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LIMITE

COMPET

WORKING PAPER

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MEETING DOCUMENT

From:	General Secretariat of the Council
To:	Working Party on Competitiveness and Growth (Tourism)
Subject:	The importance of tourism for the EU economy - Powerpoint presentation (Compro WP 08.04.2019)

The Importance of Tourism for the EU Economy

Rochelle Turner

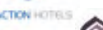
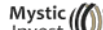
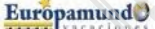
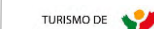
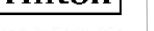
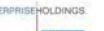
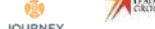
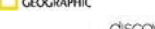
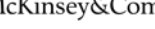
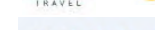
Research Director

World Travel & Tourism Council



WORLD
TRAVEL &
TOURISM
COUNCIL

WTTC Membership, 2019

	AIRLINES	AIRPORTS	HOTELS/LODGING	CRUISE	CAR	TRAVEL AGENCIES TOUR OPERATORS	DESTINATIONS	OTHERS
Europe/ Mid East/ Africa	  	 	             	    		         	  	            
Americas	   	  	              	 	 	             	   	                   
APAC	    		        			         		           

Global Performance

Travel & Tourism Economic Impact 2019 (2018 Figures)

3.2%

Global GDP growth

3.9%

Travel & Tourism GDP growth

10.4%

Travel & Tourism total contribution to global GDP

319 mn

Jobs supported by Travel & Tourism

1/10

Jobs supported by Travel & Tourism

1/5

of all new jobs created came from Travel & Tourism

28.8%

International Spend

VS

71.2%

Domestic Spend

21.5%

Business Spend

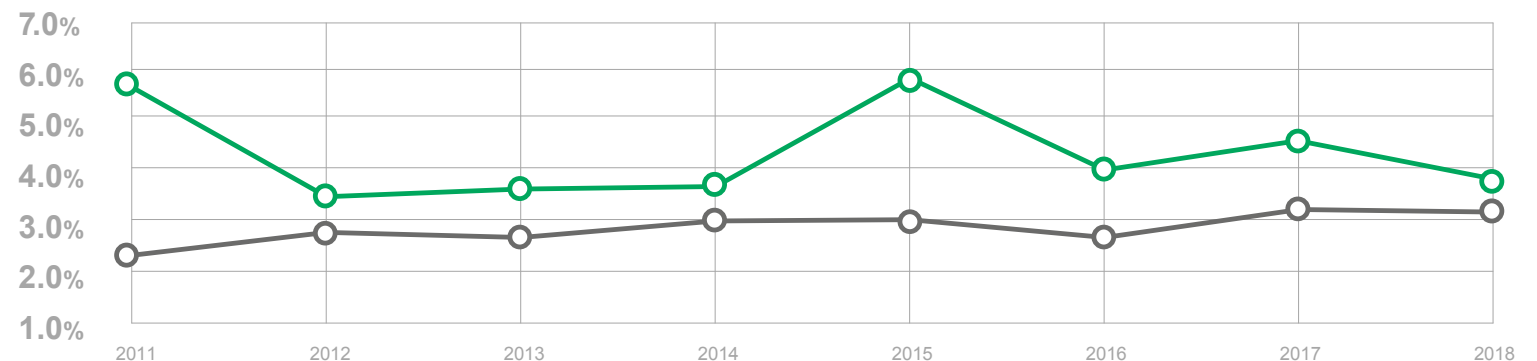
VS

78.5%

Leisure Spend

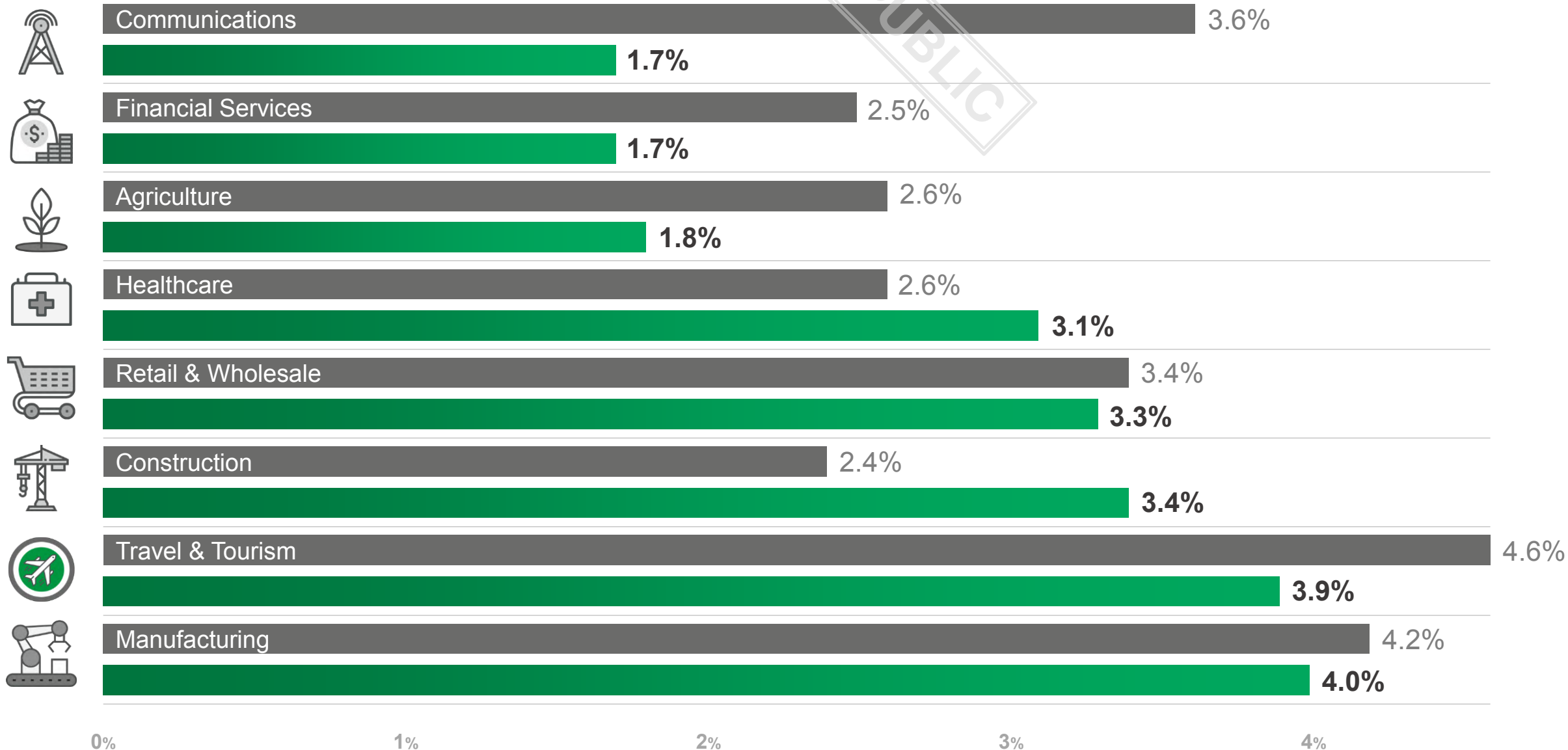
World's Travel & Tourism GDP growth vs. economy GDP growth, 2011-18

● Global T&T GDP growth (%) ● Global economy GDP growth (%)



T&T GDP GROWTH COMPARED TO OTHER SECTORS

● 2017 vs ● 2018 (%)



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10.1 %

Travel & Tourism total
contribution to GDP (€1.6 tr)

1/9 jobs

supported by Travel & Tourism
(27.3 mn)

2.7 %

Travel & Tourism GDP
growth

2.2 %

Real GDP economy growth
[IMF]

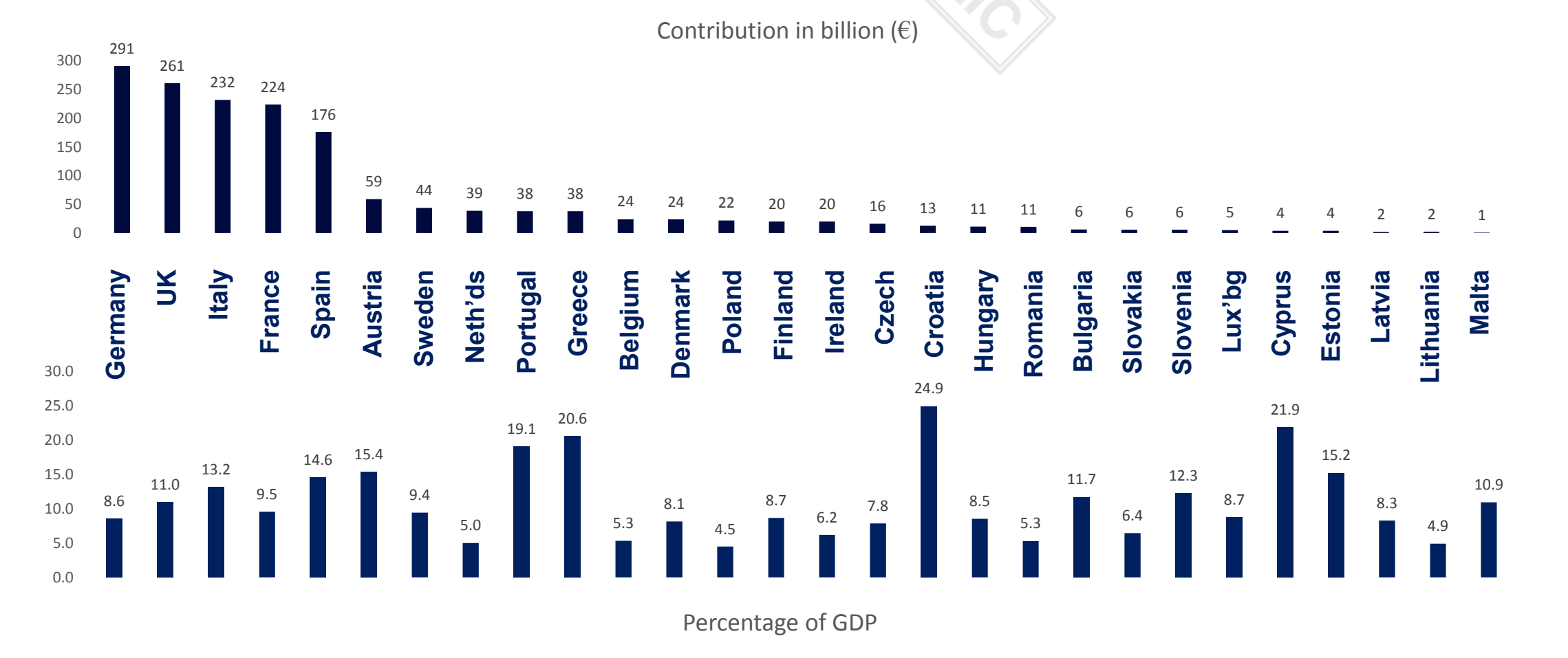
EU Growth

Travel & Tourism Economic
Impact 2019 (2018 figures)

European performance

Travel & Tourism Economic Impact 2019 (2018 figures)

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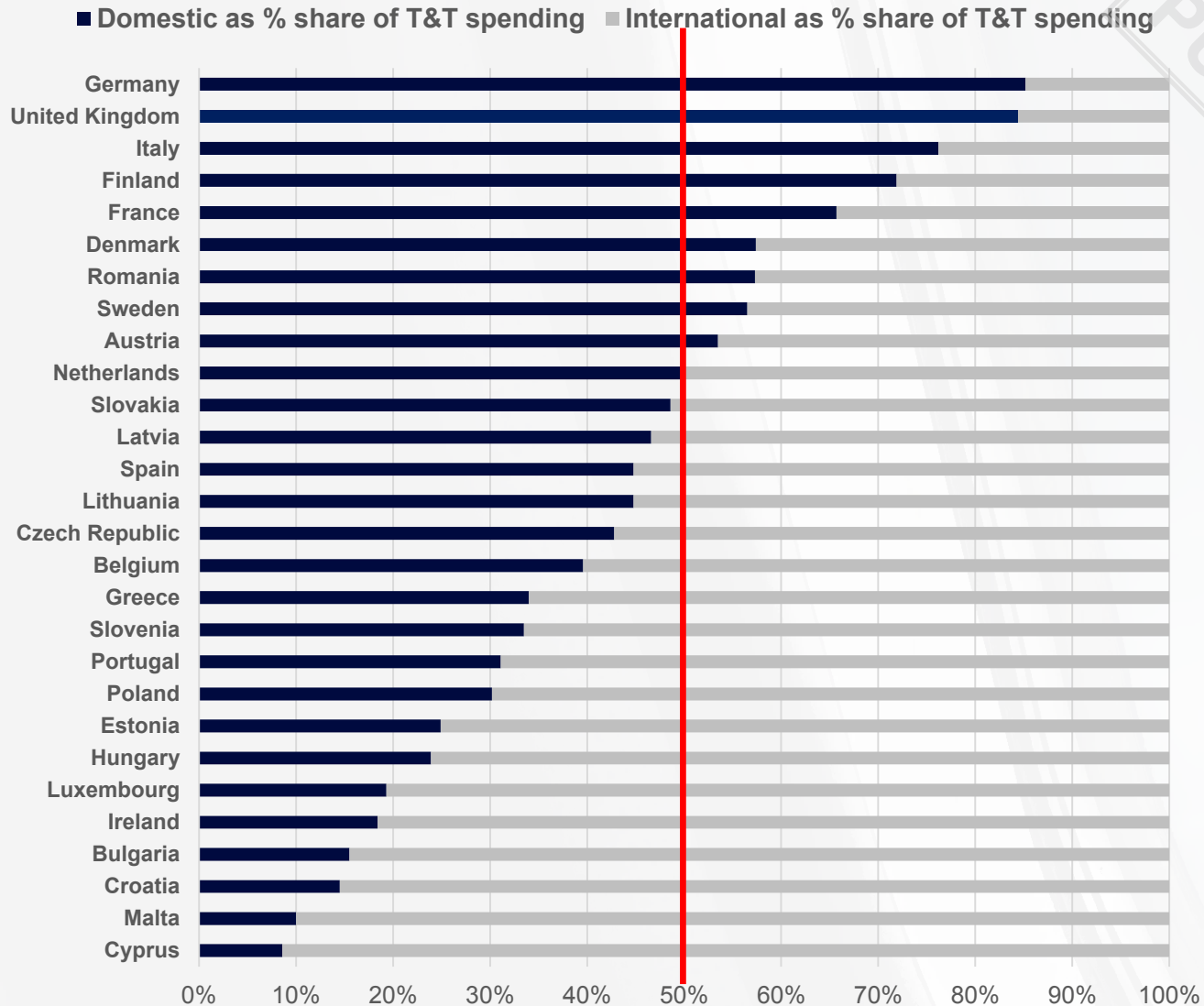
Top 10

Travel & Tourism Economic Impact 2019 (2018 Figures)

TOP 10 LARGEST T&T ECONOMIES IN 2018

	2018 RANK	2018 T&T CONTRIBUTION TO GDP (US\$ BN)	2018 T&T % OF COUNTRY GDP
USA	1	1,595	7.8%
CHINA	2	1,509	11.0%
JAPAN	3	368	7.4%
GERMANY	4	345	8.6%
UK	5	311	11.0%
ITALY	6	275	13.2%
FRANCE	7	266	9.5%
INDIA	8	247	9.2%
SPAIN	9	211	14.6%
MEXICO	10	209	17.2%

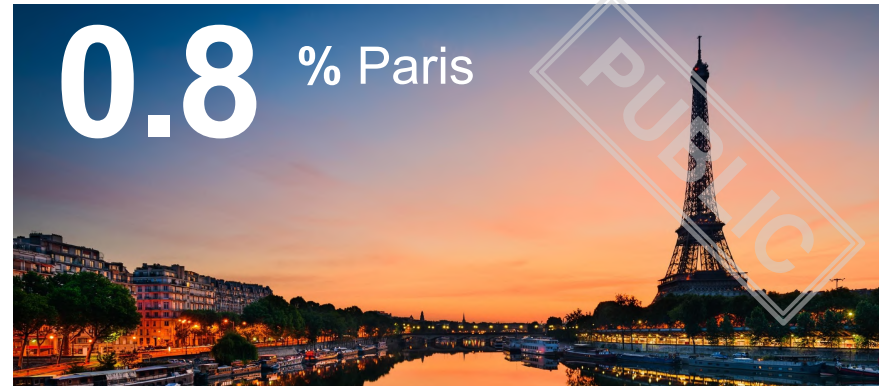
Reliance on Domestic vs International Tourism, 2018



Domestic tourism is the key driver of the tourism sector globally, accounting for **71.2%** of the total Travel & Tourism spending in 2018. In the EU, this was **66.6%**

City Travel & Tourism

Fast-growing European
cities (Growth in Tourism
contribution to GDP 2017)



54.5 %

World population lives in
urban areas in 2016

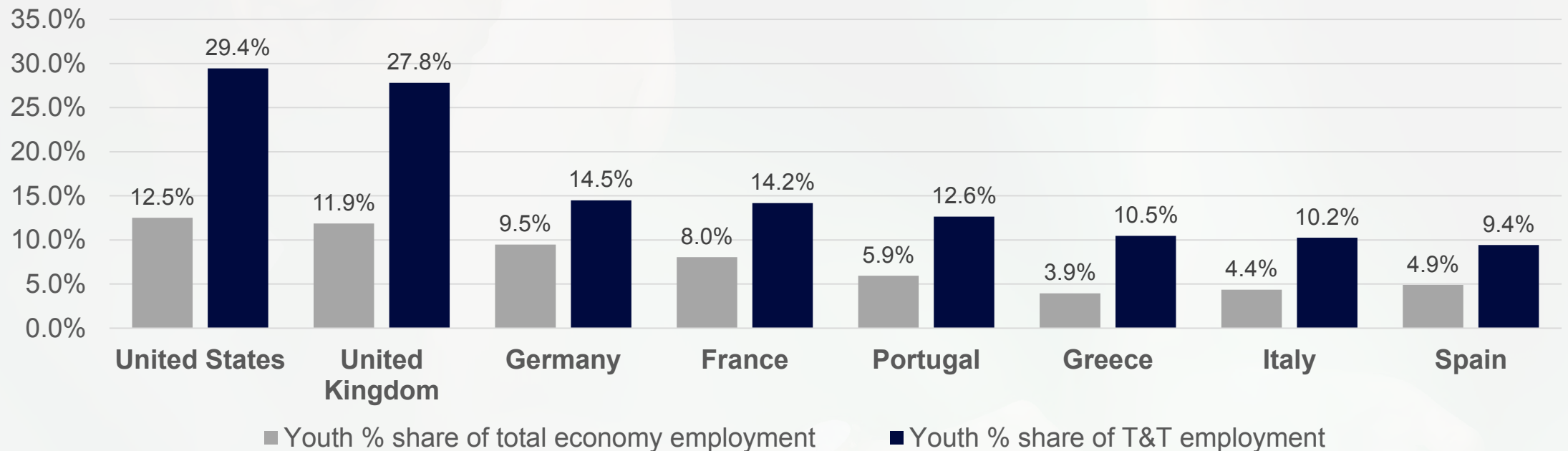
68 %

World population will live
in urban areas by 2050



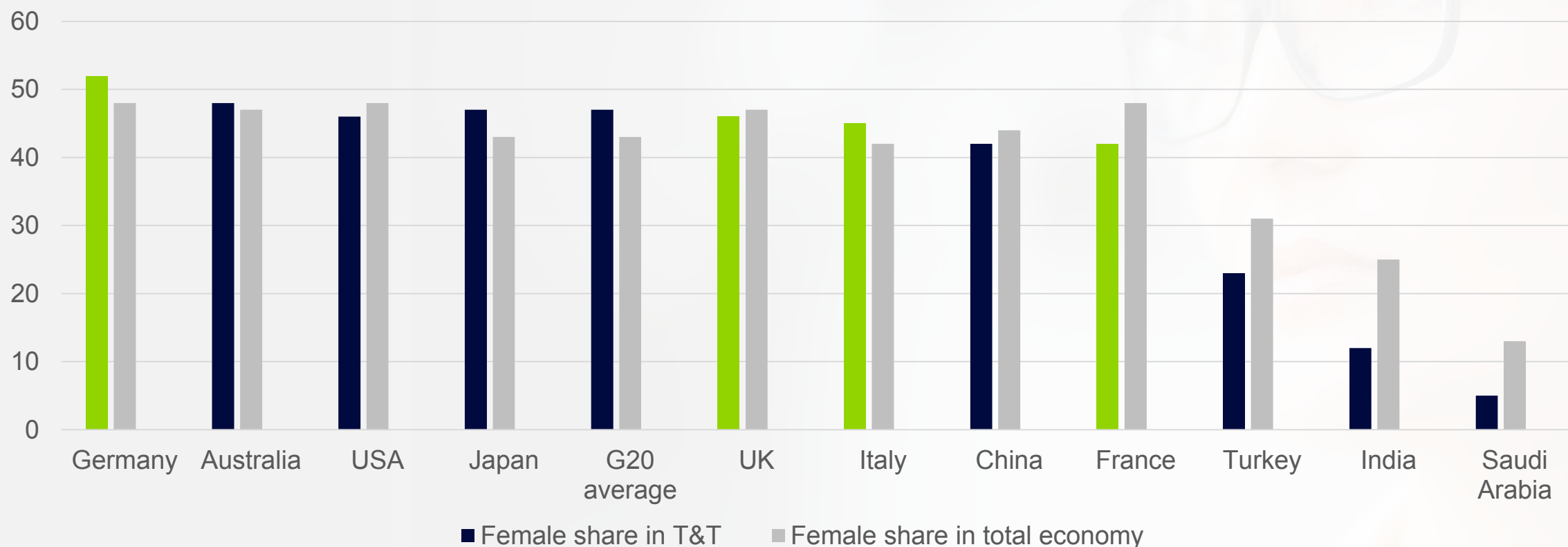
In many countries,
youth employment (15-24) in
Travel & Tourism is **significantly**
higher than for the overall economy.

YOUTH SHARE OF TOTAL ECONOMY EMPLOYMENT AND TRAVEL & TOURISM EMPLOYMENT, 2017



Across the G20, in 2017, the share of women employed in Travel & Tourism was higher than the share of women employed in the overall economies of the countries (46.4% v. 43.3%)

Female share of employment in Travel & Tourism and overall economy – select countries



We conducted one-to-one interviews with 80%
of our Members and identified the top

3 challenges



**Security & Travel
Facilitation**



**Crisis Preparedness,
Management &
Recovery**



**Sustainable
Growth**

Strategic Priority

1. Security & Travel Facilitation

Seamless Traveller Journey

- Industry-led vision for the future of travel
- Alignment around a harmonised approach to biometrics implementation
- Seamless end-to-end journey that is more secure and seamless



TRAVEL & TOURISM LOSSES FOR THE EU

Potential 2017 Impacts from Visa Waiver Suspension with USA and Canada

5.5 MILLION

FEWER VISITORS FROM USA & CANADA

In 2017 visitor arrivals from the USA and Canada to the EU-26 are forecast to be 22% below the baseline forecast level, a reduction of 5.5 million visitors.



2017 BASELINE FORECAST
25 MILLION VISITORS

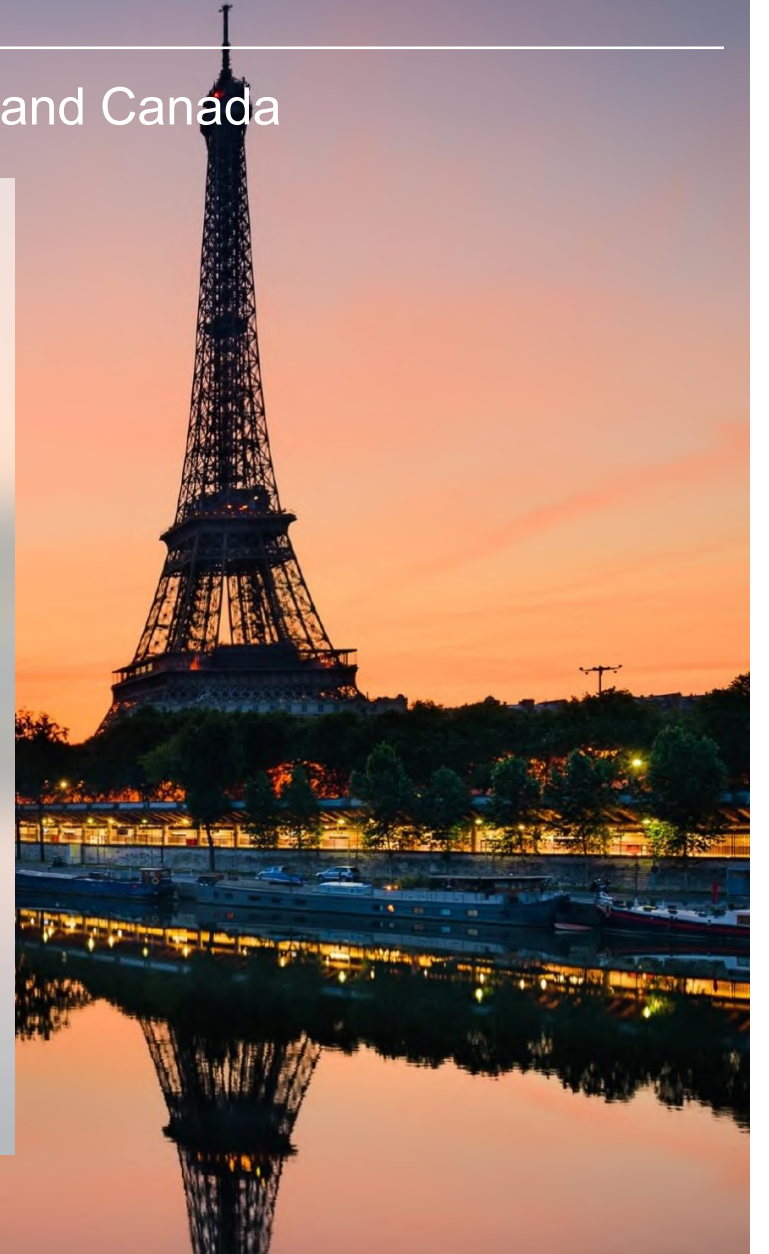
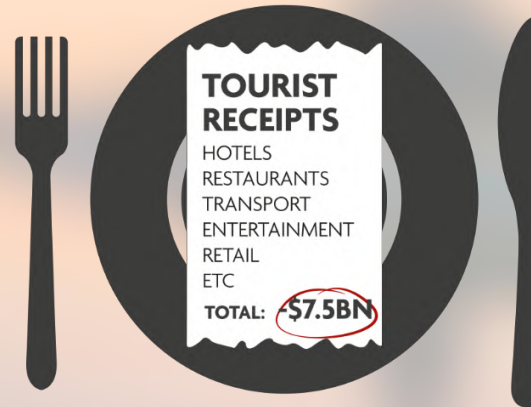


2017 ADJUSTED FORECAST
19 MILLION VISITORS

\$7.5 BILLION

LESS SPENT IN EUROPE

In 2017 EU-26 countries are forecast to receive \$7.5 billion less from the US and Canada than the baseline.



2. Crisis Preparedness, Management & Recovery

- Active role for T&T private sector in crisis conversations
- Boost resilience and minimise negative impacts on T&T businesses
- Offer support to destinations



3. Sustainable Growth

WTTC will lead Travel & Tourism's commitment to sustainable growth, by engaging its Members and focusing on:

- **Destination Stewardship**
- **Climate & Environmental Action**
- **Future of Work**
- **Social Responsibility**
 - **Child Protection**
 - **Illegal Wildlife Trade**





Destination Stewardship

Managing and reducing overcrowding in tourism destinations

McKinsey&Company



Climate & Environment Action

A common agenda alongside UNFCCC



Social Responsibility

Reduce trade in illegal wildlife and human trafficking



Tourism for Tomorrow Awards

Recognising best practice in sustainable tourism



Future of Work

Identify skills and mobility of labour



10.1 % ▶ 10.7 %

Travel & Tourism contribution to European GDP (WTTC 2029)

1/9 ▶ 1/8

Jobs supported by Travel & Tourism in Europe (WTTC 2029)

€441 ▶ €629

International visitor spending (WTTC 2029)

1.1 bn ▶ 1.9 bn

Air travellers in Europe (IATA 2037)

Future European Growth

WTTC Economic Impact
Research

Travel & Tourism is growing fast, and is a force for good...

- Significant economic value needs to be recognised
- Economic forecasts show investment potential
- But must ensure growth is sustainable
- Opportunities for women and young people
- Creates pride and redistributes wealth

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The Importance of Tourism for the EU Economy

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