Introduction to country profiles

This chapter presents policy and statistical profiles relating to the tourism sector in 51 countries – including all OECD and EU members. Eleven emerging tourism economies are also included: Albania, Argentina, Brazil, Croatia, Egypt, Former Yugoslav Republic of Macedonia, India, Indonesia, Montenegro, Serbia and South Africa.

The policy profiles focus on the key issues of tourism in the economy; tourism organisation; tourism budget; and tourism-related policies and programmes. They show that the profile of tourism policy continues to rise. Governments increasingly appreciate that tourism, properly and rationally developed, is an economic activity with the capacity to stimulate economies and help to achieve many national economic objectives. Partly as a result of publications such as this one, international experience of tourism and the exchange of best practice information are creating a greater awareness of tourism's importance. The mounting evidence of tourism's ability to deliver a wide range of economic benefits is resulting in better and more detailed policy responses in support of the industry.

The statistical profiles in this chapter focus primarily on international tourism (inbound and outbound), where possible, providing information on tourism enterprises, employment and contribution to GDP. It also includes some partial data on domestic tourism based on Tourism Satellite Account sources and national surveys. The measurement of domestic tourism, in terms of the number of tourist trips taken each year, is not generally provided by most countries on a consistent basis and does not readily lend itself to aggregations and international comparisons.

Annex 4.A.1 describes basic methodological references, while further information on countries, including the main websites for national tourism administrations, national tourism organisations and other important tourism-related organisations, are available at Annex 4.A.2.

Statistical summary

OECD member countries play a leading role in international tourism, representing 66% of global arrivals in 2010, while EU member countries accounted for 50.2%. In 2010, total international arrivals in all countries reached 940 million, 6.7% above the 2009 figure, with most growth taking place in Asia and the Pacific. International arrivals to the OECD area increased by 4% and by 2.7% for the EU zone. Over a longer term period, 2006-2010, average annual growth in international arrivals to both the OECD (0.8%) and EU (–0.1%) were well below the global average of 2.9%. A breakdown of international tourist arrivals by country and zone (OECD and EU), is provided in Table 4.1.

The UNWTO estimates that international travel receipts and expenditure reached USD 919 billion worldwide in 2010, up from USD 851 billion in 2009. In 2010, OECD countries accounted for approximately 61% of world travel receipts and 58.7% of world travel expenditure. Table 4.2 provides a summary of international travel receipts, expenditure, and balance, by country and zone (OECD and EU).

Table 4.1. International tourist arrivals, 2006-10

	Type of indicator[1]	2010/2006 Average annual growth %	2010/2009 %	2010 million
WORLD		**2.9**	**6.7**	**940.0**
EU27		**–0.1**	**2.7**	**471.9**
OECD		**0.8**	**4.0**	**620.7**
Australia	VF	1.6	5.4	5.9
Austria	THS	2.2	4.0	17.2
Belgium	THS	0.6	5.9	5.8
Canada	TF	–3.2	1.8	15.9
Chile	TF	5.2	0.4	2.8
Czech Republic	TCE	–0.2	5.0	6.3
Denmark	TCE	–1.9	3.3	4.4
Estonia	TCE	2.5	13.3	1.6
Finland	VF	3.9	8.6	6.2
France	TF	–0.2	0.5	77.1
Germany	TCE	3.5	11.0	26.9
Greece	TF	–3.1	0.6	15.0
Hungary	VF	1.0	–1.8	39.9
Iceland	TCE	4.0	–1.0	0.5
Ireland	TF	–5.7	–12.8	6.0
Israel[2]	TF	12.1	20.8	2.8
Italy	TF	2.5	2.1	73.2
Japan	VF	5.5	26.8	8.6
Korea	VF	9.4	12.5	8.8
Luxembourg	TCE	–3.7	–1.7	0.8
Mexico	TF	1.1	3.8	22.3
Netherlands	TCE	0.5	9.7	10.9
New Zealand	VF	1.1	2.7	2.5
Norway	TF	3.5	7.6	6.6
Poland	VF	–2.4	8.4	58.3
Portugal	TCE	1.7	4.9	6.8
Slovak Republic	TCE	–3.7	2.2	1.3
Slovenia	TCE	3.9	2.5	1.9
Spain	TF	–2.3	1.0	52.7
Sweden	TCE	1.5	5.8	5.0
Switzerland	THS	2.4	4.0	8.6
Turkey	TF	9.8	5.7	28.6
United Kingdom	VF	–2.3	–0.3	29.8
United States	TF	4.2	8.8	59.8
Non-OECD economies				
Albania	VF	26.8	30.2	2.4
Argentina	TF	6.9	23.6	5.3
Brazil	TF	0.8	7.5	5.2
Bulgaria		3.0	6.4	8.4
Croatia	TCE	3.4	4.8	9.1
Cyprus[3, 4]	TF	–2.3	1.5	2.2
Egypt	TF	14.8	17.6	14.7
Former Yugoslav Republic of Macedonia		4.5	1.2	0.3
India	TF	7.0	11.8	5.8
Indonesia	TF	9.6	10.7	7.0
Latvia	TF	–2.0	3.8	1.4
Lithuania		–0.9	1.8	4.1
Malta	TF	4.7	12.6	1.3

Table 4.1. **International tourist arrivals, 2006-10** *(cont.)*

	Type of indicator[1]	2010/2006 Average annual growth %	2010/2009 %	2010 million
Montenegro	THS	–4.3	5.1	0.5
Romania	VF	6.8	–1.0	7.5
Serbia	TCE	11.7	5.7	0.7
South Africa	TF	0.5	15.1	8.1

1. TF: Arrivals of non-residents tourists at frontiers.
   VF: Arrivals of non-residents visitors at frontiers.
   TCE: Arrivals of non-resident tourists in all types of accommodation establishments.
   THS: Arrivals of non-resident tourists in hotels and similar establishments.
2. 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.
3. Note by Turkey: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the "Cyprus issue".
4. Note by all the European Union member states of the OECD and the European Commission: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

Sources: Country and UNWTO data, OECD data processing.

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Table 4.2. **International travel receipts and expenditure, 2009-10**

Million USD

	Travel receipts		Travel expenditure		Travel balance	
	2009	2010	2009	2010	2009	2010
World	**851 000**	**919 000**	**851 000**	**919 000**		
EU27	**337 700**	**333 947**	**335 419**	**329 604**	**2 281**	**4 343**
OECD	**541 564**	**560 268**	**522 247**	**539 185**	**19 318**	**21 083**
Australia	25 384	30 103	17 575	22 368	7 809	7 735
Austria	19 327	18 645	10 761	10 221	8 566	8 425
Belgium	10 202	10 235	20 432	18 679	–10 230	–8 444
Canada	13 621	15 723	24 262	29 570	–10 641	–13 847
Chile	1 574	1 580	1 137	1 237	437	343
Czech Republic	6 564	5 948	4 055	3 544	2 509	2 403
Denmark	5 619	5 706	8 971	9 086	–3 352	–3 380
Estonia	1 090	1 065	606	630	484	435
Finland	2 809	2 899	4 357	4 240	–1 548	–1 340
France	49 333	46 514	38 219	38 493	11 114	8 021
Germany	34 593	34 700	80 855	79 068	–46 262	–44 368
Greece	14 448	12 729	3 381	2 854	11 067	9 875
Hungary	5 942	5 727	5 638	5 386	304	341
Iceland	579	601	630	647	–52	–46
Ireland	4 737	3 942	7 603	6 902	–2 866	–2 960
Israel[1]	2 746	3 710	2 913	3 416	–167	294
Italy	40 089	38 749	27 806	27 039	12 283	11 710
Japan	10 260	13 218	25 114	28 373	–14 855	–15 155
Korea	9 782	10 321	11 040	14 292	–1 258	–3 971
Luxembourg	4 176	4 107	3 612	3 517	564	590
Mexico	11 278	11 758	7 133	7 283	4 145	4 475
Netherlands	12 319	12 983	20 603	19 611	–8 284	–6 627
New Zealand	4 586	4 906	2 521	3 033	2 066	1 873

Table 4.2. **International travel receipts and expenditure, 2009-10** *(cont.)*

Million USD

	Travel receipts		Travel expenditure		Travel balance	
	2009	2010	2009	2010	2009	2010
Norway	4 153	4 707	12 043	13 672	–7 890	–8 966
Poland	8 913	9 587	5 777	7 441	3 135	2 146
Portugal	9 597	10 080	3 768	3 911	5 829	6 169
Slovak Republic	2 341	2 228	2 098	1 944	243	284
Slovenia	2 506	2 563	1 268	1 223	1 238	1 341
Spain	52 965	52 475	16 791	16 771	36 175	35 704
Sweden	10 258	11 094	11 918	13 274	–1 660	–2 180
Switzerland	14 158	14 967	10 908	11 149	3 250	3 818
Turkey	21 249	20 807	4 146	4 825	17 103	15 982
United Kingdom	30 176	32 386	50 189	49 979	–20 013	–17 593
United States	94 191	103 505	74 118	75 507	20 073	27 998
Non-OECD economies						
Albania	1 827	1 613	1 585	1 362	242	251
Argentina	4 476	4 942	4 494	4 878	–18	64
Brazil	5 305	5 919	10 898	16 422	–5 593	–10 503
Bulgaria	3 728	3 571	1 750	1 232	1 978	2 339
Croatia	8 850	8 217	1 006	833	7 845	7 383
Cyprus[2, 3]	2 169	2 137	1 293	1 120	876	1 018
Egypt	10 487	11 584	2 708	2 313	7 780	9 270
Former Yugoslav Republic of Macedonia	218	197	92	112	126	85
India	11 354	141 909	9 315	10 633	2 039	131 276
Indonesia	6 298	7 603	4 939	5 796	1 359	1 807
Latvia	675	630	801	695	–126	–65
Lithuania	1 007	1 029	1 124	793	–117	236
Malta	889	1 078	288	311	602	768
Montenegro	659	660	49	46	610	613
Romania	1 228	1 139	1 457	1 641	–229	–502
Serbia	857	801	953	959	–96	–158
South Africa	7 624	9 085	4 151	5 595	3 473	3 490

1. 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.
2. Note by Turkey: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the "Cyprus issue".
3. Note by all the European Union member states of the OECD and the European Commission: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

Sources: Country and UNWTO data, OECD data processing.

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Table 4.3 provides an analysis of internal (domestic and inbound) tourism consumption for selected OECD and non-member economies in 2010 (or latest available year). On average, domestic tourism consumption, as a proportion of internal tourism consumption, is much higher for OECD member countries (60.9%), than for non-members (47.5%). For six OECD countries, namely Chile, Germany, Japan, Mexico, the United Kingdom and the United States, domestic tourism consumption represents more than 80% of internal consumption, demonstrating the significance of domestic tourism to many members.

Table 4.3. **Tourism Satellite Account: Internal tourism consumption**

2010 (or latest available year)

		Internal tourism consumption (ITC)	Domestic tourism consumption	Inbound tourism consumption
		Billion USD,[1] current prices	*As a percentage of ITC*	*As a percentage of ITC*
OECD				
Australia	2009-10	85.49	76.0	24.0
Austria	2010	39.04	46.7	53.3
Canada	2004	54.92	70.1	29.9
Chile	2008	11.53	82.4	17.6
Czech Republic	2010	11.22	47.0	53.0
Denmark	2010	13.28	60.3	39.7
Estonia	2006	1.66	24.3	75.7
Finland	2007	15.00	71.0	29.0
France	2010	182.21	68.5	31.5
Germany	2010	341.52	85.8	14.2
Hungary	2008	6.69	36.7	63.3
Ireland	2007	9.28	46.3	53.7
Israel[2]	2010	9.27	52.4	47.6
Japan	2009	262.15	95.2	4.8
Korea	2004	25.77	69.5	30.5
Mexico	2009	100.51	85.7	14.3
Netherlands	2010	41.58	76.6	23.4
New Zealand	2011	18.09	57.5	42.5
Norway	2009	16.78	71.1	28.9
Poland	2008	16.45	38.7	61.3
Portugal	2006	14.72	42.8	51.0
Slovak Republic	2008	5.28	46.3	53.7
Slovenia	2006	3.50	40.9	59.1
Spain	2007	133.88	51.8	48.2
Sweden	2010	35.32	65.8	34.2
Switzerland	2005	24.44	60.5	39.5
United Kingdom	2008	206.23	85.5	14.5
United States	2009	699.10	82.9	17.1
Non-OECD economies				
Croatia	2007	10.11	16.3	83.7
Cyprus[3, 4]	2007	2.29	15.7	84.0
Egypt	2009	16.57	18.4	81.6
India	2002-03	37.11	81.8	18.2
Indonesia	2010	24.07	68.8	31.2
Lithuania	2009	1.76	51.2	48.8
Montenegro	2009	0.83	88.6	11.4
Romania	2007	25.13	76.5	23.5
South Africa	2010	19.96	54.1	45.9

1. The conversion from national currency data to data in US dollars has been calculated using annual average exchange rates for the corresponding year.
2. 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.
3. Note by Turkey: The information in this document with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of the United Nations, Turkey shall preserve its position concerning the "Cyprus issue".
4. Note by all the European Union member states of the OECD and the European Commission: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.

Sources: National Tourism Satellite Accounts, OECD data processing.

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The direct contribution of tourism in OECD countries was on average 4.2% of GDP and 5.4% of employment in 2010 (4.4% and 5.7% for EU members), although there is considerable variation within these figures (Figure 0.1 – for metadata, see online version). Notably, some of the world's largest tourist destination countries such as France (7.1%) and Spain (10.2%) exceed this average by a large margin. Also, some smaller destination countries such as Portugal (9.2%), Mexico (8%) and Iceland (6%) show a substantial reliance on tourism for value added, employment and balance of payments benefits.

Non-members covered in this chapter have an average of 5.3% of their GDP accounted for by the tourism sector, again with wide variations between countries. While in aggregate these countries accounted for only 8.9% of global international arrivals in 2010, the rate of growth in arrivals between 2009 and 2010, at 10.1%, was considerably above that for global arrivals (6.7%), and OECD (4%) and EU member countries (2.7%).

Key policy issues

Against this background, it is unsurprising that governments increasingly regard tourism as an area for which the development and application of supportive policies is important, and an area where the potential benefit of government intervention should not be overlooked. The country profiles included in this edition contain a wealth of detail on the issues, policies and concerns that occupy the minds of governments when considering their tourism sectors. The main issues that emerge from these profiles are summarised below.

Managing negative externalities

The dominant concern of those responsible for the development of tourism in 2011-12 remains the international financial and economic crisis and the relatively poor outlook for many national economies. Within Europe, the largest region for international tourism in the world albeit a region whose market share is experiencing a modest but steady decline, countries such as Greece, Ireland, Italy, Portugal and Spain, are facing fiscal austerity and rising unemployment capable of adversely affecting their international tourism activities. Any serious weakening in these countries' international origin markets could result in falling demand for tourism services that in turn could exacerbate national weaknesses such as those affecting the labour market.

Within the limits of what national authorities can do to counteract negative international trends, it is noticeable that many of the countries covered in this chapter are placing greater emphasis on, and taking additional supportive measures to encourage domestic tourism. There is a growing recognition that domestic tourism is as capable of supporting employment and adding local value as international tourism, with governments increasingly reflecting this shift in tourism policy development.

Some countries have also had to deal with the consequences of major natural disasters – such as the tsunami in Japan and the earthquake in New Zealand – or political upheaval such as that experienced in a number of Middle Eastern and Mediterranean countries. In response to such events, tourism sector managers can draw on extensive international experience in areas such as the dissemination of accurate information to travellers and to the travel trade, in an effort to minimise potential adverse effects.

Plans and strategies

Governments in recent years have increasingly recognised the economic and social importance of tourism. Tourism's ability to create employment, stimulate capital markets, attract foreign investment, earn foreign currency and add value nationally, regionally and locally has been generally accepted. This has led to the development of a range of policies and programmes in which government intervention in the stimulation and support of the tourism sector has increased.

One manifestation of this is the emphasis placed in many countries on medium-term strategic development plans for the tourism sector. Such plans, often led by the ministry responsible for tourism, may also involve cross-cutting initiatives involving other ministries, such as those dealing with infrastructure, transport and especially human resources. Increasingly, tourism is seen as a whole-of-government responsibility to be advanced and supported in the national interest. The development of well considered and integrated strategies sets tourism firmly in the context of national development policy, and positions the industry alongside the more traditional sectoral concerns of government, such as agriculture and industry.

In parallel to national planning is a growing realisation that the responsibility for the development of tourism should also involve regional and local government. Examples of the devolution of responsibility for tourism, to decentralised levels of government, can be found in many of the country profiles that follow. Part of the motivation for decentralising the tourism activities of the public sector is of course practical – such as the specific tourism endowments of coastal regions which cause an inevitable concentration of tourism activities in such regions. However, the ability of tourism to sustain rural populations and communities in sometimes non-traditional tourism regions is also more widely appreciated, and is attracting the attention of policy makers who can recognise, for example, that direct support for tourism initiatives in rural communities can have concrete benefits.

Quality and product development

An analysis of country profiles indicates an increasing understanding on the part of policy makers and regulatory authorities, of the importance of quality tourism products and services. This may take a number of forms and be reflected in a variety of programmes and initiatives. Areas such as the grading of accommodation and attractions; the training and certification of staff; the diversification and constant renewal of tourism products; the development of new, often specialised types of tourism (*e.g.* medical tourism); and monitoring industry performance; all require action on standards and quality on the part of those responsible for managing the industry.

An increasingly important aspect of tourism quality to which many countries now pay direct attention is the sustainability of the industry in its broadest sense. Conventionally, the concept of sustainability relates to the environmental integrity of tourism activities. High environmental standards are becoming integral to the success of any tourism sector, in line with the changing expectations of many tourism markets, for more environmentally friendly products, services and experiences.

The concept of sustainability, however, is also more widely interpreted in terms of the longer-term profitability of the sector, its ability to provide satisfying and well-remunerated careers, the contribution that tourism can make to the maintenance of viable communities, often in remote areas, and the social cohesion that tourism is able to create. Countries that fail to consider and address these wider issues may find that their tourism sector is less able to deliver potential benefits, and is therefore less successful in the long-term than otherwise might be the case.

Diversification plays an important role in increasing the sustainability of the sector, including the provision of new types of tourism experiences and facilities to attract new markets (*e.g.* cycle trails, eco-tourism resorts or special interest activities). Seasonality is a significant problem for many destination countries, and product diversification can also help to address this issue by lengthening the tourist season and/or spreading the peak demand period. For example, labour market problems often exist as a result of the concentration of demand for tourism services in a few, typically summer months. If this demand can be spread through a greater part of the year, there are many benefits to be had in terms of the sustainability of employment and the industry's social and economic yields.

Human resources and competitiveness

A primary area of public intervention in tourism is in the development of human resource capacity. As a labour-intensive economic activity, the provision of tourism services is both a key area of economic benefit and also a directly influential factor in product quality. Professional services provided by well-trained staff are important in defining the industry standards. Governments frequently take direct action to set labour standards and provide the appropriate training as this is an area of common market failure. Governments in most countries are aware of the importance of labour market policy to the tourism sector, and as a consequence address these issues directly.

Governments also appreciate more clearly than in the past that their tourism sectors operate in highly competitive markets, demonstrated clearly by the differential in performance between many mature and emerging tourism economies in recent years. Countries around the Mediterranean Basin, for example, have found that tourists switch from one broadly similar destination to another quite readily, in response either to issues such as those relating to security and the political situation, or to issues such as the price competitiveness of one country compared to another. The need to maintain and improve the tourism industry's competitiveness is an obvious area of concern. It can be addressed through policy actions in areas such as labour market professionalism, product development, or the application of minimum standards in addition to macroeconomic management that is central to a country's international competitiveness.

Sharing costs

The current period of fiscal austerity affecting many countries has made it more difficult for governments to finance tourism initiatives. Economic weaknesses and budgetary difficulties can present governments with a dilemma in tourism development. On the one hand, there is a case for promoting tourism more vigorously in order to counteract unemployment and poor economic growth, while on the other, countries' budgetary pressures can make the allocation of additional funds to tourism development more difficult to justify and achieve. One approach to alleviating such pressures is that of public/private partnerships, which have become more common in many countries. Often at the request of governments, industry stakeholders are being encouraged to co-finance tourism development initiatives, such as quality- or product-improvement programmes, or marketing initiatives such as international promotional campaigns and attendance at key tourism fairs and events.

In some cases (*e.g.* the Czech Republic, Hungary, Poland and the Slovak Republic), cost sharing and co-operative international marketing has been undertaken as a means of promoting broadly similar or neighbouring destinations at major industry trade fairs or as part of major international marketing campaigns. While such initiatives are still relatively rare, there is some evidence that financial pressures in individual nations are giving rise to such co-operative actions as a means of achieving greater financial efficiencies.

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