Prospects for international tourism

Project LINK
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21-23 October 2013

Sarbuland Kahn
UNWTO XXXX
The World Tourism Organization (UNWTO)

- a specialized agency of the United Nations (UN) and the leading international organization in the field of tourism. It serves as a global forum for tourism policy issues and a practical source of tourism know-how.

- plays a central and decisive role in promoting the development of responsible, sustainable and universally accessible tourism, paying particular attention to the interests of developing countries.

- intergovernmental organization with membership includes 162 countries and territories and over 400 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities.

- encourages the implementation of the Global Code of Ethics for Tourism, with a view to ensuring that member countries, tourist destinations and businesses maximize the positive economic, social and cultural effects of tourism and fully reap its benefits, while minimizing its negative social and environmental impacts.

Tourism is demand side defined

“Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which imply tourism expenditure.”

International Recommendations for Tourism Statistics 2008 (UNWTO and United Nations)
Tourism supply: complex product
many parties involved to make tourism work
Why Tourism?

⇒ Tourism is economic activity with substantial impact
  • Employment
  • Diversification of economy / Tax revenues
  • Earning foreign currency / balancing Balance of Payments
    inbound tourism = export / outbound = import
  • Development of weak regions / Regeneration of regions in decay
  • Redistribution of wealth between countries and within countries
  • Multiplier effect > impact in several other sectors
  • Preservation of culture
Why tourism matters

- 9% GDP
- 1/11 Jobs
- US$ 1.3 Trillion in exports
- 6% of world trade
- 6% exports of least developed countries

(Direct, indirect and induced)
Economic benefits from tourists

1 tourist
- export of 183 64-MB RAMs
3 tourists
- export of one 1500cc car

Source: Korea Tourism Organization (KTO), www.etourkorea.com
2012: one billion international arrivals in one year for the first time
Results 2012

International Tourist Arrivals
1035 million
+4.0%

International Tourism Receipts (BOP Travel)
US$ 1075 billion (euro 837 bn)
+4.0% (real terms)

International passenger transport (BOP Transport, passenger)
US$ 213 billion (euro 166 bn)

www.unwto.org/facts
Inbound tourism: World

International tourist arrivals, 1995-2012* (million)

Source: World Tourism Organization (UNWTO)
<table>
<thead>
<tr>
<th>2012: one billion international arrivals in one year for the first time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,035,000,000 international tourists (overnight visitors)</td>
</tr>
<tr>
<td>generating</td>
</tr>
<tr>
<td>US$ 1,075,000,000,000,000 international tourism receipts</td>
</tr>
<tr>
<td>US$ 1,040 on average per arrival</td>
</tr>
</tbody>
</table>
International Tourism Arrivals and Receipts, World

Growth in receipts follows growth in arrivals closely

Asian financial and economic crisis: receipts grew slower

11S, SARS, economic downturn: receipts more affected

‘Great recession’: receipts more affected and slower to recover

Source: World Tourism Organization (UNWTO)
International tourism vs. other export categories

International tourism:
30% of export of services
5.5% of exports of goods and services
Share in trade and services by subregion

International Tourism (travel and passenger transport), 2010

- % of total trade
- % of trade in services

subregions:
- World
- Northern Europe
- Western Europe
- Central/Eastern Eu.
- Southern/Mediter. Eu.
- North-East Asia
- South-East Asia
- Oceania
- South Asia
- North America
- Caribbean
- Central America
- South America
- North Africa
- Subsaharan Africa
- Middle East
International tourist arrivals and tourism receipts

INTERNATIONAL TOURISM 2012

International tourist arrivals (ITA): 1,035 million
International tourism receipts (ITR): US$ 1,075 billion (bn)

Source: World Tourism Organization (UNWTO)
Share 2012 by region

International Tourist arrivals
- Asia and the Pacific, 233 mn, 23%
- Americas, 162 mn, 16%
- Africa, 52 mn, 5%
- Middle East, 53 mn, 5%
- Europe, 535 mn, 52%

International Tourism Receipts
- Asia and the Pacific, 324 bn, 30%
- Americas, 213 bn, 20%
- Africa, 34 bn, 3%
- Middle East, 47 bn, 4%
- Europe, 458 bn, 43%
A solid performance during the Northern summer peak season

Demand for international tourism remained strong throughout the first eight months of 2013, according to latest results for destinations around the world. Furthermore, it includes an outlook for the period September-December based on feedback from the UNWTO Panel of Experts and air transport bookings data from business intelligence tool Forwardkeys.

This release is available only in electronic format, through the UNWTO website, and is free of charge for members. The release is provided in English only while the Statistical Annex is available in English, French, Spanish and Russian.

2013

The first eight months of the year saw a record 747 million international tourist arrivals (overnight visitors) worldwide, 5% more than in the same period of 2012. The UNWTO World Tourism Barometer confirmed this positive trend in its evaluation of the May-August period showed significant improvement in confidence, while prospects for the last four months remain upbeat as well.

Another four results of a solid year:

After a slow start to the year, demand for international tourism maintained strength throughout the Northern Hemisphere peak season. The months of June, July and August achieved robust results with 4% growth in international tourist arrivals compared to the corresponding month of 2012.

Absolute numbers of international arrivals topped 125 million in both July and August, while in June the 100 million arrivals mark was exceeded for the first time in that month.

Statistical Annex

The following pages contain detailed tables on tourism related indicators such as international tourist arrivals, international tourism receipts and expenditure collected by UNWTO from national institutions, as well as data on air transport and the UNWTO Panel of Experts.

Tables reflect yearly data and monthly or quarterly data currently available. Most data is preliminary and may be subject to revision. See the boxes for further information on the data.

The tables on the following pages are not included in the free extract of the UNWTO World Tourism Barometer. The full document is available in electronic format for sale and free for UNWTO members and subscribed institutions through the UNWTO library at

English version: www.e-unwto.org/content/O2A9
French version: www.e-unwto.org/content/O7A8
Spanish version: www.e-unwto.org/content/O1A2

Explanation of abbreviations and signs used:
- * = provisional figure or data
- ** = figure or data only available
- * = charge of taxes
- ** = not applicable
- $ = million (1,000,000)
- ** = billion (1,000,000,000) [only in Spanish] [millon en millones]
- ** = trillion (1,000,000,000,000) [only in Spanish] [trillones en millones]

01 January - February
02 March - April
03 May - June
04 July - August
05 September - October
06 November - December

For more information on the UNWTO World Tourism Barometer you can subscribe to the next three issues via the following version of the www.UNWTO.org website:

For your reference, please consult the links on the UNWTO website at www.unwto.org/download or contact us at: telephone.
747 million intnl tourist arrivals through August, 38 million more than in the same period of 2012

Source: World Tourism Organization (UNWTO) ©
International tourism maintains strength

International Tourist Arrivals, monthly evolution

World (% change)

Source: World Tourism Organization (UNWTO) ©
Advanced and emerging economy destinations show solid growth

International Tourist Arrivals (% change)

Source: World Tourism Organization (UNWTO) ©
2012 and 2013 year to date by subregion

International Tourist Arrivals (% change over same period of the previous year)

Source: World Tourism Organization (UNWTO) ©
China has become number 1 outbound market in 2012 with US$ 102 bn.

<table>
<thead>
<tr>
<th>Country</th>
<th>International Tourism Expenditure (US$ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>102.0</td>
</tr>
<tr>
<td>United States</td>
<td></td>
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<tr>
<td>Germany</td>
<td></td>
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<tr>
<td>United Kingdom</td>
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<td>Russian Federation</td>
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<td>France</td>
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<td>Canada</td>
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<td>Japan</td>
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<tr>
<td>Australia</td>
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<td>Italy</td>
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</tbody>
</table>

Source: World Tourism Organization (UNWTO) ©
Emerging markets remain hot in 2013

International Tourism Expenditure

(\% change of same period year before, local currencies current prices)

-10 0 10 20 30 40 50

China United States Germany Russian Federation France Canada Japan Australia Italy Singapore Brazil Belgium Netherlands Korea, Republic of Hong Kong (China) Saudi Arabia Norway Sweden Spain Switzerland India Malaysia Taiwan (pr. of China)
Confidence on the rise again

UNWTO Panel of Tourism Experts: World

Source: World Tourism Organization (UNWTO) ©
International tourist arrivals

Forecast 2013: 3% to 4%

Source: World Tourism Organization (UNWTO)
<table>
<thead>
<tr>
<th>Region</th>
<th>Actual data</th>
<th>Projection 2013 (issued January)</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>+4.0%</td>
<td>+3% to +4%</td>
</tr>
<tr>
<td>Europe</td>
<td>+3.5%</td>
<td>+2% to +3%</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td>+6.9%</td>
<td>+5% to +6%</td>
</tr>
<tr>
<td>Americas</td>
<td>+4.6%</td>
<td>+3% to +4%</td>
</tr>
<tr>
<td>Africa</td>
<td>+6.5%</td>
<td>+4% to +6%</td>
</tr>
<tr>
<td>Middle East</td>
<td>-6.2%</td>
<td>+0% to +5%</td>
</tr>
</tbody>
</table>

Source: World Tourism Organization (UNWTO)
International arrivals to reach 1.4 billion in 2020 and 1.8 billion by 2030.
Growth in international tourism will continue, but at a more moderate pace.
International tourist arrivals to increase by 43 million a year on average

International tourism, World

Average growth

1980 – 1995: +17 mn
1995 – 2010: +28 mn

source: World Tourism Organization (UNWTO) ©
Emerging economy destinations to surpass advanced destinations in 2015

Inbound tourism, advanced and emerging economies

International Tourist Arrivals, million

source: World Tourism Organization (UNWTO) ©
Thank you very much for your attention!

World Tourism Organization (UNWTO)

www.unwto.org