopping, entertainment, production of promotional materials and professional consultancy services.

The National Council for Hotel Management and Catering Technology (NCHMCT) is an autonomous body of the Ministry of Tourism responsible for the growth and development of hospitality management education through its affiliated institutes. The Indian Institute of Tourism and Travel Management (IITTM) is another autonomous institute of the Ministry of Tourism providing specialised education and training for the tourism and travel industry.

As a federal country, issues of land, transport, hotels, industry, law and order and the development of tourism infrastructure are handled by the State Governments/Union Territory Administrations.

Central Government provides financial assistance for tourism infrastructure development, in addition to directly taking up major infrastructure projects such as airports, seaports and national highways.

The Ministry’s budget estimate for 2015-16 is INR 14.8 billion to cover Central Sector Schemes (including overseas and domestic promotions, assistance to various bodies/institutes, capacity building for service providers and development schemes such as the National Mission for Beautifying Pilgrimage Centres) and Centrally Sponsored Schemes (infrastructure development for destinations and circuits).



Source: OECD, adapted from the Ministry of Tourism, 2016.

Tourism policies and programmes

The Government of India launched a new Tourist Visa on Arrival through Electronic Travel Authorisation scheme in 2014. E-Tourist Visa facilities are now available for the citizens of 113 countries who apply for and receive authorisation online in advance of arriving at 16 airports in India.

Two new schemes for the promotion of tourism have been announced in 2014-15. The first aims to beautify and improve the amenities and infrastructure at pilgrimage centres of all faiths through a National Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD). The Ministry has formulated guidelines for implementing this scheme which involves an initial twelve heritage/religious cities. The second scheme is the Integrated Development of Tourism Circuits around Specific Themes (SWADESH DARSHAN) reflecting India’s rich cultural, historical, religious and natural heritage and the tourism development and job creation potential.

The Ministry of Tourism launched the “Incredible India” mobile application in 2014 to assist domestic and international tourists to access information about recognised tourism service providers, including approved inbound, adventure and domestic tour operators, travel agents and tourist transport operators, regional level guides and classified city hotels. A toll-free Incredible India Help Line has also been set up by the Ministry of Tourism to support the safety and security of tourists, especially women.

The Ministry is also working to put in place a system of training and professional education, with necessary infrastructure support, capable of generating manpower sufficient to meet the needs of the tourism and hospitality industry, both quantitatively and qualitatively. There are now 36 Institutes of Hotel Management (IHMs), comprising 21 Central IHMs and 15 State IHMs and seven Food Craft Institutes supported by the Ministry. These institutes were set up as autonomous bodies with the specific mandate to impart hospitality education and conduct training in hospitality skills.

Statistical profile

Table 1. **India: Domestic, inbound and outbound tourism**

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips
Overnight visitors (tourists)	747 703	864 533	1 045 048	1 142 529	1 290 117
Same-day visitors (excursionists)
Nights in all types of accommodation
Hotels and similar establishments
Specialised establishments
Other collective establishments
Private accommodation
Inbound tourism					
Total international arrivals
Overnight visitors (tourists)	5 776	6 309	6 578	6 968	7 679
Same-day visitors (excursionists)
Top markets					
United States	1 085	1 119
Bangladesh	525	943
United Kingdom	809	839
Sri Lanka	262	302
Russian Federation	259	270
Nights in all types of accommodation
Hotels and similar establishments
Specialised establishments
Other collective establishments
Private accommodation
Outbound tourism					
Total international departures	12 988	13 994	14 925	16 626	18 332
Overnight visitors (tourists)
Same-day visitors (excursionists)
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	18 340	19 090	21 292
International travel receipts	14 490	17 708	17 972	18 445	20 236
International passenger transport receipts	368	645	1 056
Outbound tourism					
Total international expenditure	14 107	13 839	17 493
International travel expenditure	10 490	13 699	12 342	11 570	14 596
International passenger transport expenditure	1 765	2 269	2 897

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320910>


Table 2. **India: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total
Tourism industries	..	24 890 000	26 660 000	28 770 000	..	..
Accommodation services for visitors	1 232 p	..	..	..	..	..
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	977 p	..	..	..	..	..
Cultural industry
Sports and recreation industry
Retail trade of country-specific tourism characteristic goods
Other country-specific tourism industries
Other industries

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320923>Table 3. **India: Internal tourism consumption**


Million INR

	2009		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	4 574 080	996 780	5 570 860
Tourism characteristic products	3 407 180	756 930	4 164 110
Accommodation services for visitors	105 200	335 460	440 660
Food and beverage serving services	174 460	147 510	321 970
Passenger transport services	2 592 240	170 890	2 763 130
Air passenger transport services	269 990	113 760	383 750
Railways passenger transport services	198 420	5 920	204 340
Road passenger transport services	2 100 070	42 810	2 142 880
Water passenger transport services	23 760	8 400	32 160
Passenger transport supporting services	..	..	..
Transport equipment rental services	4 680	150	4 830
Travel agencies and other reservation services industry	97 610	4 110	101 720
Cultural services	6 540	13 710	20 250
Sports and recreation services	2 750	33 860	36 610
Country-specific tourism characteristic goods	423 700	51 240	474 940
Country-specific tourism characteristic services	..	..	..
Other consumption products	1 166 900	239 850	1 406 750
Tourism connected products	623 900	239 850	863 750
Non-tourism related consumption products	543 000	..	543 000
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320931>

Latvia

Tourism in the economy

Tourism is considered to be one of Latvia's main drivers of economic development, an important source of export revenue and a key contributor to GDP. In 2014, tourism directly contributed 3.8% of Latvia's total GDP of EUR 24.1 billion. Tourism exports increased by 4.4% over 2013 to reach EUR 935.7 million in 2014, representing 6.7% of total exports. The tourism sector provided almost 75 000 jobs and accounted for 8.5% to total employment in Latvia in 2014.

At the end of 2014, there were 544 accommodation establishments of different types in the country, with 14 873 rooms and 33 459 beds. Hotels and similar accommodation recorded 2.1 million guests in 2014, an increase of 14% over 2013 levels. Of these, nearly 70% were international visitors.

International tourist arrivals grew by 20% to reach 1.8 million in 2014. Five source markets together accounted for 60.9% of total tourist arrivals – Russia (19%), Lithuania (14%), Estonia (10%), Sweden (9%) and Germany (9%). Expenditure by international visitors increased to an average of EUR 66 per tourist per day, an increase of 14.7% over 2013.

A total of 11.4 million domestic trips were recorded in 2014, of which 3.3 million were overnight trips and 8.2 million were same-day visits, generating travel receipts of EUR 127 million.

Tourism governance and funding

The Ministry of Economics is responsible for the development and implementation of tourism policy in Latvia. Its main responsibilities are determined by the Tourism Law of 1998, under which it is charged 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.

The Latvian Tourism Development Agency (LTDA) implements national tourism development policy under the supervision of the Minister for Economics. The Agency's functions include:

- Ensuring implementation of Latvian tourism development policy,
- Promoting Latvia as an attractive tourist destination to both national and international markets,

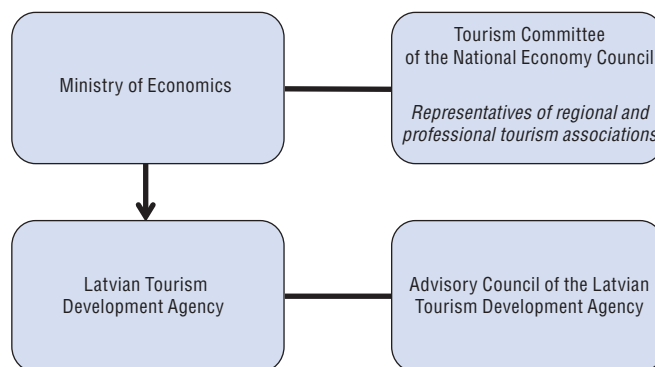
- Introducing tourism projects developed by a partnership of the public and private sectors,
- Attracting financial resources for tourism development,
- Introducing quality management into the tourism sector, including assessing compliance by Latvian tourism operators and related service and retail providers,
- Helping implement international co-operation agreements in the tourism sector.

The Ministry of Economics (along with LTDA if necessary) co-operates actively with the country's regions through four Regional Tourism Associations. Co-operation with local municipalities and tourism information centres is also possible if more detailed issues are to be resolved.

The Tourism Committee of the National Economy Council brings together tourism associations, regional associations and, where appropriate, tourism related associations to deal with nationally important issues regarding tourism. When relevant, the Ministry of Economics also co-operates with sector-specific industry associations.

In 2014, the total budget for tourism marketing was EUR 4 million, including state funding of EUR 1.1 million plus co-funding from the European Regional Development Fund (ERDF), and funds for the implementation of the EURO VELO 13 and EDEN projects. During the next period of ERDF funding (2014-20), Latvia plans to allocate EUR 20 million to tourism marketing and other promotional activities.

Latvia: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economics, 2016.

Tourism policies and programmes

Latvian tourism policy is based on several laws and regulations. In addition to the Tourism Law, these include: regulations governing the status of resorts, the completion and storage of visitor entry forms and the rights and duties of tour operators and travel agents; information rights of customers; guarantees regarding financial deposits made by travellers; and by-laws relating to the Latvian Tourism Development Agency.

Four main challenges have been identified for the Latvian tourism industry:

- Improving education and skills in tourism. Specialists in the beauty/spa and tourism sectors are redesigning undergraduate qualifications to improve the efficiency of higher education in these sectors;
- Combatting seasonality. Meetings, Incentives, Conference and Exhibitions (MICE) and wellness are priority development areas with year round opportunities to minimise the negative effect of seasonality;

- Economic crisis and recovery. Latvia has set a lower rate of Value Added Tax for accommodation businesses in order to help the sector recover from crisis;
- Improving the quality of tourism offer. A quality certificate, Q-Latvia, has been introduced for tourism products and services. Quality certified products must be sustainable, offer innovative solutions, be export-oriented with high quality and high level of tourist involvement, and have high added value. Only quality tourism products can access available supports.

The main tourism policy document is the Latvian Tourism Development Guidelines for 2014-20, prepared by the Ministry of Economics. The overall goal is to ensure sustainable growth of the Latvian tourism sector by increasing the international competitiveness of tourism services in export markets in ways which: meet the criteria for sustainable tourism product development; increase international tourist arrivals; reduce seasonal imbalance in tourism flows; and extend the average length of stay.

The Latvian Tourism Marketing Strategy 2010-15 was developed by the Latvian Tourism Development Agency, in co-operation with tourism associations and tourism educational institutions. The Strategy introduced the concept of tourism development, proposing main tourism target markets and a new communication platform, and introducing new branding as well as the slogan “Best enjoyed slowly”. A new marketing strategy for 2016-20 will be designed to fit the aims of the Latvian Tourism Development Guidelines for 2014-20.

Overall, Latvia’s most competitive strategic tourism sectors are MICE tourism, health tourism, nature tourism, cultural tourism and the creative industries.

Health tourism in Latvia

Medical/wellness tourism is a potential market that can help Latvia’s tourism industry to become more competitive. Tourists on health-related trips tend to stay longer, and their choice of when to travel is not directly related to the season. In this regard, a Latvian Health Tourism Cluster has been established, which served over 18 000 medical tourists from other countries in 2014. These medical tourists mainly come from Russia, Belarus, Germany and Scandinavia, stay 4 to 5 days and spend approximately EUR 150 per day.

In order to realise the potential of Latvia’s medical/wellness tourism, a new legal framework for resort operators and destinations was drawn up. In 2012, the Government approved the Procedure for Granting and Annulling the Resort Status. This established a procedure for a local authority to submit an application to grant resort status and to use the spatial development planning process to report on resort development and associated environmental quality indicators. By the end of 2015, two resorts have been approved in Latvia: Jurmala and Liepaja. The main outcome of this legislation is municipal interest in developing resort infrastructure, attraction of investments in the industry and constant environmental quality monitoring.

Statistical profile

Table 1. Latvia: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	12 149	12 151	11 413
Overnight visitors (tourists)	3 504	3 472	3 796 |	3 156	3 258
Same-day visitors (excursionists)	..	..	8 353	8 995	8 155
Nights in all types of accommodation	..	..	7 678	7 289	8 447
Hotels and similar establishments	..	..	450	467	671
Specialised establishments	..	..	220	431	427
Other collective establishments	..	..	261	249	320
Private accommodation	..	..	6 748	6 142	7 029
Inbound tourism					
Total international arrivals	5 042	5 538	5 569	5 822	6 246
Overnight visitors (tourists)	1 373	1 493	1 435	1 536	1 843
Same-day visitors (excursionists)	3 669	4 045	4 134	4 286	4 403
Top markets					
Russian Federation	189	271	273	333	348
Lithuania	182	192	203	210	266
Estonia	130	102	121	146	181
Germany	109	116	123	123	168
Sweden	157	151	192	195	162
Nights in all types of accommodation	5 291	6 118	5 792	7 009	7 822
Hotels and similar establishments	2 582	2 901	2 756	3 060	3 269
Specialised establishments	..	..	..	..	..
Other collective establishments	100	127	138	164	121
Private accommodation	2 412	2 866	2 717	3 552	4 202
Outbound tourism					
Total international departures	3 090	3 257	2 265 |	1 777	1 846
Overnight visitors (tourists)	1 650	1 775	1 398 |	1 246	1 362
Same-day visitors (excursionists)	1 440	1 482	867 |	530	484
Top destinations					
Russian Federation	176	187	131 |	162	138
Lithuania	195	203	152 |	123	134
Estonia	..	..	141 |	158	95
Germany	233	231	135 |	94	95
Sweden	180	187	116 |	98	86
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	963	1 102	1 068	1 190	1 243
International travel receipts	640	771	745	865	954
International passenger transport receipts	323	331	323	325	290
Outbound tourism					
Total international expenditure	772	920	863	899	909
International travel expenditure	647	766	679	715	714
International passenger transport expenditure	124	154	185	185	196

.. Not available; | Break in series
 Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320946>


Table 2. **Latvia: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	11 174	65 400	62 300	72 000	69 500	74 800
Accommodation services for visitors	1 016	5 100	4 400	3 400	4 300	5 700
Hotels and similar establishments	395	3 600	3 700	2 500 e	3 200	4 600
Food and beverage serving industry	4 304	21 000	20 800	24 900	22 200	23 600
Passenger transport	1 178	18 500	18 900	18 000	18 800	20 200
Air passenger transport	14	..	..	2 400 e	..	..
Railways passenger transport	68	2 500 e	3 300	3 900	3 400	4 900
Road passenger transport	1 081	12 800	12 000	9 700	12 800	13 400
Water passenger transport	15	..	..	2 000 e	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	758	..	..	..	..	..
Travel agencies and other reservation services industry	843	2 000 e	2 000 e	2 700	2 600 e	2 800
Cultural industry	1 387	11 900	9 100	12 900	13 300	12 300
Sports and recreation industry	1 688	6 800	7 500	10 100	8 200	10 000
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available; e Estimated value

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320952>

Lithuania

Tourism in the economy

Lithuania received 2.1 million incoming tourists in 2014, an increase of 2.5% on 2013. The main source markets are neighbouring countries Poland, Belarus, Russia, Latvia, along with the Scandinavian countries, Germany and the United Kingdom. International visitors generated EUR 1.2 billion in international receipts in 2014, up 5.2% on 2013.

The number of domestic trips rose by 2.3% to 2.6 million in 2014, resulting in 7 million recorded overnights. Same-day visitors grew at a similar rate (2.4%) to reach 11.2 million.

Tourism is one of the fastest growing branches of the Lithuanian economy. Tourism supports around 41 000 jobs in Lithuania, equivalent to 4.5 % of all private sector employees. The total contribution of tourism is estimated to amount to 4.8% of GDP (WTTC).

Tourism governance and funding

The Ministry of Economy is the National Tourism Authority in Lithuania. Within the Ministry, the Tourism Policy Division is responsible for tourism and resort development policy, planning, international co-operation and the planning of European Union investment.

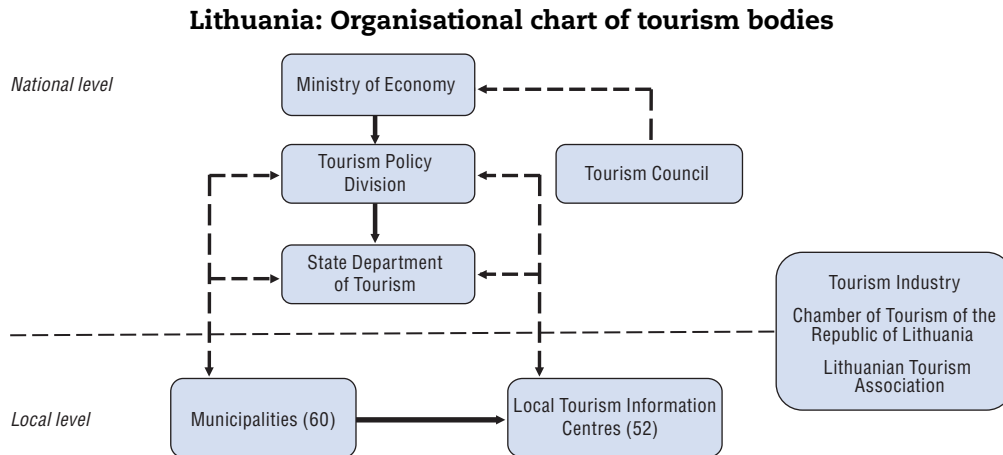
The Ministry of Economy co-operates with other ministries, including through special joint working groups on tourism-related matters, including: visa issues with the Ministry of Foreign Affairs; cultural tourism with the Ministry of Culture; and tourism marketing and accessibility with the Ministry of Communication.

The State Department of Tourism under the Ministry of Economy is responsible for the implementation of national marketing measures and monitoring market developments. The Tourism Council, an advisory body to the Ministry of the Economy, was established to identify social and economic needs within the tourism community. It is composed of representatives from tourism-related ministries and business associations.

There are two main tourism business organisations. The Chamber of Tourism represents the nine main tourism business associations, including Lithuanian Hotels and Restaurants, Countryside Tourism, Health Resorts, Private Healthcare Establishments and Spas. The Lithuanian Tourism Association represents Lithuanian tour operators and travel agencies.

At local level, tourism issues are covered by municipalities and local tourism information centres. The role of local authorities is very important in Lithuania. There is a tourism unit or a person responsible for tourism in almost every municipality. Fifty-two municipalities (out of a total of 60) have established Tourism Information Centres.

The main sources of funding for tourism promotion and development in Lithuania are the national budget and European Union Structural Funds. In 2015, the national tourism budget was EUR 28.3 million.



Source: OECD, adapted from the Ministry of Economy, 2016.

Tourism policies and programmes

The main challenges for tourism in Lithuania are: seasonality; accessibility, particularly the need for entry visas for visitors from Russia and Belarus and insufficient direct flights to Lithuania; the supply of tourism services and well-presented products; consumer protection; and the digitalisation of tourism.

The National Tourism Development Programme for 2014-2020 recognises tourism's potential to help increase household income, create new business niches, attract private investment, contribute to gross domestic product and address regional economic and social development issues, while at the same time helping to protect the natural and cultural landscape values by making sustainable use of those resources.

The Programme sets out the main tourism development objectives, goals and priorities in Lithuania in the period to 2020 and is based on sustainable tourism principles. The overall aim is to increase the competitiveness of the tourism sector. The Programme emphasises that in order to maintain tourist flows, Lithuania needs to develop competitive tourism products, create and promote a tourism business-friendly environment, expand tourism infrastructure, promote the export of tourism services to foreign countries, take effective marketing and communication measures and increase awareness of the destination. The main objectives of the Programme include improving the development of tourism infrastructure and the quality of services and reducing seasonality.

The Programme identifies four niche markets for priority development: cultural tourism, business tourism, health tourism and green (eco) tourism. The regions of Vilnius, the coastal area, the Nemunas Lowland, the Southern Dzūkija, the Eastern Aukštaitija and the Žemaitija Highlands have been identified as areas with particular tourism development potential. In each of these areas, there are plans to promote and develop the necessary public and private infrastructure for the priority tourism products identified in the Programme.

The potential for development of educational tourism in national and regional parks and the development of thematic tourist routes have been identified as more specific opportunities.

Statistical profile

Table 1. Lithuania: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	14 374	14 188	13 855	13 575	13 894
Overnight visitors (tourists)	2 453	2 479	2 516	2 589	2 649
Same-day visitors (excursionists)	11 921	11 709	11 339	10 986	11 245
Nights in all types of accommodation	6 473	6 779	6 836	7 069	7 000
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	4 073	4 504	4 978	5 264	5 217
Overnight visitors (tourists)	1 507	1 775	1 900	2 012	2 063
Same-day visitors (excursionists)	2 566	2 729	3 079	3 252	3 155
Top markets					
Belarus	292	340	374	408	425
Russian Federation	225	257	328	369	326
Latvia	146	179	190	199	229
Germany	159	151	162	166	174
Poland	166	216	191	183	162
Nights in all types of accommodation	1 999	2 377	2 622	2 839	2 966
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	4 311	4 021	4 108	4 228	4 291
Overnight visitors (tourists)	1 411	1 527	1 708	1 764	1 788
Same-day visitors (excursionists)	2 900	2 494	2 401	2 464	2 503
Top destinations					
Latvia	164	191	214	229	232
United Kingdom	106	149	210	229	205
Belarus	203	170	166	164	177
Poland	126	145	154	149	140
Germany	122	117	112	121	117
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	787	988	1 117	1 132	1 191
International travel receipts	729	943	1 029	1 035	1 085
International passenger transport receipts	57	45	88	97	106
Outbound tourism					
Total international expenditure	710	699	824	938	1 038
International travel expenditure	644	616	721	805	897
International passenger transport expenditure	66	83	103	133	142

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320977>

Table 2. **Lithuania: Enterprises and employment in tourism**

	Number of establishments ¹	Number of persons employed				
		2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	5 227	40 880	40 282	40 885	41 700	..
Accommodation services for visitors	1 400	..	..	..	..	..
Hotels and similar establishments	..	10 144	10 493	10 985	11 300	..
Food and beverage serving industry	3 459	12 730	12 698	12 500	12 600	..
Passenger transport	..	8 218	8 405	8 200	7 800	..
Air passenger transport	..	482	357	400	..	..
Railways passenger transport	..	413	363	400	400	..
Road passenger transport	..	7 196	7 518	7 200	7 200	..
Water passenger transport	..	127	167	200	200	..
Passenger transport supporting services	..	332	416	400	400	..
Transport equipment rental	..	336	416	500	600	..
Travel agencies and other reservation services industry	368	2 535	2 611	2 800	3 000	..
Cultural industry	..	6 585	5 243	3 300 |	3 700	..
Sports and recreation industry	..	..	..	2 200	2 300	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries

.. Not available; | Break in series

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1. Data for food and beverage, travel agencies and other reservation services industry refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320986>Table 3. **Lithuania: Internal tourism consumption**


Million EUR

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	735	1 121	1 856
Tourism characteristic products	398	448	846
Accommodation services for visitors	51	139	191
Food and beverage serving services	46	134	180
Passenger transport services	147	66	213
Air passenger transport services	83	38	120
Railways passenger transport services	12	7	19
Road passenger transport services	43	7	50
Water passenger transport services	9	15	24
Passenger transport supporting services	30	19	50
Transport equipment rental services	25	16	41
Travel agencies and other reservation services industry	82	21	102
Cultural services	14	34	48
Sports and recreation services	3	18	21
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	337	673	1 010
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320993>

Malta

Tourism in the economy

The year 2014 marked the fifth consecutive record year for inbound tourism to Malta, reaching 1.7 million tourists. This reflects an increase of 6.8% or 107 656 more tourists when compared to year 2013. The United Kingdom remained Malta's main source tourism market with a share of 28.9%. This was followed by Italy with a share of 15.5%. Germany ranked third with a share of 8.5%.

Overnights by international visitors amounted to 13.5 million in 2014, an increase of 4.9% on 2013. The cumulative average length of stay stood at 8.0 nights. Nights spent in collective accommodation encompassed the largest share at 65.6% and increasing by 2.8% when compared to the previous year. Nights spent in private accommodation, with a share of 34.4%, also registered a positive performance, increasing by 9.2%.

Balance of Payment estimates for the year 2014 indicate that earnings from tourism amounted to USD 1.7 billion, an increase of 5.9% compared to 2014 and equivalent to 17% of total service exports. Over 22 000 people were employed in the tourism industries in 2014, accounting for 13.5% of total employment.

Tourism to Malta is highly diversified with lower than average seasonality when compared to other Mediterranean destinations.

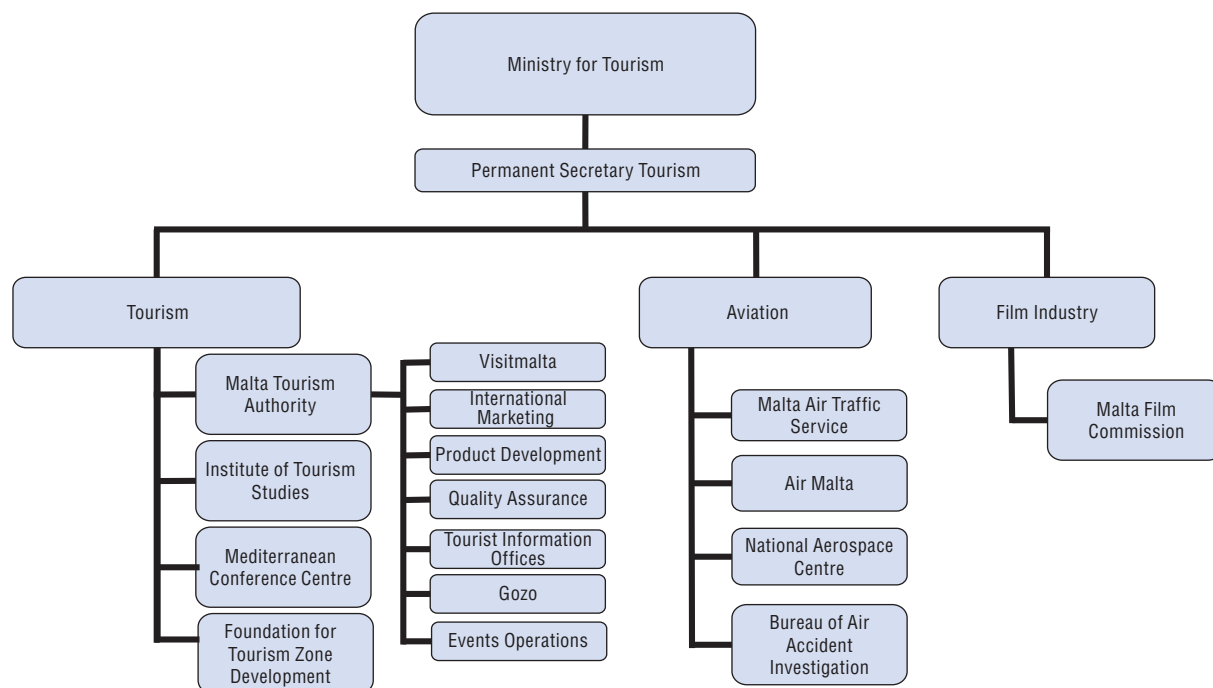
Tourism governance and funding

Tourism is directly represented in Cabinet through a dedicated Minister for Tourism who is also responsible for aviation policy. The Ministry for Tourism has political responsibility for a number of agencies and companies, including the Malta Tourism Authority, the Institute for Tourism Studies, Air Malta, Malta Air Traffic Services, National Aerospace Centre, Mediterranean Conference Centre and Malta Film Commission. Strong synergies exist among all these players.

Cabinet meetings ensure that tourism is constantly on the national agenda, while the representation of industry stakeholders on the boards of organisations such as Malta Tourism Authority and the Institute for Tourism Studies ensures direct co-ordination with the private sector.

A Foundation for Tourism Zone Development has been set up recently by the Ministry of Tourism to improve co-ordination between national bodies, local authorities and private operators. Given the small size of the country, there are no regional authorities.

The budget for tourism administration is allocated by the Central Government. In 2015, the Government provided a budget of around EUR 48 million to the entities under the Ministry for Tourism.

Malta: Organisational chart of tourism bodies

Source: OECD, adapted from the Ministry of Tourism, 2016.

Tourism policies and programmes

Tourism in Malta faces a number of tourism development issues, including the risk of economic instability in source markets, political instability in the region, a heavy dependence on air travel to sustain tourism inflows, the small size of the domestic market, the peripheral nature of the destination in relation to its source markets and the challenge of maintaining peak volumes at current levels while channelling growth into off-peak periods.

Three main priority issues guide the National Tourism Policy for 2015-20: managing visitor numbers, raising quality levels across the entire tourism value chain and reducing seasonality. These three principles are individually pivotal and jointly inter-related, forming the basis of the continued and successful sustainable development of tourism activity in the Maltese Islands.

The Policy specifically talks about managing visitor numbers as distinct from capping them. This is a more fluid approach to this sensitive issue by allowing the market to seek and find sustainable equilibria by taking into account a mix of factors including the utilisation of fixed and variable components of tourism supply such as bedstock, airline seats, restaurant covers, visitor attraction capacities, transportation networks and coastal resorts and beaches, among others.

The main policy challenges for Malta relate to: improved airline connectivity, continued market diversification to attract new geographic source markets and year-round motivational segments to further ease seasonal skews in tourism inflows, and upgrading the product and service offer to allow for the delivery of a quality experience to all visitors.

In terms of connectivity, Malta's tourism industry depends almost exclusively on visitor inflows by air for its sustained wellbeing and profitability. It is considered futile to

stimulate tourism demand unless that demand can be satisfied by adequate airlift. Thus the link between the well-being of Malta's tourism industry and the extent and nature of its air route network is critical. Malta has embarked on a strategy to increase the number of direct airline routes which have risen from around 45 in 2006 to over 90 in 2014. Malta has subsequently grown its tourism volume, overnights and expenditure by annual record points almost every year since 2006. A strong and synergetic relationship has been established between the Malta Tourism Authority and Malta International Airport. These two organisations share market intelligence, devise joint strategies and complement each other's activities to ensure maximised use of resources and maximised results and returns.

Malta has one of the least seasonal skews in tourism flows in the region with the island being one of a minority of destinations whose tourism industry remains active twelve months a year. This is due to the successful presentation and selling of Malta as a destination offering year round attractions. During the summer months the coastal and maritime dimensions of the destination gain precedence while during the rest of the year the rich cultural city offer, mild weather, meetings and conferences facilities and range of outdoors, wellness and short-break attractions together ensure that the accommodation bedstock is utilised throughout the entire year. Maltese tourism is also firmly integrated within the community which hosts it thus ensuring strong synergies between the industry and the host population.

Supporting English language learning as a niche market for Malta

In year 2014, a total of 77 550 students followed courses at local English language specialised schools recording an increase of 3.4% or 2 558 more students compared to 2013. The number of student weeks amounted to 245 587, an increase of 8.8% over 2013. Students studying English as a foreign language accounted for 4.4% of total foreign nationals visiting Malta in 2014.

Italy remained the main source market for English language travel with a share of 23.9%. Germany was in second place with a share of 13.5% overtaking Russia in third place with a share of 12.2%. Together, the top three markets accounted for nearly half (49.6%) of total student visits. As in the previous years, the peak summer months of July to September attracted the majority of students (45.3%). This was followed by the spring months of April to June which attracted 28.3% of students.

Over the years Malta has accumulated a vast body of regulations which seek to govern tourism service providers such as accommodation, catering establishments, travel agents and tourist guides. As tourism has evolved, the need to revisit the regulatory framework has risen to the top of the list of priorities. In 2014-15 a major exercise has been undertaken with the dual objective of:

- Simplifying the extensive regulatory framework by removing overlaps and narrowing the number of relevant legal notices to a more manageable and logical quantity,
- Changing the spirit of the law to ensure that the regulatory framework is better equipped to react and adapt to the rapid change prevailing in the industry rather than continue to act as some sort of deterrent against it.

Statistical profile

Table 1. Malta: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	205	190	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	598	468	..
Hotels and similar establishments	..	..	284	93	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	173	180	..
Private accommodation	..	..	142	196	..
Inbound tourism					
Total international arrivals	1 800	1 860	1 960	1 962	2 115
Overnight visitors (tourists)	1 339	1 415	1 443	1 582	1 690
Same-day visitors (excursionists)	462	445	516	380	425
Top markets					
United Kingdom	415	439	441	455	488
Italy	220	202	202	234	263
Germany	126	134	138	147	143
France	87	104	108	117	126
Spain	68	63	60	53	42
Nights in all types of accommodation	11 148	11 241	11 860	12 890	13 522
Hotels and similar establishments	6 809	7 001	7 039	7 605	8 363
Specialised establishments	..	..	..	..	..
Other collective establishments	854	829	1 010	1 022	504
Private accommodation	3 485	3 411	3 810	4 263	4 655
Outbound tourism					
Total international departures	328	347	368	404	430
Overnight visitors (tourists)	294	308	331	363	391
Same-day visitors (excursionists)	34	39	37	41	39
Top destinations					
Italy	78	91	98	109	123
United Kingdom	75	81	78	89	92
Germany	16	17	19	19	22
France	18	14	17	17	22
Spain	15	19	19	20	18
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	1 252	1 461	1 506	1 614	1 710
International travel receipts	1 079	1 268	1 270	1 404	1 517
International passenger transport receipts	173	193	236	210	193
Outbound tourism					
Total international expenditure	362	400	408	465	465
International travel expenditure	310	333	341	384	399
International passenger transport expenditure	52	66	67	81	66

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321006>

Table 2. **Malta: Enterprises and employment in tourism**


	Number of establishments ¹	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	5 301	21 078	21 978	22 243	23 604	22 822
Accommodation services for visitors	205	7 234	7 110	7 322	7 577	6 198
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	2 280	3 886	4 086	4 638	4 958	5 530
Passenger transport	761	3 556	3 718	4 145	3 986	3 534
Air passenger transport	11	1 459	1 447	1 090	1 096	1 161
Railways passenger transport	0	..	..	..	..	..
Road passenger transport	679	1 315	1 427	2 200	2 201	1 745
Water passenger transport	71	783 e	845 e	854	689 e	628 e
Passenger transport supporting services	227	2 063	2 775	1 771	1 985	2 210
Transport equipment rental	146	577 e	612 e	379 e	327 e	325 e
Travel agencies and other reservation services industry	554	1 104	1 071	575 e	739	1 044
Cultural industry	819	2 657	2 606	3 413	4 032	3 981
Sports and recreation industry	309	298 e	350 e	678 e	799	907
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available; e Estimated value

Disclaimer: <http://oe.cd/disclaimer>

1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321011>

Morocco

Tourism in the economy

Tourism is one of the main economic drivers in Morocco. The Moroccan tourism sector performed well in 2014 with international tourist arrivals reaching 10.3 million, up 2.4% year on year. The sector employed 505 000 people (4.7% of total jobs) and contributed MAD 61.9 billion to GDP (6.7% of total GDP). Internal tourism consumption amounted to MAD 105.5 billion.

France remains the Moroccan's strongest inbound travel market, with nearly 1.8 million tourists, representing 17.4% of the total arrivals in Morocco in 2014. The other major source markets for Moroccan tourism are Spain (6.6%), followed by the United Kingdom (4.6%), which has grown by 73.4% between 2008 and 2014, and Belgium (around 2.6%).

Tourism is the biggest component of service exports, generating foreign currency income of MAD 59.3 billion, up by 2.9% from 2013. International travel receipts accounted for 45% of Morocco's service exports in 2014.

Tourism governance and funding

The institutions responsible for developing tourism in Morocco are governed by the National Programme Contract that sets out the Vision 2020 Tourism Strategy for the period 2010 to 2020.

The Ministry of Tourism is responsible for working with the relevant administrations to draft, implement and evaluate the tourism strategy. It conducts research; drafts and supervises legislation on the organisation of tourist activities; manages and supports compliance with regulations; guides and monitors decentralised services and their resourcing; contributes to the tourism training strategy and supervises public training institutions; and cultivates relations and co-operation with specialist organisations.

The following bodies are attached to and under the supervision of the Ministry of Tourism:

- Moroccan Society for Tourism Engineering (SMIT), which aims to promote investments through the implementation of the development strategy for tourism, by designing, setting up and tracking the main tourism projects,
- National Tourism Office of Morocco (ONMT), which is in charge of promoting, marketing and growing the destination and air travel.

The Ministry maintains regular contact with different stakeholders within a clear and efficient institutional framework. Several bodies preside over links to the private sector:

- Six Committees co-chaired by the Minister of Tourism and the Chair of the National Tourism Confederation, focus on private sector engagement with the Vision 2020

Strategy, identification of key issues, and convening relevant parties to solve problems. These Committees cover the following issues: governance, competitiveness, air travel, output and investment, human capital and sustainability.

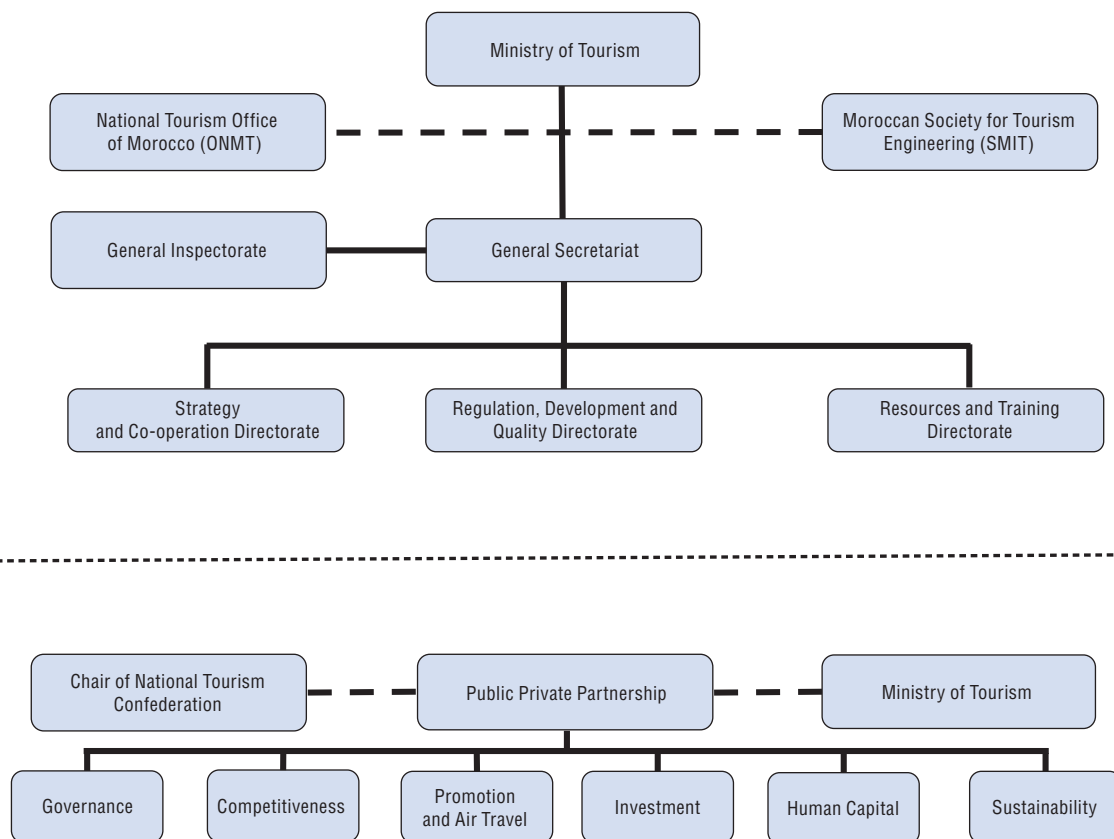
- The Tourism Observatory, which is a public-private initiative set up in 2005 to support the development of the tourist industry. Its three main roles are information provision, communication, and monitoring.

The Ministry of Tourism has 24 regional and provincial representatives whose main roles are: to gather information, support sector bodies, promote tourism, monitor tourism sites, inspect, co-ordinate and manage activities, ensure smooth running of training institutions, and implement government decisions.

The Ministry’s budget comes from the central budget and totalled MAD 724 million in 2015, with 64% earmarked for investment. The investment budget is divided between the various entities under the Ministry’s responsibility: 23% for the central administration; 11% for training schools; 55% for the National Tourism Office of Morocco; and 11% for the Moroccan Society for Tourism Engineering.

The National Tourism Office of Morocco has other sources of funding, first and foremost the tourism promotion tax – a charge paid by tourists and levied on overnight stays in classified accommodation, which varies between MAD 1 and 15 per night, depending on the category of establishment.

Morocco: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Tourism, 2016.

Tourism policies and programmes

Morocco's Vision 2020 Tourism Strategy aims to double the size of the Moroccan tourist industry, pushing it into the world's top 20 tourist destinations and establishing Morocco's sustainable development credentials in the Mediterranean basin. This ambition is reflected in a unique tourism model that combines vigorous growth with responsible management of the environment and respect for socio-cultural authenticity. The Strategy is based on three fundamentals: a regional planning policy for tourism, a new governance structure and an embedded sustainable development approach.

Achieving the Vision 2020 required the development of several integrated thematic plans focussing on marketing, competitiveness, human resources, and sustainability.

Vision 2020's main challenges include implementing six major development programs for a diversified portfolio of products, building around culture, the seaside and nature, with an underlying theme of sustainability, and supplemented with programmes centred on certain high added value niches:

- Azur 2020: Which aims to provide an internationally competitive range of seaside resorts for Morocco,
- Culture and Heritage: Which aims to structure and valorize the cultural heritage of Morocco,
- Green/Sustainable Development: Which aims to value and preserve natural and rural resources,
- Domestic Tourism: Offering a product tailored to Moroccans,
- Entertainment, Sports and Leisure: Which aims to create a rich and varied offer complementing the basic tourism infrastructure,
- High added value niches: Relating to business, welfare and health tourism.

The main priorities for improving tourism performance are to:

- Raise the quality of professional training and higher education,
- Improve the sector's attractiveness to young people,
- Make tourism companies more competitive,
- Give Morocco greater online visibility as a tourist destination,
- Diversify the tourist offering,
- Roll out sustainability tracking in the tourist sector.

Morocco recognises that in a fiercely competitive environment and difficult global economy, the quality of the tourist experience plays a decisive role in maintaining the positive results recorded by the tourist sector in recent years, and in securing Morocco's place as a global tourist destination.

Particular attention has therefore been paid to accommodation and to putting in place a quality programme, including a classification system that ensures service quality matches tourists' expectations (Box 1.18). However, while the system is mandatory, many establishments currently operate outside it. This has implications for quality, as well as leading to unfair competition and tarnishing the image of the destination.

The Ministries of Tourism and the Interior have introduced an integrated, participative approach to address this, involving:

- Prevention – highlighting the importance of applying the legal and regulatory provisions that govern the authorisation and classification processes for tourist establishments,

- Correction – carrying out an operation to regularise the situation, backed up by educating the unclassified establishments in the importance of compliance with the classification system.

Morocco has played a key role in promoting the sustainable development of tourism. In 2014 it was voted co-lead of the Sustainable Tourism Programme, which is part of the United Nation's 10-Year Framework on Sustainable Consumption and Production (10 YFP). Within Morocco, Vision 2020 follows the principles of sustainable development, with a focus on improving relevant skills in the sector through an e-learning platform, awareness raising measures and good practice guides. The Ministry is tracking sustainability through the use of indicators that are being rolled out nationwide. It also seeks to use tourism in the protection and promotion of ecological sites and has undertaken pilot projects on the impact of tourism on local people.

Statistical profile

Table 1. Morocco: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	1 859	2 061	2 265	2 399	2 403
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	181 206	184 399	188 859	192 606	195 778
Hotels and similar establishments	4 066	4 449	4 937	5 183	5 307
Specialised establishments	..	..	..	..	..
Other collective establishments	47 891	48 258	49 464	50 948	52 222
Private accommodation	129 249	131 692	134 458	136 474	138 249
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	9 288	9 342	9 375	10 046	10 283
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
France	1 827	1 776	1 770	1 782	1 798
Spain	727	693	731	683	684
United Kingdom	338	352	357	403	477
Belgium	221	259	255	273	267
Germany	205	220	199	238	255
Nights in all types of accommodation	..	..	..	121 575	120 822
Hotels and similar establishments	13 956	12 419	12 549	13 931	14 326
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	11 642	11 423
Private accommodation	..	..	..	96 002	95 073
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	2 175	2 192	2 316	2 195	1 849
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	7 806	8 500	8 049	8 508	8 912
International travel receipts	6 330	6 754	6 257	7 071	7 223
International passenger transport receipts	1 475	1 746	1 792	1 437	1 689
Outbound tourism					
Total international expenditure	1 891	2 250	2 093	1 997	2 252
International travel expenditure	1 209	1 326	1 252	1 317	1 429
International passenger transport expenditure	682	923	841	680	823

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933321030>


Table 2. **Morocco: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
		2010	2011	2012	2013	2014
Total	..	450 000 e	470 000 e	480 000 e	500 000 e	505 000 e
Tourism industries	6 234	..	..	..	391 800 e	391 800 e
Accommodation services for visitors	..	..	..	..	..	..
Hotels and similar establishments	3 180	..	..	..	125 000 e	128 000 e
Food and beverage serving industry	..	..	..	..	81 000 e	82 000 e
Passenger transport	1 890	..	..	..	32 000 e	34 000 e
Air passenger transport	2	..	..	..	..	..
Railways passenger transport	1	..	..	..	..	..
Road passenger transport	1 887	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	1 164	..	..	..	22 000 e	22 300 e
Cultural industry	..	..	..	..	9 800 e	10 000 e
Sports and recreation industry	..	..	..	..	2 000 e	2 500 e
Retail trade of country-specific tourism characteristic goods	..	..	..	..	120 000 e	113 000 e
Other country-specific tourism industries
Other industries	108 200 e	113 200 e

.. Not available; e Estimated value

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321043>Table 3. **Morocco: Internal tourism consumption**


Million MAD

	2014		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	32 000	73 508	105 508
Tourism characteristic products	21 648	53 666	75 315
Accommodation services for visitors	6 196	11 962	18 158
Food and beverage serving services	5 318	10 088	15 406
Passenger transport services	4 868	14 212	19 080
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	122	..	122
Travel agencies and other reservation services industry	43	1 100	1 143
Cultural services	106	1 017	1 123
Sports and recreation services	2 416	8 032	10 449
Country-specific tourism characteristic goods	2 580	7 256	9 836
Country-specific tourism characteristic services	..	..	..
Other consumption products	10 352	19 841	30 193
Tourism connected products	..	..	..
Non-tourism related consumption products	10 352	19 841	30 193
Non-consumption products	..	..	..

.. Not available

Disclaimer: <http://oe.cd/disclaimer>

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321050>

Philippines

Tourism in the economy

In 2014 tourism directly contributed PHP 982.3 billion (approximately USD 22.1 billion) to the economy of the Philippines, or 7.8% of GDP. The average growth rate in tourism's contribution to GDP during the period 2011 to 2014 was 13.1%. It directly supported 4.8 million jobs, accounting for 12.5% of total employment.

The Philippines welcomed 4.8 million international tourists in 2014, a rise of 3.2% compared with 2013. Korea, with 1.18 million visitors (24%), is the main source market for the Philippines, followed by the United States (15%), Japan (9.6%) and China (8.2%), which has grown by 241.3% since 2008.

Tourism governance and funding

The Department of Tourism is the primary planning, programming, co-ordinating, implementing and regulatory government agency for tourism in Philippines. It is responsible for the development and promotion of the tourism industry, domestically and internationally, in co-ordination with attached agencies and other government institutions. Dedicated units within the Department are charged with the following responsibilities:

- Tourism Development – includes offices for product development, tourism development planning, research and information management, and industry and manpower development,
- Tourism Regulation, Co-ordination and Resource Generation – includes offices for tourism standards and regulations, tourism co-ordination, tourism resource generation, and all the regional and international offices,
- Special Concerns and Administration – includes the office for special concerns, the legislative liaison unit, and services for financial management, administrative affairs, legal affairs and internal audit.

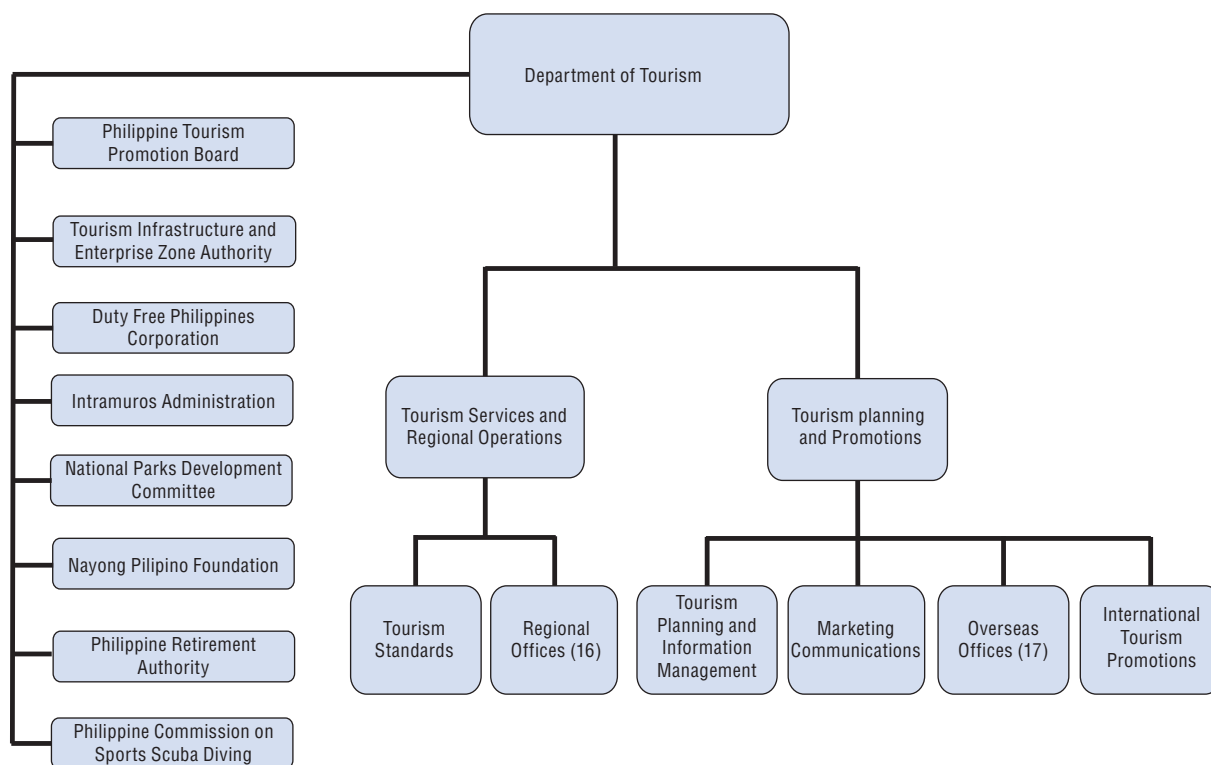
A number of agencies and corporations are under the supervision of the Department for programme and policy co-ordination, while continuing to operate under their respective charters. These include the Philippine Tourism Promotions Board (PTPB), Tourism Infrastructure and Enterprise Zone Authority (TIEZA), Duty Free Philippines Corporation (DFPC), Intramuros Administration (IA), National Parks Development Committee (NPDC), Nayong Pilipino Foundation (NPF), Philippine Retirement Authority (PRA) and Philippine Commission on Sports Scuba Diving (PCSSD).

The Department of Tourism operates a network of regional offices around the country, which implement rules and regulations on the accreditation of tourism enterprises, co-ordinate with local government on tourism development and promotion and marketing, collect data, provide training and information, and assist tourists and tourism enterprises.

The Department also operates offices in foreign countries to promote Philippines as a tourism destination and network with travel agents to sell Philippine destinations and products.

The Department of Tourism sources its fund for the development of tourism from the Annual General Appropriations Act, which is approved by the Legislative body. Funding for tourism promotion is sourced from the corporate funds of the Tourism Promotions Board, while infrastructure development is sourced from the corporate funds of the Tourism Infrastructure and Enterprise Zone Authority.

Philippines: Organisational chart of tourism bodies



Source: OECD, adapted from the Department of Tourism, 2016.

Tourism policies and programmes

The Philippines has a number of tourism strengths and advantages, including incredible natural and cultural resources, proximity to the world’s fastest growing markets, and a warm, friendly and hospitable people with proficiency in English. There are also a number of challenges, including limited international and domestic market access and connectivity, uncompetitive tourist destinations and products, and weak public sector tourism governance and human resource development policies.

The National Tourism Development Plan 2011-16 provides a framework for the development of tourism in the Philippines as a major contributor to socio-economic development. The Plan aims to make the Philippines the must-experience destination in Asia. The long term goal is to develop environmentally and socially responsible tourism that delivers more widely distributed income and employment opportunities.

The Plan's strategic directions and related objectives are as follows:

- Develop and market competitive tourist product and destinations,
- Develop a diversified product portfolio in priority destinations and strengthened road/sea tourism circuit framework,
- Raise facility and service standards, facilitate tourism investment (especially in accommodation) and lower business costs,
- Safeguard natural and cultural heritage and vulnerable groups,
- Implement public-private partnership-based marketing strategy and action plan.

Improve market access, connectivity and destination infrastructure:

- Rapidly expand capacity of secondary international airports to priority destinations,
- Expand international air connectivity between priority gateway destinations and key growth markets,
- Implement a strategic access infrastructure programme between international airports and the cluster destinations,
- Implement a tourism destination infrastructure programme.

Improve tourism institutions, governance and human resource capacities:

- Institutionalise roles and responsibilities of the Department of Tourism and Local Government Units,
- Develop a competent, motivated and productive tourism workforce,
- Improve governance in the area of safety, security and tourist assistance.

A number of priority areas for action have been identified. These include:

- Investment Barriers – the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) is identifying priority Tourism Enterprise Zones (TEZs) where investors would receive tax and other incentives. However, in 2015 the TEZ has not yet been implemented because the Bureau of Internal Revenue's (BIR) inability to issue the revenue regulations pertaining to the operations of the TEZs.
- Infrastructure – infrastructure projects include roads leading to tourist destinations and on-site facilities. Tourism roads are being constructed and developed by the Department of Public Works and Highways in tourism destination areas.
- Connectivity – there is limited airport capacity for international airports in the Philippines. As of 2015, the Government is expanding the international airports to attract more routes and traffic in and out of the Philippines.

Statistical profile

Table 1. **Philippines: Domestic, inbound and outbound tourism**

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	3 520	3 917	4 273	4 681	4 833
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Korea	741	925	1 031	1 170	1 175
United States	600	625	653	675	723
Japan	359	375	412	434	464
China	187	243	251	426	395
Australia	147	..	..	..	225
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations	..	..	..	..	..
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	3 442	4 053	4 963	5 598	5 701
International travel receipts	2 645	3 198	4 061	4 690	4 767
International passenger transport receipts	796	855	902	909	934
Outbound tourism					
Total international expenditure	5 964	6 055	7 140	8 399	10 437
International travel expenditure	5 487	5 616	6 548	7 833	9 920
International passenger transport expenditure	477	439	592	567	517

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933321060>


Table 2. **Philippines: Enterprises and employment in tourism**

	Number of establishments	Number of persons employed				
	2014	2010	2011	2012	2013	2014
Total
Tourism industries	..	4 126 000	4 266 000	4 561 000	4 709 000	4 758 000
Accommodation services for visitors
Hotels and similar establishments	8 841	1 045 000	1 116 000	1 579 000	1 601 000	1 656 000
Food and beverage serving industry
Passenger transport	..	1 902 000	1 870 000	1 675 000	1 746 000	1 693 000
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	..	26 000	30 000	26 000	29 000	30 000
Cultural industry
Sports and recreation industry	..	279 000	328 000	338 000	343 000	350 000
Retail trade of country-specific tourism characteristic goods	..	276 000	307 000	300 000	312 000	314 000
Other country-specific tourism industries	..	598 000	615 000	643 000	678 000	714 000
Other industries

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321070>Table 3. **Philippines: Internal tourism consumption**


Million PHP

	2014		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	1 468 975	274 566	1 743 541
Tourism characteristic products	962 378	269 633	1 232 011
Accommodation services for visitors	354 767	80 832	435 599
Food and beverage serving services	80 365	60 539	140 904
Passenger transport services	145 082	49 034	194 116
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	95 278	1 991	97 269
Cultural services	..	..	..
Sports and recreation services	80 674	30 818	111 492
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	206 212	46 419	252 631
Other consumption products	506 597	4 933	511 530
Tourism connected products	..	..	..
Non-tourism related consumption products
Non-consumption products

.. Not available

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321081>

Romania

Tourism in the economy

Romania welcomed 8.4 million international arrivals in 2014, an increase of 5.3% on 2013. Of these, 1.9 million international visitors stayed overnight in commercial accommodation (up 11.5% on 2013), recording a total of 3.8 million overnights (up 8.4%). Germany, Hungary, Italy and France were the main source markets in 2014. Domestic tourists made 15.8 million overnight trips in 2014, down 3.2% on 2013. Romania recorded USD 2.2 billion in inbound travel receipts in 2014, a 7.9% increase on 2013.

Tourism directly contributed RON 10.3 billion or 1.9% of GDP in 2012 and employed 293 802 people in 2013. Estimates indicate that tourism's direct share of GDP in 2014 was 1.6%, supporting 2.4% of total employment (WTTC).

Tourism governance and funding

The Ministry of Economy, Commerce and Tourism oversees the National Authority for Tourism. The Authority's main fields of activity include: drawing up and implementing the national tourism strategy; promoting Romania as a tourist destination; developing destinations, products and the tourism infrastructure; issuing accommodation and tourism licences; monitoring the quality of tourism services; and selecting applications for European Union regional programmes.

The Consultative Committee for Tourism brings together national representatives from the public and private sector and non-governmental organisations (NGOs) to discuss aspects of tourism policy. Specific committees also exist to deal with human resources and training.

At territorial level, representatives of the Territorial Development Division of the Ministry collaborate with the local public administrations, private sector and tourism NGOs in implementing the national tourism policy. The Ministry also operates 10 promotional offices abroad.

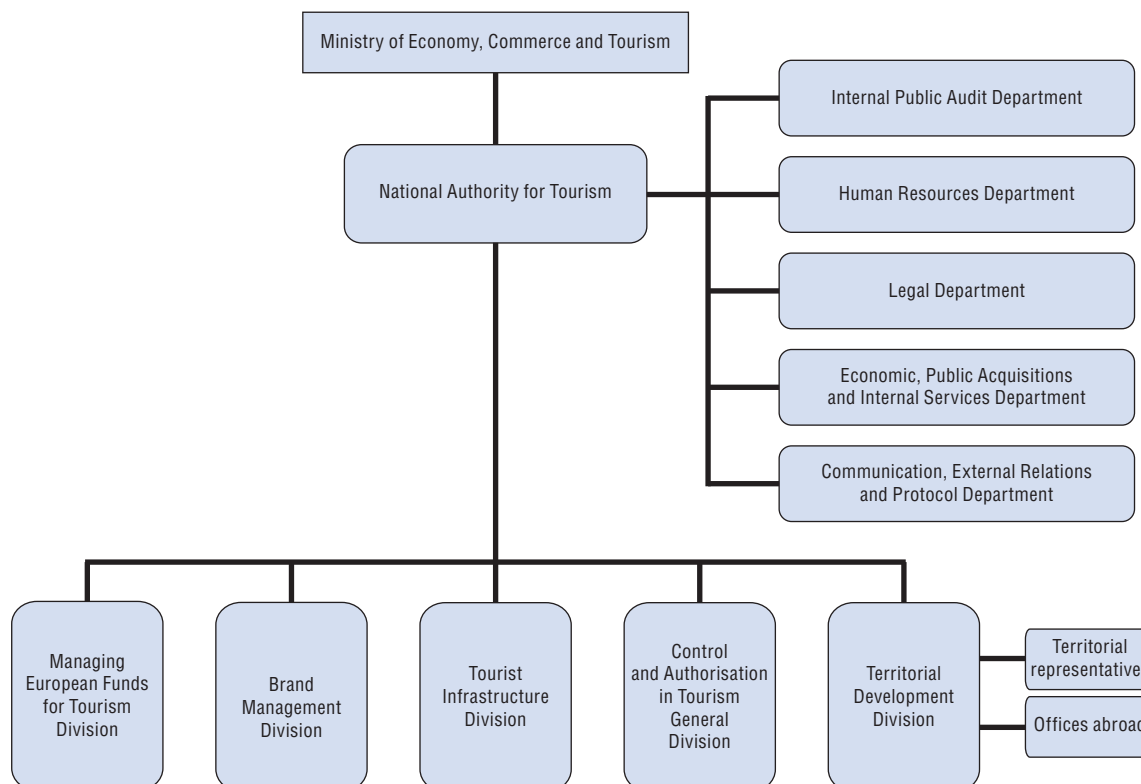
City, town and county authorities assist the Ministry in implementing national tourism policy at a local level. Their responsibilities include: maintaining an inventory of tourist resources and local registers of tourism heritage assets; drafting development proposals; participating in the approval of tourism tours and ski pistes; contributing to the increase of quality of tourist products; and supervising tourism activity, in order for the operators to have access to tourist resources.

The private sector is organised into a number of associations at national level, according to thematic sectors (rural tourism, spa tourism, business tourism, ecotourism) or professions (tour operators and travel agencies, hotels, bed and breakfast, tourist guides, and cooks and confectioners). In addition, the Federation of Tourism Patrons of Romania

comprises both individual and collective members, while some associations come together in the Federation of Associations for Tourism Promotion of Romania. Tourism stakeholder associations also exist at a local level.

The National Authority for Tourism budget for 2014 was ROM 77.1 million, with 22.8% coming from national funds and 77.2% from European funds. In 2015 this increased to ROM 218 million (25.8% national funds and 74.2 % European funds).

Romania: Organisational chart of tourism bodies



Source: OECD, adapted from the National Tourism Authority, 2016.

Tourism policies and programmes

The main tourism policy document is the National Tourism Development Master Plan for Romania 2007-26. This is further elaborated in the National Eco-Tourism Strategy, the National Strategy for Spa Tourism, and the Marketing Strategic and Operational Plan for Romania, 2011-15.

Specific actions to support the tourism strategy are also detailed within the chapter Tourism, SMEs and Business Environment in the Government Programme 2013-16. This includes measures to support particular forms of tourism, as well as providing for a number of technical and generic measures to underpin this support. These include:

- Strategic measures: applying best practices from other countries; decentralising actions; and promoting products with competitive advantage,
- Co-operation measures with other ministries on different issues, for example: Education (promoting common programmes for student camps in low season); Labour, Family, Welfare and Seniors (increasing the number of pensioners who can benefit from special

tickets in spas); Health (common programmes for health of the labour force in spas); Foreign Affairs (facilitating visa procedures); and Culture (developing heritage tourism),

- Legislative and institutional measures: adopting a new Tourism Law including legislation on vocational training and education in tourism and public-private partnership; developing a network of tourist information centres; and extending the system for collection and analysis of statistics and market studies,
- Fiscal measures: tax exemptions for certain types of tourism investment, such as new facilities, spa tourism and accommodation units that obtain an ecolabel; and reduction of VAT on travel packages and on food products from 24% to 9% (Emergency Government Orders in 2014).

The main challenge for tourism in Romania is to improve its image. Work on projecting the Romania brand involves a wide range of promotional activity. Brand research has pointed to the need to develop and promote six key tourism products:

- Health and wellness: relaxation, recovery treatments, organic food.
- Cultural tourism: touring, visiting historical and traditional sites.
- Rural tourism: holidays in small rural guest houses/farms/ecotourism.
- Active tourism: cycling, trips, hiking, equestrian tourism.
- Nature tourism: trips in wild nature and natural parks, observing specific flora and fauna.
- City breaks: weekend touring in a city.

Establishment of eco-destinations in Romania

Romania has taken measures to establish wildlife and nature tourism products that truly conform to agreed standards of sustainability. Following the National Ecotourism Strategy, Romania became the first country in Europe to elaborate a system for evaluating eco-destinations. This is based on the European Ecotourism Labelling Standard, recognised by the Global Sustainable Tourism Council. Two destinations were designated initially. Between 2014 and 2016 this will be rolled out by the National Authority for Tourism and the Association of Ecotourism, through a project to support a national network of ecotourist destinations.

Assistance is provided for another eight regions to apply for the certification scheme so that at least ten ecotourism destinations will be established. The development model used brings more income for the local communities, diversifying the local job offer, creating additionally social economic value in protected areas and increasing acceptability of nature conservation as part of the local development. At the same time the ecotourism destination network is developing as one of the main products of the Romanian tourism brand.

Romania has engaged with a number of actions with other countries to develop sustainable tourism products and make the most of cultural assets, in line with policy priorities. It works within the Carpathian Convention to encourage co-operation for the protection and sustainable development of the Carpathians, to improve local quality of life and preserve natural and cultural values. It also works with Bulgaria, Croatia and Serbia on a programme of cultural route development in the lower Danube.

Statistical profile

Table 1. Romania: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	40 884	41 004	53 513	52 411	50 084
Overnight visitors (tourists)	10 797	11 986	15 833	16 358	15 840
Same-day visitors (excursionists)	30 087	29 018	37 680	36 053	34 244
Nights in all types of accommodation	13 212	14 851	15 800	15 831	16 468
Hotels and similar establishments	12 662	14 326	15 361	15 438	16 049
Specialised establishments	..	..	..	..	..
Other collective establishments	550	525	439	393	419
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	7 498	7 611	7 937	8 019	8 442
Overnight visitors (tourists)	1 343	1 515	1 653	1 715	1 912
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Germany	185	207	230	229	234
Hungary	76	86	90	99	217
Italy	145	172	182	182	185
France	99	109	118	119	124
United States	84	86	90	92	113
Nights in all types of accommodation	2 755	3 063	3 292	3 471	3 762
Hotels and similar establishments	2 674	2 978	3 215	3 405	3 746
Specialised establishments	..	..	..	..	..
Other collective establishments	81	85	77	67	16
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	10 905	10 936	11 149	11 364	12 299
Overnight visitors (tourists)
Same-day visitors (excursionists)
Top destinations					
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TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	1 631	2 018	1 901	2 048	2 211
International travel receipts	1 136	1 421	1 463	1 591	1 813
International passenger transport receipts	495	597	438	457	399
Outbound tourism					
Total international expenditure	1 896	2 295	2 109	2 176	2 636
International travel expenditure	1 636	1 966	1 833	2 059	2 412
International passenger transport expenditure	260	329	276	117	224

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933321091>

Table 2. **Romania: Enterprises and employment in tourism**

	Number of establishments ¹	Number of persons employed ²				
	2013	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	40 004	266 079	279 081	284 553	293 802	..
Accommodation services for visitors	3 400	37 854	38 462	38 801	39 479	..
Hotels and similar establishments	2 188	35 130	35 416	35 345	36 105	..
Food and beverage serving industry	18 397	85 786	93 747	96 794	99 986	..
Passenger transport	8 784	55 759	57 639	57 392	58 030	..
Air passenger transport	51	4 009	4 008	3 680	3 754	..
Railways passenger transport	16	16 737	15 758	15 166	15 034	..
Road passenger transport	8 670	34 696	37 625	38 282	38 874	..
Water passenger transport	47	317	248	264	368	..
Passenger transport supporting services	2 009	48 532	47 844	47 379	47 979	..
Transport equipment rental	566	1 504	1 686	1 989	1 959	..
Travel agencies and other reservation services industry	2 674	8 613	9 194	9 569	9 360	..
Cultural industry	1 024	1 811	1 902	2 229	2 339	..
Sports and recreation industry	3 150	26 220	28 607	30 400	34 670	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries


.. Not available

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1. Data refer to number of enterprises.

2. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321106>Table 3. **Romania: Internal tourism consumption**


Million RON

	2012		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	4 400	20 619	25 018
Tourism characteristic products	4 005	17 598	21 603
Accommodation services for visitors	2 425	3 812	6 237
Food and beverage serving services	838	3 429	4 267
Passenger transport services	219	5 325	5 544
Air passenger transport services	158	3 389	3 547
Railways passenger transport services	7	437	445
Road passenger transport services	34	1 459	1 493
Water passenger transport services	20	40	60
Passenger transport supporting services	..	..	..
Transport equipment rental services	24	0	24
Travel agencies and other reservation services industry	..	3 521	3 521
Cultural services	73	287	360
Sports and recreation services	158	581	739
Country-specific tourism characteristic goods	159	0	159
Country-specific tourism characteristic services	109	643	752
Other consumption products	395	3 021	3 415
Tourism connected products
Non-tourism related consumption products
Non-consumption products

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321115>

Russian Federation

Tourism in the economy

In 2014 Russia recorded 32.4 million international arrivals. This is 5% more international visitors than in 2013. The total number of people visiting Russia for leisure related tourism purposes decreased by 3%, but visits for business purposes increased by 8%. At the same time, there was a significant decrease in outbound tourism from Russia in 2014, falling by 15.1% on the previous year.

Tourism directly employed 500 900 people working in hotel, travel agency and reservation services in 2014. The total contribution of travel and tourism to GDP in 2014 was estimated to be RUB 4 357 billion, approximately 6% of total GDP. The sector is estimated to directly and indirectly support 3.9 million jobs (5.6% of total employment), with tourism exports estimated to be worth RUB 735.4 billion (3.5% of total exports) and investment to be RUB 369 billion (2.7% of total investment) (WTTC).

Russia's Federal State Statistics Service (Rosstat) and Federal Agency for Tourism (Rustourism) are working towards the production of a Tourism Satellite Account for Russia. The activities classified as tourism were approved by the Ministry of Culture in 2014 and will be used in pilot calculations on the contribution of tourism to the economy.

Tourism governance and funding

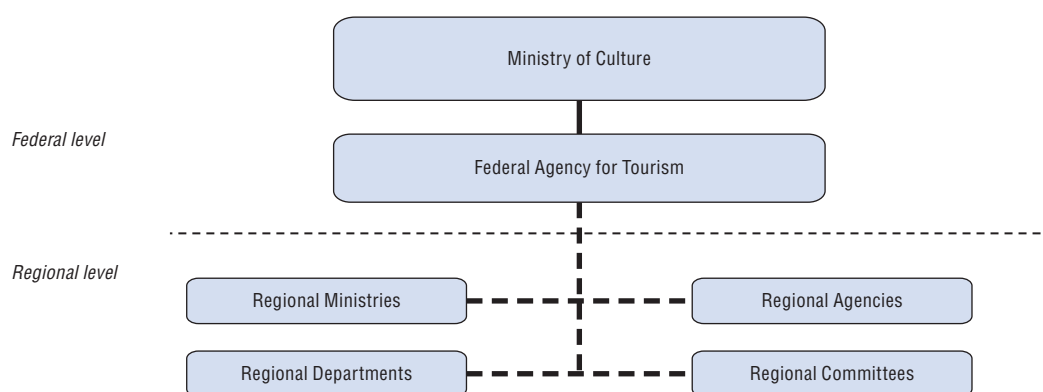
Responsibility for tourism rests with the Ministry of Culture, which covers laws and regulations and general policy. Operational activity is the responsibility of the Federal Agency for Tourism (Rustourism), which is an agency of the Ministry. Rustourism performs a range of functions including global and domestic marketing, education and training, data analysis, business support and various management and supervisory activities.

A regional approach to tourism is crucial in the Russian Federation due to its vast size and the abundant natural, social and economic disparities within its territory. Most regional administrations have local ministries, agencies, committees and departments with responsibilities for tourism affairs. The federal governing bodies – the Ministry and the Federal Agency for Tourism – co-ordinate and co-operate with the regional tourism authorities in the planning, administration and promotion of tourism.

In 2014, the budget of the Federal Agency for Tourism allocated RUB 4 637 million to the implementation of the Federal Target Programme Development of Domestic Tourism in the Russian Federation 2011-18.

Tourism policies and programmes

The main challenge facing tourism in Russia is to improve the quality and competitiveness of the tourism product in domestic and global markets.

Russian Federation: Organisational chart of tourism bodies

Source: OECD, adapted from the Ministry of Culture, 2016.

This challenge is recognised in the Federal Target Programme Development of Domestic and Inbound Tourism in the Russian Federation 2011-18 which identifies three key tasks: the development of tourism and recreation products, improvement of the quality of services and promotion of tourism products in international and domestic markets.

More specific objectives and actions are contained in the State Programme of the Russian Federation Development of Culture and Tourism 2013-20. Falling under the Ministry of Culture, the overall objective of this programme is to realise the potential of Russian culture as the spiritual and moral base for individuals and society and the development of tourism. The following key tasks are identified:

- Preservation of cultural and historical heritage, access of citizens to cultural values, participation in cultural life and realisation of the creative potential of the nation,
- Improving the quality and availability of services in the field of domestic and international tourism,
- Creation of favourable conditions for sustainable development of culture and tourism.

Priorities for action by the Federal Agency for Tourism include:

- Establishing priority destinations for tourism development, including: Crimea, Sochi, Northern Caucasus, the Arctic, Lake Baikal, the Altai region, the Volga region and the Far East,
- Improving vocational training, including improving the quality of teaching and learning materials,
- Improving the formulation of tourism offers in line with consumer interests, and improving communication techniques,
- Improving the identification of target markets,
- Addressing price competitiveness, which requires interdepartmental co-operation,
- Creating an integrated system for ensuring the security of tourists.

The new tourism marketing strategy for the Russian Federation has involved: opening National tourist offices (NTO) abroad and flagship tourist information (TIO) offices in transport hubs, notably Moscow, St Petersburg and Sochi airports; an inter-regional co-branded advertising campaign under the single brand identity “Time to rest in Russia”;

creating audio tours for certain regions; developing and promoting a national events programme and calendar; piloting a virtual tourist information office in Sochi; and creating a multi-lingual national tourism portal.

Statistical profile

Table 1. **Russian Federation: Domestic, inbound and outbound tourism**

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	60 425	67 560	73 492	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	22 272	24 920	28 168	30 792	32 421
Overnight visitors (tourists)	..	..	..	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
China	747	844	977	1 072	1 125
Germany	611	629	672	687	635
United States	262	275	287	306	257
United Kingdom	213	221	232	260	228
Italy	198	207	212	226	220
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	39 304	43 707	47 806	54 069	45 882
Same-day visitors (excursionists)
Top destinations					
..
..
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..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	13 240	16 960	17 875	20 199	19 451
International travel receipts	8 830	11 328	10 759	11 988	11 759
International passenger transport receipts	4 409	5 633	7 117	8 210	7 692
Outbound tourism					
Total international expenditure	30 169	37 343	48 096	59 503	55 383
International travel expenditure	26 693	32 902	42 798	53 453	50 428
International passenger transport expenditure	3 476	4 441	5 298	6 051	4 955

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321123>

Table 2. **Russian Federation: Enterprises and employment in tourism**

	Number of establishments ¹	Number of persons employed ²				
	2014	2010	2011	2012	2013	2014
Total	..	..	..	..	..	..
Tourism industries	103 571	503 143	499 189	491 802	478 516	500 900
Accommodation services for visitors	15 590	454 831	451 737	443 140	428 372	..
Hotels and similar establishments	10 714	143 066	150 515	153 650	154 711	166 100
Food and beverage serving industry	76 367	..	..	..	..	..
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	11 614	48 312	47 452	48 662	50 144	45 500
Cultural industry	..	..	..	..	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries
Other industries


.. Not available

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1. Data refer to number of enterprises.

2. Data refer to number of employees.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933321130>

South Africa

Tourism in the economy

Tourism's direct contribution to South Africa's GDP grew from ZAR 93.5 billion in 2012 to ZAR 103.5 billion in 2013. The percentage contribution of tourism to GDP has remained stable for the past two reporting periods at 2.9%. Tourism directly supported 655 609 jobs in 2013, or 4.4% of total employment – up from 645 755 in 2012.

Tourist arrivals to South Africa remain stable in 2014 at 9.6 million tourists. The three leading origin markets were Zimbabwe, Lesotho, and Mozambique. Inbound travel and tourism expenditure also remained stable at USD 10.5 billion.

Domestic bed nights in 2014 reached 113.1 million (up by 1.6% over 2013).

Tourism governance and funding

Tourism is a full-time Ministerial portfolio in South Africa. The Department of Tourism provides policy and knowledge services, including research and knowledge management and promotion of sector transformation and responsible tourism and is also responsible for international and domestic tourism management, including providing political, policy and strategic direction for the development and growth of sustainable tourism throughout South Africa.

The national destination marketing organisation, South African Tourism (SAT), is responsible for marketing South Africa domestically and internationally.

At provincial level, a Member of the Executive Council (MEC) in each of South Africa's nine provinces, is charged with responsibility for tourism. Each province also has a provincial tourism marketing organisation, complementing the activities of SAT.

Alignment and co-ordination between the national and provincial levels are achieved through two structures:

- The MINMEC is a forum of the Minister and Members of the Executive Council responsible for tourism,
- The MipTech is a more technical level forum of officials, chaired by the Director-General of the Department of Tourism and with participation from provincial departments and tourism marketing organisations.

Local government is represented by nominees of the South African Local Government Association in both structures.

The Tourism Business Council of South Africa (TBCSA) is a membership-based organisation providing a voice of tourism businesses in South Africa. Various sectoral associations are affiliated with the TBCSA, representing tour operators, travel agents,

vehicle rental, airlines and the hospitality and Meetings, Incentives, Conferencing and Events (MICE) sectors.

The Industrial Development Corporation is a government entity focused on asset-based finance. It has a Tourism Strategic Business Unit with a portfolio of investments primarily in the accommodation sector. The Unit plans to diversify its portfolio into other sub-sectors such as niche sports markets, adventure tourism and business tourism.

The Department of Tourism's budget for fiscal period 2015/16 is ZAR 1.8 billion, of which ZAR 977 million is directed to South African Tourism. The Department also has a Social Responsibility Implementation Fund of ZAR 253 million which is allocated for skills development and community-based programmes, and to assist tourism development initiatives at municipal level. This initiative is part of the Government's broader Extended Public Works Programme aimed at generating jobs and stimulating local economic development.

The Department launched the Tourism Incentive Programme with a budget of ZAR 180 million in the 2015/16 fiscal year. This Programme aims to advance market access for new entrants, sector transformation, enterprise growth and destination development.

Tourism policies and programmes

Tourism is highlighted in the Government's New Growth Path and National Development Plan (NDP) as a catalyst to create jobs, alleviate poverty and eliminate inequality. The sector's ability to grow export earnings and to stimulate small enterprises and rural development supports more inclusive economic growth, which is one of the six priorities underpinning South Africa's 2030 vision.

The National Tourism Sector Strategy (NTSS) was developed by the Minister of Tourism in 2009 as a sector-owned response to various challenges confronting the sector, including fragmentation of tourism planning across the three tiers of government, lack of branding and marketing alignment co-ordination, a lack of skills in the sector, and a lack of incentives for tourism product diversification and enterprise development. The NTSS clusters strategic development in four areas: policy, strategy, regulations, governance, monitoring and evaluation; tourism growth and development; people development; and enablers of growth.

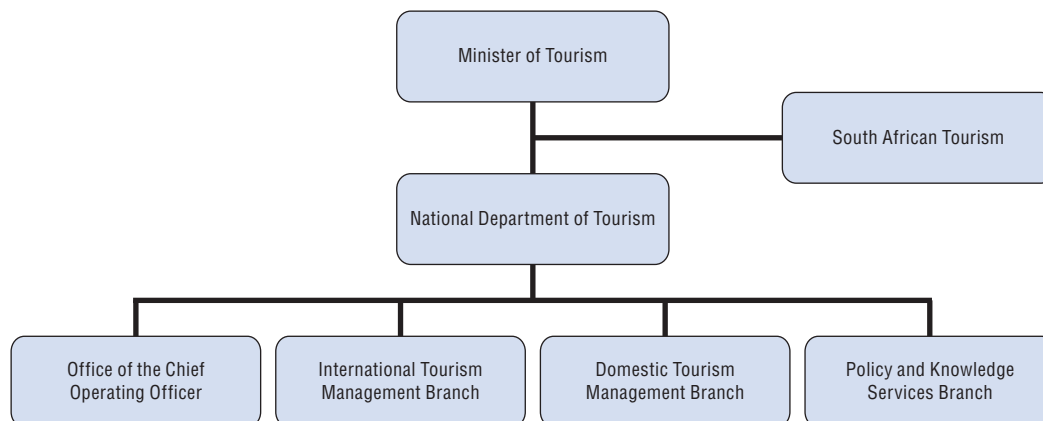
By way of example, a Domestic Tourism Growth Strategy was developed in response to an historical dependence on international arrivals and the lack of a travel culture among South Africans. The objectives of the Strategy are to increase domestic tourism revenue and volume, to improve measures and efforts aimed at addressing seasonality and equitable geographical spread, and to promote a culture of travel among South Africans.

The National Tourism Sector Strategy (NTSS) will be reviewed during the period 2015-16. The review will include a comprehensive scan to identify opportunities to develop and transform tourism and will be conducted in consultation with stakeholders.

New legislation in 2014 demonstrates the commitment of the Government to pursue policies and legislation that stimulate the growth of the tourism sector. The Act provides, amongst other things, for:

- Development and promotion of sustainable tourism for the benefit of residents and visitors,
- Development of a National Tourism Sector Strategy,
- Determination of standards for, amongst others, responsible tourism and service excellence and indicators to measure compliance,

South Africa: Organisational chart of tourism bodies



Source: OECD, adapted from the Department of Tourism, 2016.

- Establishment of a Tourism Quality Assurance mechanism,
- Establishment of mechanisms to resolve tourism-related complaints,
- Regulation of the tourist guide profession,
- Recognition of mechanisms for self-regulation of the industry.

Key tourism initiatives include:

- Signing a Memorandum of Understanding (MoU) with the Department of Home Affairs outlining areas of co-operation including: visa issuance procedures, tourism awareness training for immigration officials and supporting organised group travel and mega events, particularly at South Africa missions abroad,
- Working with the Department of Transport and other stakeholders on airlift strategy,
- Conducting a study to investigate ways to harmonise tourist guiding training standards with those in neighbouring countries,
- Conducting a study to determine the relevant indicators to use in assessing the levels of the country's competitiveness as a tourism destination,
- Signing a MoU with the Department of Arts and Culture covering issues including the development and promotion of the arts, culture, heritage and tourism,

A number of other initiatives also provide an important basis for current policies and actions:

- The National Responsible Tourism Strategy guides the implementation of responsible tourism initiatives across the country. It is based on the South African National Minimum Standard for Responsible Tourism launched in 2011 and provides a set of requirements for responsible tourism and a basis for harmonisation of tourism sustainability certification.
- The National Tourism and Climate Change Response Programme and Action Plan 2012 provides a framework for tourism's response to climate change. Within this framework and in consultation with the sector, the Government developed a voluntary accord to reduce greenhouse gases (GHG) in the tourism sector, proposing a set of commitments for the Government and the tourism industry. A report on Potential GHG Emissions Management Tools for Tourism Businesses provides guidance to tourism business on tools they can use to manage their GHG emissions.

- The Universal Access in Tourism Programme seeks to encourage the tourism sector to make tourism facilities and services accessible to people with special needs. Over the next three years, the Department of Tourism will undertake an industry-wide awareness campaign encompassing the training of frontline office staff. Universal Access assessment and grading is a compulsory component of South Africa's quality assurance system.
- The Tourism Enterprise Partnership (TEP) supported 1 363 disadvantaged enterprises during 2014-15. The TEP seeks to improve the performance and increase the profitability of small businesses by focussing on skills, product development, quality assurance, marketing and access to finance in order to support the maintenance and creation of jobs.
- The Department of Tourism is engaged in a skills development programme for youth and women. These include the National Young Chefs, sommeliers and Tourism Buddies programmes. In 2014-15, about 3 800 young people were enrolled as Tourism Buddies. The programme targets unemployed youth enabling them to acquire skills and gain work experience to enhance employability.
- The Department of Tourism has partnered with the Ubuntu Institution on international placements. The initiative resulted in the placement of 500 unemployed youth in Canada and the United States after securing funding from the Development Bank of Southern Africa in 2012-13.

Statistical profile

Table 1. South Africa: Domestic, inbound and outbound tourism

	2010	2011	2012	2013	2014
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	257 401	300 800	350 200	278 700	273 884
Overnight visitors (tourists)	29 700	26 300	25 400	25 200	28 009
Same-day visitors (excursionists)	227 701	274 500	324 800	253 500	245 875
Nights in all types of accommodation	130 800	114 800	121 200	111 300	113 100
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	11 304	12 097	13 069	14 318	14 529
Overnight visitors (tourists)	8 074	8 339	9 188	9 537	9 549
Same-day visitors (excursionists)	3 230	3 758	3 881	4 781	4 980
Top markets					
Zimbabwe	1 514	1 553	1 848	1 935	2 144
Lesotho	1 276	1 527	1 618	1 461	1 502
Mozambique	1 052	1 077	1 104	1 117	1 283
Swaziland	632	700	769	836	918
Botswana	507	478	452	537	556
Nights in all types of accommodation	66 900	66 200	67 500	79 889	..
Hotels and similar establishments	..	..	..	..	..
Specialised establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	..	..	..	..	..
Overnight visitors (tourists)	5 165	5 455	5 031	5 168	5 382
Same-day visitors (excursionists)	..	..	..	..	..
Top destinations					
..
..
..
..
..
TOURISM RECEIPTS AND EXPENDITURE, MILLION USD					
Inbound tourism					
Total international receipts	10 309	10 706	11 202	10 468	10 484
International travel receipts	9 085	9 515	9 996	9 245	9 338
International passenger transport receipts	1 224	1 191	1 206	1 223	1 146
Outbound tourism					
Total international expenditure	8 139	8 397	7 145	6 490	6 313
International travel expenditure	5 595	5 283	4 069	3 429	3 169
International passenger transport expenditure	2 544	3 114	3 076	3 062	3 145

.. Not available

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Source: OECD Tourism Statistics (Database).


StatLink  <http://dx.doi.org/10.1787/888933320498>

Table 2. **South Africa: Enterprises and employment in tourism**


	Number of establishments	Number of persons employed ¹				
	2013	2010	2011	2012	2013	2014
Total
Tourism industries	..	567 313	623 299	645 755 p	655 609 p	..
Accommodation services for visitors	9 683 p	112 645	125 354	119 480 p	103 247 p	..
Hotels and similar establishments	2 651 p	..	..	..	..	..
Food and beverage serving industry	..	107 871	123 710	121 889 p	127 408 p	..
Passenger transport	..	195 062	209 811	225 408 p	236 699 p	..
Air passenger transport	..	20 187	25 955	36 238 p	31 905 p	..
Railways passenger transport	..	3 164	5 705	6 071 p	6 763 p	..
Road passenger transport	..	169 689	176 770	180 398 p	195 614 p	..
Water passenger transport	..	2 022	1 381	2 701 p	2 417 p	..
Passenger transport supporting services
Transport equipment rental	..	7 648	12 994	18 281 p	13 155 p	..
Travel agencies and other reservation services industry	..	22 189	19 239	17 777 p	24 743 p	..
Cultural industry	..	15 050	12 744	12 591 p	15 406 p	..
Sports and recreation industry	..	15 460	12 852	16 754 p	16 960 p	..
Retail trade of country-specific tourism characteristic goods	..	91 388	106 596	113 575 p	117 990 p	..
Other country-specific tourism industries
Other industries

.. Not available; p Provisional data

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1. Data refer to number of jobs.

Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320508>Table 3. **South Africa: Internal tourism consumption**


Million ZAR

	2013		
	Domestic tourism consumption	Inbound tourism consumption	Internal tourism consumption
Total	..	..	..
Consumption products	124 688 p	94 182 p	218 870 p
Tourism characteristic products	88 640 p	55 004 p	143 644 p
Accommodation services for visitors	18 195 p	13 415 p	31 610 p
Food and beverage serving services	5 093 p	9 054 p	14 147 p
Passenger transport services	53 211 p	22 278 p	75 489 p
Air passenger transport services	17 015 p	10 893 p	27 908 p
Railways passenger transport services	346 p	138 p	484 p
Road passenger transport services	35 841 p	11 243 p	47 084 p
Water passenger transport services	9 p	4 p	13 p
Passenger transport supporting services	..	..	..
Transport equipment rental services	2 720 p	1 206 p	3 926 p
Travel agencies and other reservation services industry	6 087 p	2 558 p	8 645 p
Cultural services	167 p	172 p	339 p
Sports and recreation services	3 167 p	6 321 p	9 488 p
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	36 048 p	39 178 p	75 226 p
Tourism connected products	11 857 p	13 782 p	25 639 p
Non-tourism related consumption products	24 191 p	25 396 p	49 587 p
Non-consumption products

.. Not available; p Provisional data

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Source: OECD Tourism Statistics (Database).

StatLink  <http://dx.doi.org/10.1787/888933320511>

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