OECD Tourism
Trends and Policies 2024

OECD

The OECD Tourism Trends and Policies 2024 edition comes as tourism has rebounded strongly following significant declines in 2020-21. The strong tourism recovery is providing a wakeup call as some destinations struggle to manage demand and its impacts on local communities and the environment. It analyses tourism trends and policy responses across 50 OECD and partner countries, and examines the key tourism trends and outlook ahead.

About the OECD

The Organisation for Economic Co-operation and Development (OECD) is a forum in which governments compare and exchange policy experiences, identify good practices in light of emerging challenges, and promote decisions and recommendations to produce better policies for better lives. The OECD's mission is to promote policies that improve economic and social well-being of people around the world.

About the OECD Tourism Committee

The OECD Tourism Committee, created in 1948, acts as the OECD forum for exchange, and for monitoring policies and structural changes affecting the development of domestic and international tourism. It actively promotes a whole-of-government approach to support the sustainable economic development of tourism.

The full book is accessible at
OECD Tourism Trends and Policies 2024

Tourism trends and outlook as new challenges emerge

Tourism has rebounded strongly following sharp declines in 2020-21, triggered by the COVID19 pandemic. A full recovery to pre-pandemic levels is anticipated by the end of 2024, buoyed by positive traveller and business sentiment.

The recovery has been largely driven by the return of international tourism demand which saw some countries exceed pre-pandemic levels in 2023, notably Colombia (up 34%) and Portugal (up 12%). International tourism also exceeded previous records in some European countries which benefitted from significant intra-regional travel and a strong US dollar, which boosted outbound travel from the United States to Europe. For example, in 2023 international arrivals exceeded 2019 levels in Luxembourg (up 2.1%), Spain (up 2.0%) and the Netherlands (up 1.4%). These strong performances continue the broader global recovery in the sector, with international visitor numbers returning to 77.3% of 2019 levels across all OECD countries in 2022.

However, the road to recovery has been longer for many countries. The slower than expected rebound in outbound travel from China has constrained recovery, particularly in the Asia Pacific region, along with delayed border openings and reduced air connectivity. Geopolitical conflicts and tensions, including Russia's war of aggression against Ukraine and evolving conflicts in the Middle East, have also weighed down on tourism flows and the wider tourism economy. For those countries neighbouring Russia and Ukraine, the impacts have been particularly significant. For example, international tourism arrivals to Finland remained 22% lower in 2023 compared to 2019 levels

The return of international tourists has been widely welcomed. Indeed, tourism's share of services exports in 2022 (14.8%) was 5.1 percentage points higher than in 2021 (albeit still 5.6 percentage points below pre-pandemic levels).

International tourism is rebounding, but the recovery is uneven

Change in International tourist arrivals in 2023 compared to 2019, selected OECD countries
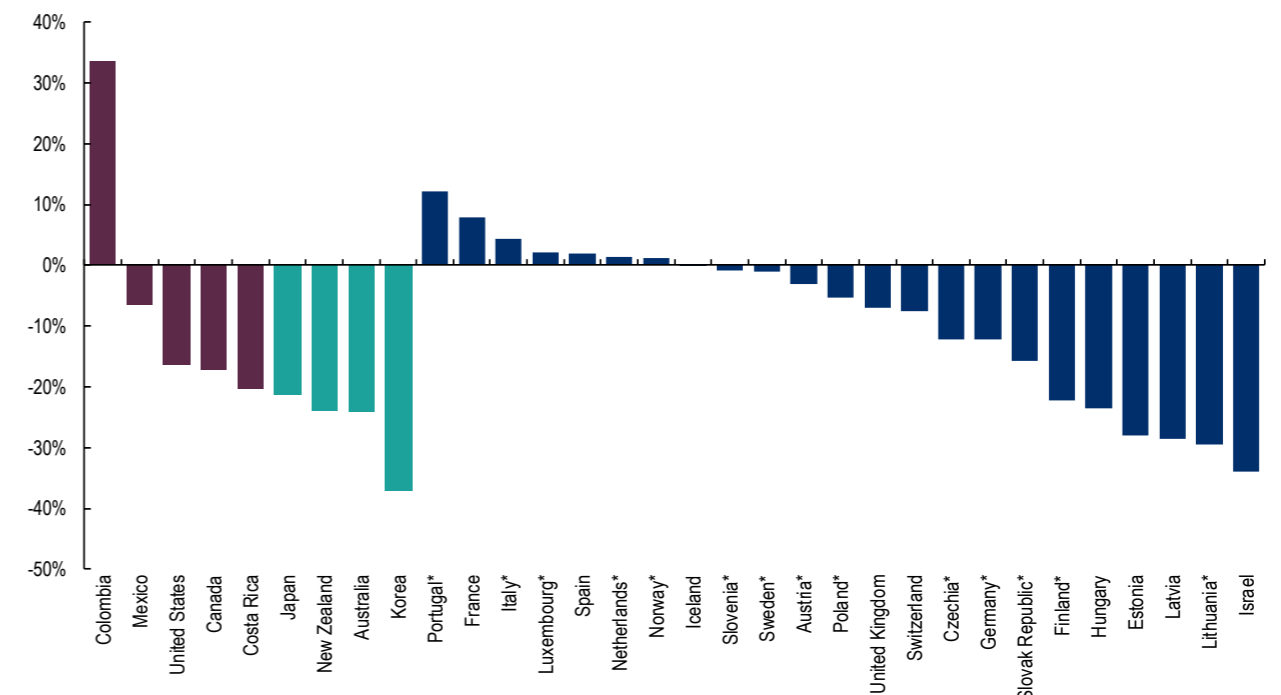
Source: OECD Tourism Statistics (Database), Eurostat, National Websites and Country Profiles.

Through this period of uncertainty, domestic tourism has been an important driver of tourism demand and recovery in many countries. In 2022, domestic overnight trips were 90% of 2019 levels (among OECD countries with data). This sustained domestic activity has enabled tourism's direct contribution to GDP to return to 3.9% in OECD countries with available data, just 0.5 percentage points below 2019 levels.

In countries like Costa Rica, Mexico and Portugal, the tourism sector has outperformed wider economic growth. In Portugal, for example, tourism directly contributed 8.9% of GVA in 2022 (compared with 8.1% in 2019) supported by a strong recovery in inbound tourism.

Looking ahead, tourism demand is expected to remain buoyant. Despite ongoing economic pressures, inflation is falling faster than initially projected, including for energy and food prices, and the global economic outlook has started to brighten. The OECD projects steady global GDP growth in 2024, followed by a slight pick-up in 2025.

Tourism has bounced back and continues to support economic growth and well-being

Direct contribution of tourism GDP to selected OECD countries, pre-COVID and 2022

Legend: ■ Tourism GDP post COVID 2022 ■ Tourism GDP pre COVID 2019

Source: OECD Tourism Statistics (Database)
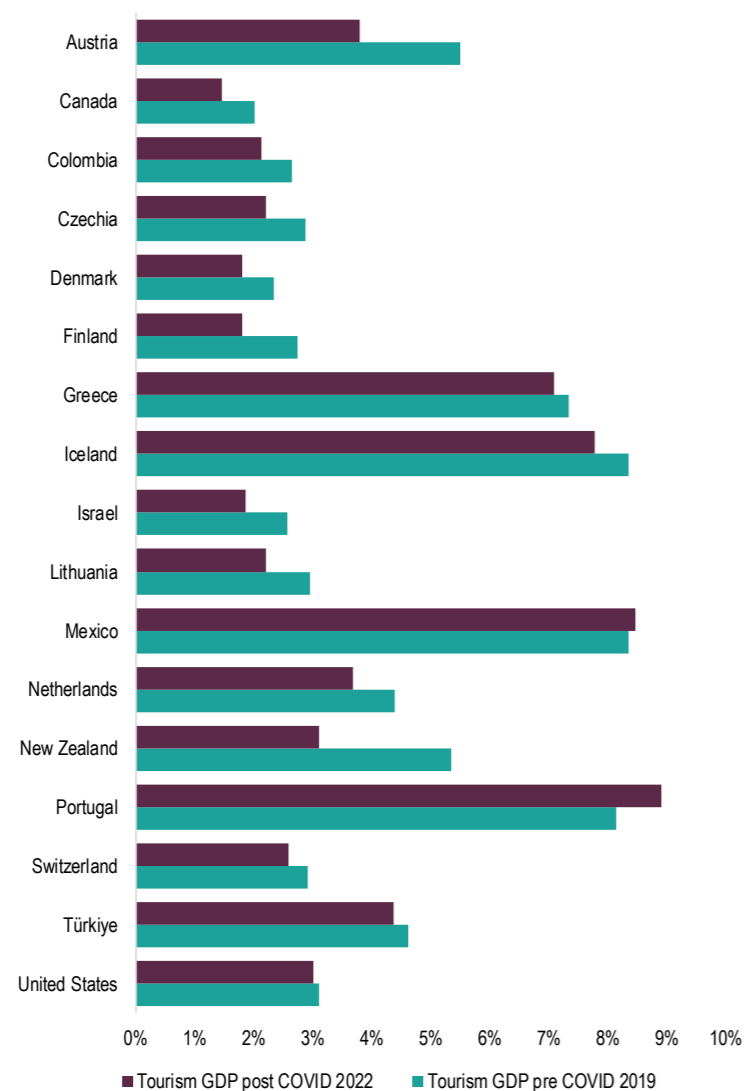
Despite the positive economic impacts associated with the sector's recovery, strong demand and rapid growth continue to create challenges. Businesses struggle to attract and retain workers despite employment levels in OECD countries having stabilised at a level higher than before the pandemic. Employment in the accommodation and food services, which often account for almost half of the tourism workforce, remained 5.3% below pre-Covid levels in 2022 across OECD countries, while job vacancy rates in 2023 were higher on average than in other parts of the economy in many countries in 2023. In Czechia, vacancy rates in accommodation and food services were 8.3% in Q4 2023, compared to 3.4% across the economy.

Strong growth in tourism has seen some destinations struggle to manage demand and the associated impacts on local communities and the environment. While tourism can play a key role in fostering economic development that creates decent jobs, enhances social cohesion, and contributes positively to the shared interests of tourists, residents, and businesses, unplanned growth can lead to unbalanced economic, social and environmental impacts. This is putting pressure on the social licence for tourism.

Many destinations, and governments at all levels, are developing policies to better manage the significant social and environmental impacts of tourism, particularly from unplanned tourism growth, that better account for and manage potential trade-offs. Diversifying the tourism offer, attracting new markets, and encouraging visitor flows to new and emerging destinations and at different times of the year, can help to better spread the benefits and manage local pressures on housing, community infrastructure, services, and the environment.

Strategies to promote diversification, including through effective and coordinated destination management plans, can provide opportunities to access untapped potential for residents and businesses alike.

There is an increasing awareness of the need to safeguard the future viability and sustainability of the sector. Accelerated climate change and the increasing frequency of wildfires, floods, heatwaves, and other extreme weather events is directly impacting the sector. This may result in profound and long-lasting structural shifts in travel patterns and destinations. Warmer winters are shortening the ski season in mountain destinations, while heatwaves may reduce the attractiveness of destinations during traditional peak periods but encourage visitation at other times.

Digital technologies, including generative Artificial Intelligence (AI), extended reality (XR) and blockchain, are fundamentally reshaping tourism and represent a powerful catalyst for innovation in the sector. Digital transformation is becoming a key priority in national tourism strategies with the strategic emphasis driven by the need to increase efficiency, streamline operations, boost productivity, adapt to tourists' needs, and improve data-driven decision-making, with a particular focus on SMEs. Active, forward-looking policies are needed to respond and build momentum for a more resilient, sustainable, and inclusive future for tourism.

The European Agenda for Tourism 2030 sets a strategic framework for a sustainable, resilient, and competitive tourism sector in Europe, focusing on the green and digital transitions, enhancing resilience, and fostering innovation and skills development.

The Netherlands the Road to Climate Neutral Tourism supports the goal to be climate-neutral by 2030 and outlines actions in line with the pillars of the Glasgow Declaration.

Governments, at all levels, have a role to play in shaping tourism development to capitalise on opportunities, respond to challenges, and deliver better outcomes for host communities, businesses, the environment, and tourists. Many countries have updated or developed tourism strategies and plans to reflect the post-pandemic context and priorities. These strategies look to build on momentum generated following the pandemic and shift to more sustainable models of tourism. Many seek to adapt to what is an increasingly dynamic environment and mobilise stakeholders around a common vision for the future of the sector.

Significant investments are needed to reduce the negative environmental impacts of tourism activities, while adapting to the impacts from climate change. Tourism destinations and businesses need support to keep pace with rapid technological developments, while resources are also required to develop the transport and other infrastructure needed to better manage tourism development. Boosting the capacity of the sector to attract, retain and develop a strong and sustainable workforce is an ongoing area of focus.

However, while much progress has been made, there is a risk that tourism slips down national policy agendas as the sector returns to pre-pandemic levels and growth paths, even as the strong rebound brings new challenges. Maintaining strong engagement across policy areas and between levels of government, including from the private sector, to maintain support for tourism at the highest levels of government key to deliver on agreed actions and ensure the sector is well placed to address new challenges as they emerge.

Effective governance practices and co-ordinated policy action are needed to deliver on these ambitions, supported by sufficient resources at national, regional, and local level. Action at destination level has an increasingly important role to play in driving momentum for change, guided by an overarching national vision for the future of tourism that is tailored to local needs and priorities. More granular, timely and robust data are also needed to inform policymaking, manage and track progress on potential trade-offs, determine 'what works' and identify emerging policy impacts and risks, as well as the costs of inaction.

> Australia's WELCOME Framework encourages tourism businesses to view accessibility and inclusivity as a universal approach to business and provides considerations for tourism operators to make their offering more accessible.

Strengthening the tourism workforce

A vibrant and sustainable workforce is key to the development of a resilient tourism ecosystem. Tourism can support a job-rich economy for people of all ages and skill levels, including for youth, women, migrants and other workers frequently marginalised from the workforce. However, the positive aspects of jobs in tourism and the opportunities this can provide for workers to enter and move around the labour market are often lost amid wider attractiveness issues, including the nature of tourism jobs, and working conditions in the sector, which are frequently associated with unstable, low-wage work.

Workforce issues are a long-standing vulnerability for the tourism sector and have been exacerbated since the COVID-19 pandemic. Tourism businesses have struggled to attract workers back into the sector amid tight labour markets and cost-of-living pressures, with tourism job vacancy rates remaining above 2019 levels and other sectors in the economy in Q4 2023.

Tourism jobs remain vacant in a competitive labour market

Job vacancies in accommodation and food services sectors compared to all industries in 2023.

*Data has been derived

■ Accommodation and Food Services ■ Total
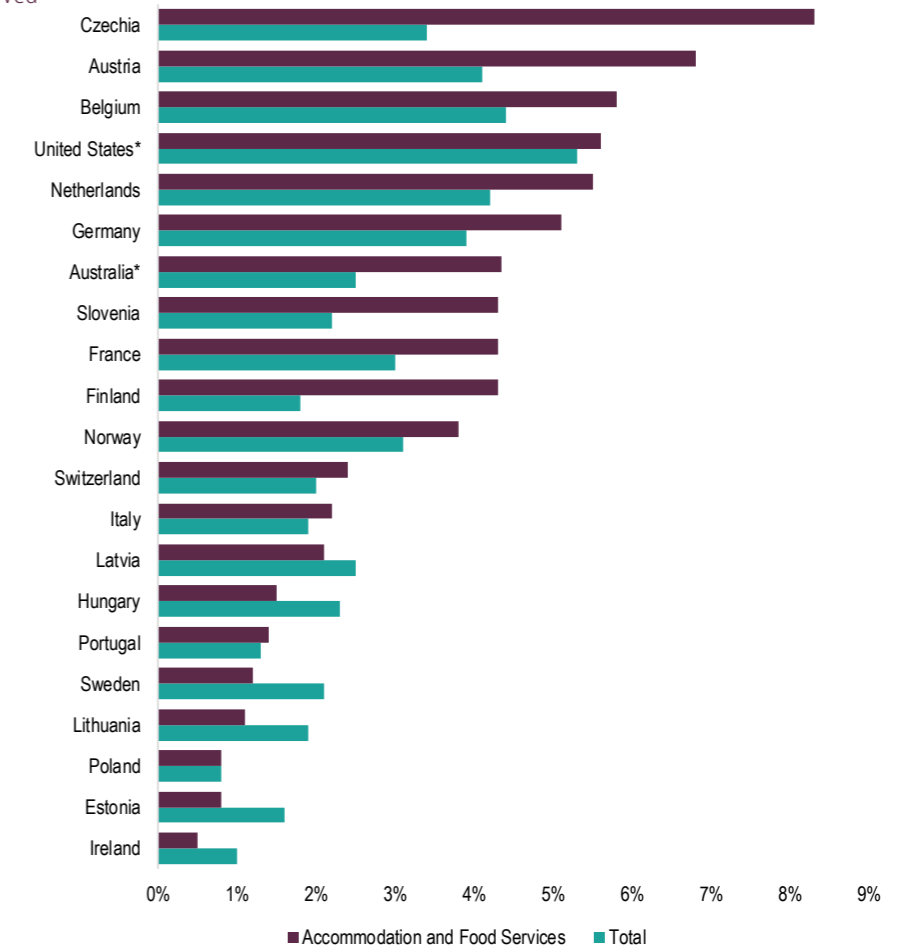
Source: OECD calculations

These shortages have constrained the sector's ability to meet post-pandemic demand for tourism services and maintain the quality human resources required to manage, develop, and deliver a competitive tourism offer, and to adapt and maximise benefits from the green and digital transitions. Understanding the key barriers to tourism work, including worker conditions and sentiment, could help to address persistent challenges to attract, retain and develop workers.

Immediate and short-term actions have relied on retaining the existing workforce and attracting new workers into the sector to fill existing shortages. However, there is also a need to anticipate the changing needs of the tourism workforce including those resulting from the green and digital transitions and aging populations. More innovative and whole-of-sector responses are needed to improve the quality of tourism jobs, strengthen the tourism offer and help avoid tourism's (over)exposure to future crises.

The private sector has a key role to play, with government working to ensure the right policy and regulatory frameworks are in place to support businesses, including through the education pipeline. At the same time, the trend towards values-driven work, work-life balance and wellbeing means the role of community has become increasingly important in workforce policy considerations.

> The Swiss Government have provided additional financial and operational support to a 5-point plan launched by the industry body GastroSuisse to create more skilled workers in and better utilise the domestic labour potential.

> Canada's Future Skills Framework provides a library of training options for tourism jobs that can be easily updated as tourism skills needs evolve.

> Chile's Human Capital Strategic Plan 2023-26 brings together actors from the tourism, hotel and gastronomy sectors to address tourism workforce issues in an integrated approach.

To take steps towards strengthening the tourism workforce, policymakers should look to:

1 **Better integrate the needs of tourism workers into the wider development strategies and decisions to address the specific needs of tourism workers.** Steps could be taken to ensure workers have access to affordable housing options and late night/early morning transport services, particularly in remote or rural destinations.

2 **Leverage and support private sector initiatives to improve working conditions and attract and retain tourism workers.** Many large multinational corporations and industry associations are looking to address workforce issues and implement new training and models of working to improve conditions in the sector. Financial or operational support could help to extend the benefits of these initiatives across the sector.

3 **Facilitate linkages with and between the private sector and education providers to meet the changing needs of the tourism sector.** Encourage collaboration between businesses and the education sector to better prepare workers as they enter the workforce and ensure they have the skills needed now and for the future, including to prepare for the green and digital transitions.

4 **Encourage the adoption of digital technology to ease tourism workforce pressures, and support tourism SMEs and workers to adapt.** Raise awareness of digital solutions (e.g. automated human resource planning and booking systems, digital marketing and artificial intelligence), provide support to tourism SMEs to access finance, and ensure business owners and workers have the capacity to harness these technologies and introduce more innovative practices. international collaboration.

5 **Collect and share robust and granular data on tourism employment and workforce issues.** Better capturing worker sentiment and the working conditions of the tourism workforce, through new and existing data sources or voluntary surveys, can help to understand the nature of work and workforce issues in tourism, and help the sector respond to the changing needs of the sector.
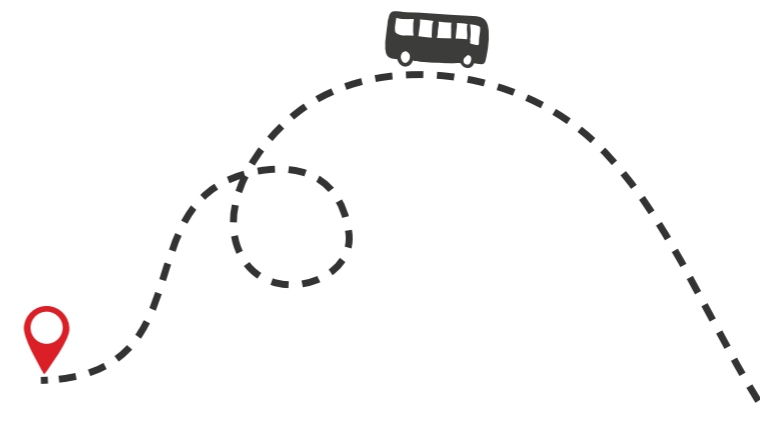
Building the evidence base for sustainable tourism policies

The increased momentum for sustainable tourism has brought a renewed focus on the need to address unbalanced tourism development and has reinforced the need to measure tourism success differently. To strike a better balance between the benefits and costs associated with tourism development and implement a vision for the future of tourism that is better aligned with sustainability principles and the Sustainable Development Goals, evidence-based policy action is needed.

Policies should also consider the specific characteristics of tourism development for each destination. Understanding what sustainability means for an individual country or destination, correctly defining the core sustainability priorities and the concrete actions to address them, as well as the trade-offs of different tourism development models, is an area where more work is needed. For example, diversifying the tourism offer and encouraging tourists to visit new and emerging destinations at different times of the year can help spread the impacts and benefits of tourism but requires the development of transport and supporting infrastructure.

Targeted and meaningful policy actions require a strategic approach to developing indicators, tools, and metrics to provide the evidence base needed to inform sustainable tourism development and management. Significant work has been undertaken at international, national and sub-national levels to better measure the economic, environment, and social dimensions of tourism.

The internationally endorsed Statistical Framework for Measuring the Sustainability of Tourism (SF-MST) and other international initiatives, provide a good framework, but there is still a need for fur further work to develop and implement practical, granular and timely measures linked to the specific context and priorities of destinations, to plan and manage tourism more sustainably.

The recent crises revealed shortcomings in existing tourism data, not least with respect to measures to monitor the progress of sustainable tourism development and evaluate the effectiveness of strategies, policies, and programmes. There are opportunities to build on the substantial existing work to better understand the potential of available data to measure and monitor the sustainability of tourism and explore the potential of new data sources and products to address identified gaps, especially by harnessing data created by the digital transition.

Collaborative approaches to tourism policy development could also create new opportunities for data sharing between the public and private sectors.

> The UN Tourism-led Statistical Framework - Measuring the Sustainability of Tourism (SF-MST) was endorsed by the United Nations Statistics Commission in 2024 and provides fundamental concepts, definitions, and data organisation structures for tourism statistics across economic, social, and environmental impacts.
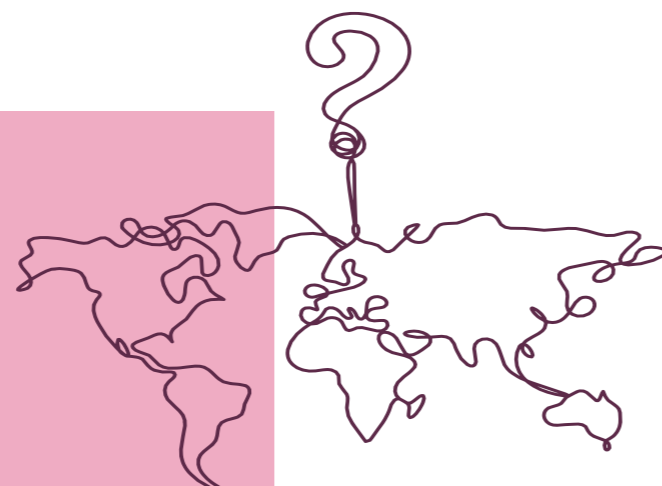
To improve the evidence base for sustainable tourism decision making, policymakers should look to:

1 **Better understand the policy priorities for sustainable tourism to implement practical, timely and tailored measures to manage tourism sustainably.** Assessing the key policy needs for each country and destination can help to understand the data availability and gaps and prioritise the data needs within often limited resources.

2 **Design a tailored toolkit of indicators, tools and metrics to facilitate evidence-based decision making at the destination level.** Combining internationally comparable frameworks on international frameworks (e.g. the Tourism Satellite Account or SF-MST) with meaningful localised measures that are more targeted, timely or granular can help create tailored destination plans that align with national and international goals.

3 **Identify and address data gaps for the measurement of priority sustainable tourism development issues.** Exploring opportunities to monitor and measure actions related to the environmental and social issues within the sector, including through new data sources (e.g. geospatial information or real time travel patterns from mobile positioning data), could help to accelerate the transition to more sustainable models of tourism.

4 **Foster collaborative approaches to design tools and metrics to measure and monitor sustainable tourism development.** Strong collaboration through the development phase, with input from decision makers at all levels, including the private sector, and data specialists can create buy-in and uncover new sources of information

5 **Develop the data literacy of decision makers.** New data initiatives and tools need appropriate levels of training to understand both the potential and the barriers of often complex tourism data to ensure decision makers have the capacity to use this data to take informed decisions.
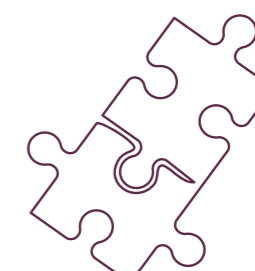
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