TOURISM COMPETITIVENESS IN THE EUROPEAN UNION SMALL STATES

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LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère de l'Économie
Observatoire de la compétitivité

L-Università ta' Malta

STATEC

UNIVERSITÉ DU LUXEMBOURG

LUXEMBOURG
LET'S MAKE IT HAPPEN

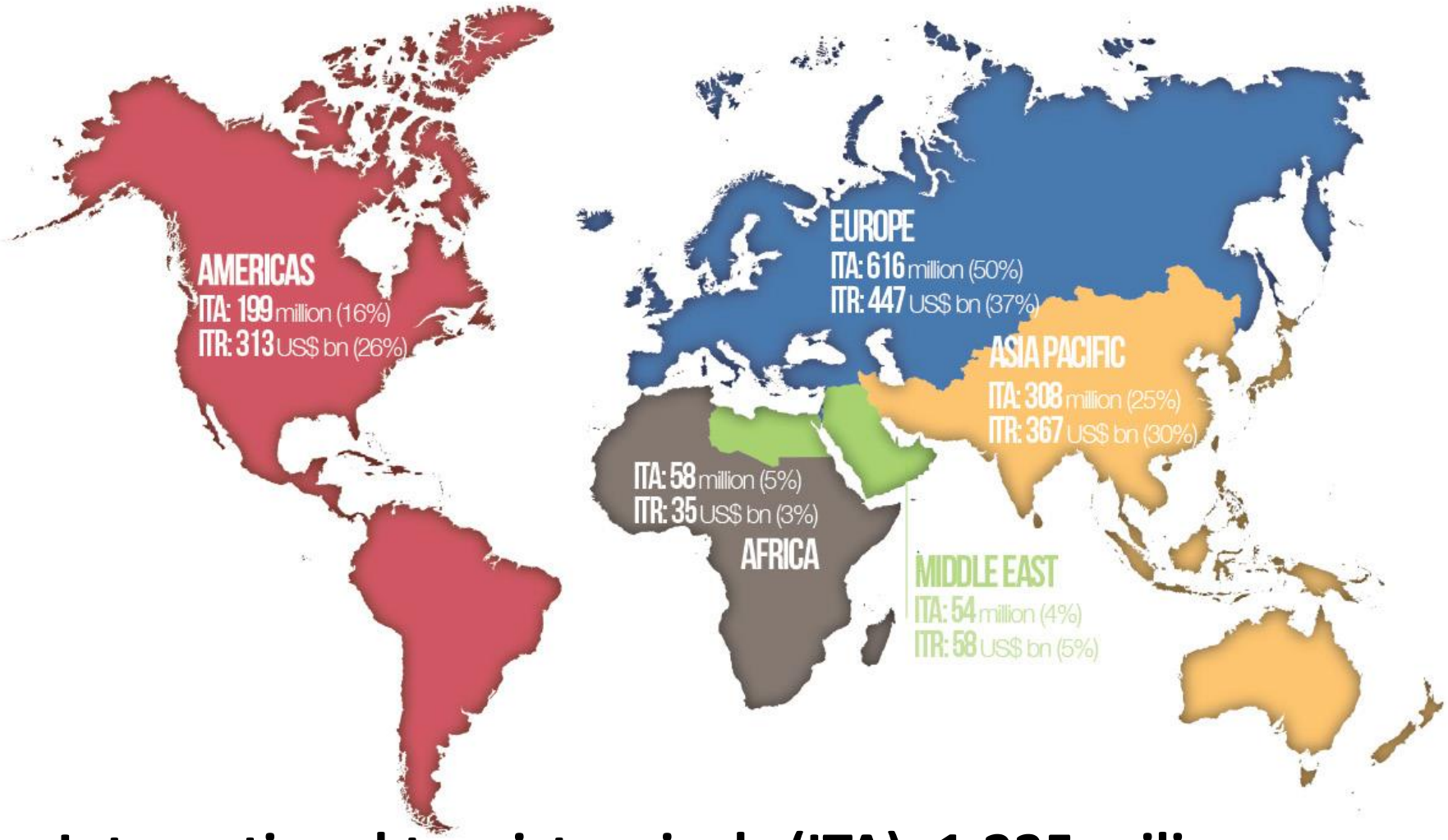
- **IS EUROPE AS A CONTINENT A MAJOR PLAYER IN INTERNATIONAL TOURISM MARKET ?**
- **IS TOURISM IMPORTANT ECONOMIC TOOL OF DEVELOPMENT IN THE EUROPEAN UNION SMALL STATES ?**
- **ARE THIS 7 (EUSS) ECONOMIES COMPETIVE IN INTERNATIONAL TOURISM MARKET?**

AGENDA

- EUROPE IN INTERNATIONAL TOURISM
- TOURISM IN THE EU SMALL STATES
- THE TRAVEL & TOURISM COMPETITIVENESS INDEX
- COMPETITIVENESS INDEX IN THE EU SMALL STATES

EUROPE IN INTERNATIONAL TOURISM

INTERNATIONAL TOURISM 2016



International tourist arrivals (ITA): 1,235 milion

International tourism receipts (ITR): US $ 1,220 billion

Source: UNWTO, Tourism Highlights 2017 Edition.

WORLD'S TOP 10 TOURISM DESTINATIONS 2016

International tourist arrivals (million)	International tourism receipts (billion)
1. France (82.6)	1. United States (205.9)
2. United States (75.6)	2. Spain (60.3)
3. Spain (75.5)	3. Thailand (49.9)
4. China (59.3)	4. China (44.4)
5. Italy (52.4)	5. France (42.5)
6. United Kingdom (35.8)	6. Italy (40.2)
7. Germany (35.6)	7. United Kingdom (39.6)
8. Mexico (35.0)	8. Germany (37.4)
9. Thailand (32.6)	9. Hong Kong (China) (32.9)
10. Turkey (30.7)	10. Australia (32.4)

Source: UNWTO, Tourism Highlights 2017 Edition.

EUROPE
International tourist arrivals 2016

UNWTO region/subregions:	International tourist arrivals (million)	Market share (%)
Europe	616.2	49.9
Northern Europe	80.2	6.5
Western Europe	181.5	14.7
Central/Eastern Europe	126.0	10.2
Southern/Medit. Europe	228.5	18.5
which EU-28	500.1	40.5

Source: UNWTO, Tourism Highlights 2017 Edition.

EUROPE
International tourism receipts 2016

UNWTO region/subregions:	Receipts (US$) (billion)	Market share (%)
Europe	447.3	36.7
Northern Europe	74.6	6.1
Western Europe	145.3	11.9
Central/Eastern Europe	52.6	4.3
Southern/Medit. Europe	174.7	14.3
which EU-28	376.6	30.9

Source: UNWTO, Tourism Highlights 2017 Edition.

TOURISM
IN THE
EUROPEAN UNION
SMALL STATES

The European Union Small States

- Cyprus
- Estonia
- Latvia
- Lithuania
- Luxembourg
- Malta
- Slovenia

Small states are those with a population of about three million persons or less

The EU Small States from Tourism Perspective

- **Luxembourg → Western UNWTO subregion**
- **Estonia → Central/Eastern UNWTO subregion**
- **Latvia → Central/Eastern UNWTO subregion**
- **Lithuania → Central/Eastern UNWTO subregion**
- **Cyprus → Southern/Medit. UNWTO subregion**
- **Malta → Southern/Medit. UNWTO subregion**
- **Slovenia → Southern/Medit. UNWTO subregion**

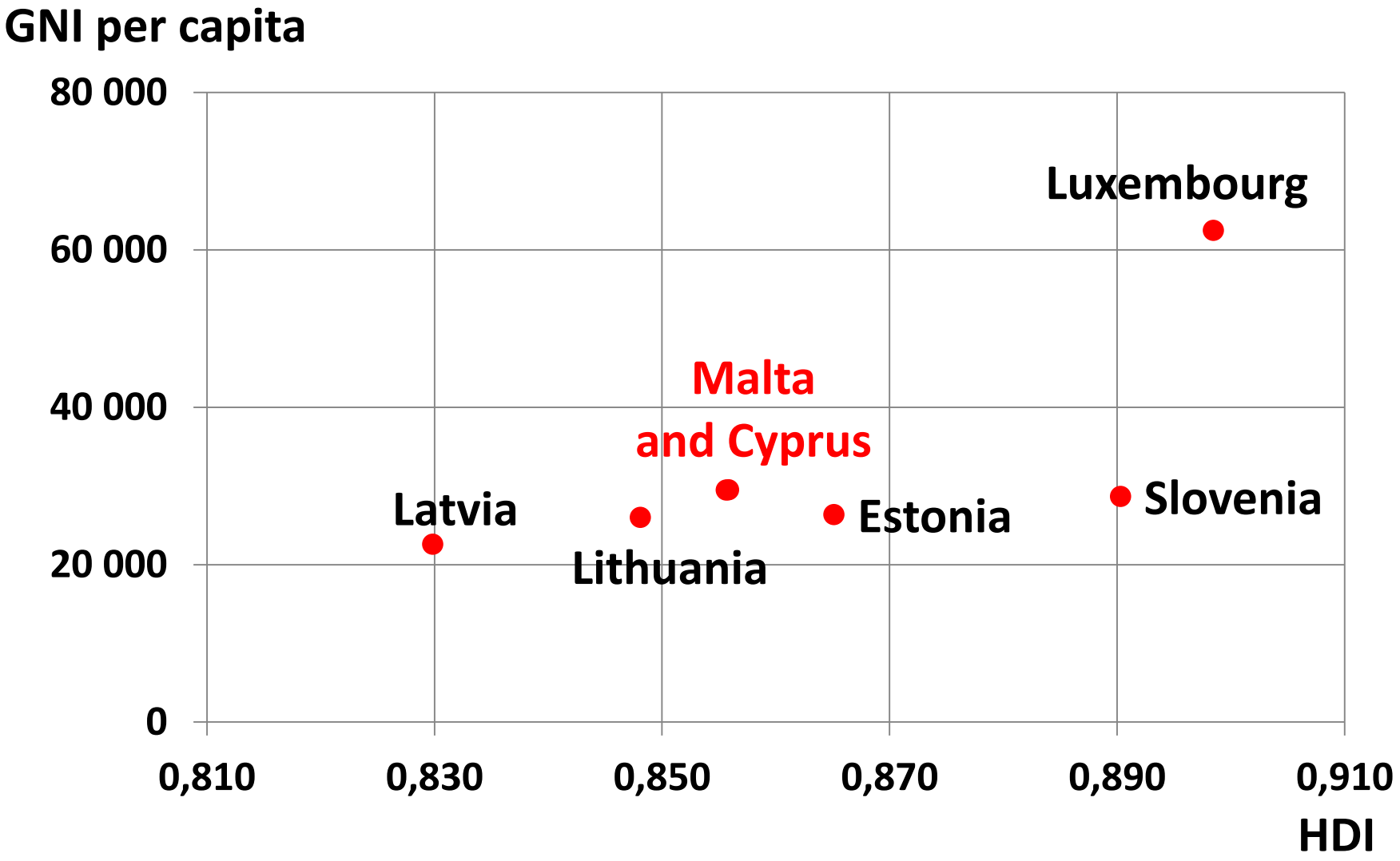
Source: UNWTO, Tourism Highlights 2017 Edition.

International Tourism in the EU Small States in 2016

STATES	ARRIVALS		RECEIPTS	
	(milion)	MARKET SHARE (%)	(US$ million)	MARKET SHARE (%)
Luxembourg	1,054	0.2	4,292	1.0
Estonia	3,143	0.5	1,536	0.3
Latvia	1,793	0.3	867	0.2
Lithuania	2,296	0.4	1,185	0.3
Cyprus	3,187	0.5	2,762	0.6
Malta	1,966	0.3	1,447	0.3
Slovenia	3,032	0.5	2,424	0.5

UNWTO, Tourism Highlights 2017 Edition.

Human Development Index (HDI) and Gross national income (GNI) per capita in the EU Small States in 2015



Source: Human Development Report. (2016). New York: UNDP.

THE TRAVEL & TOURISM COMPETITIVENESS INDEX

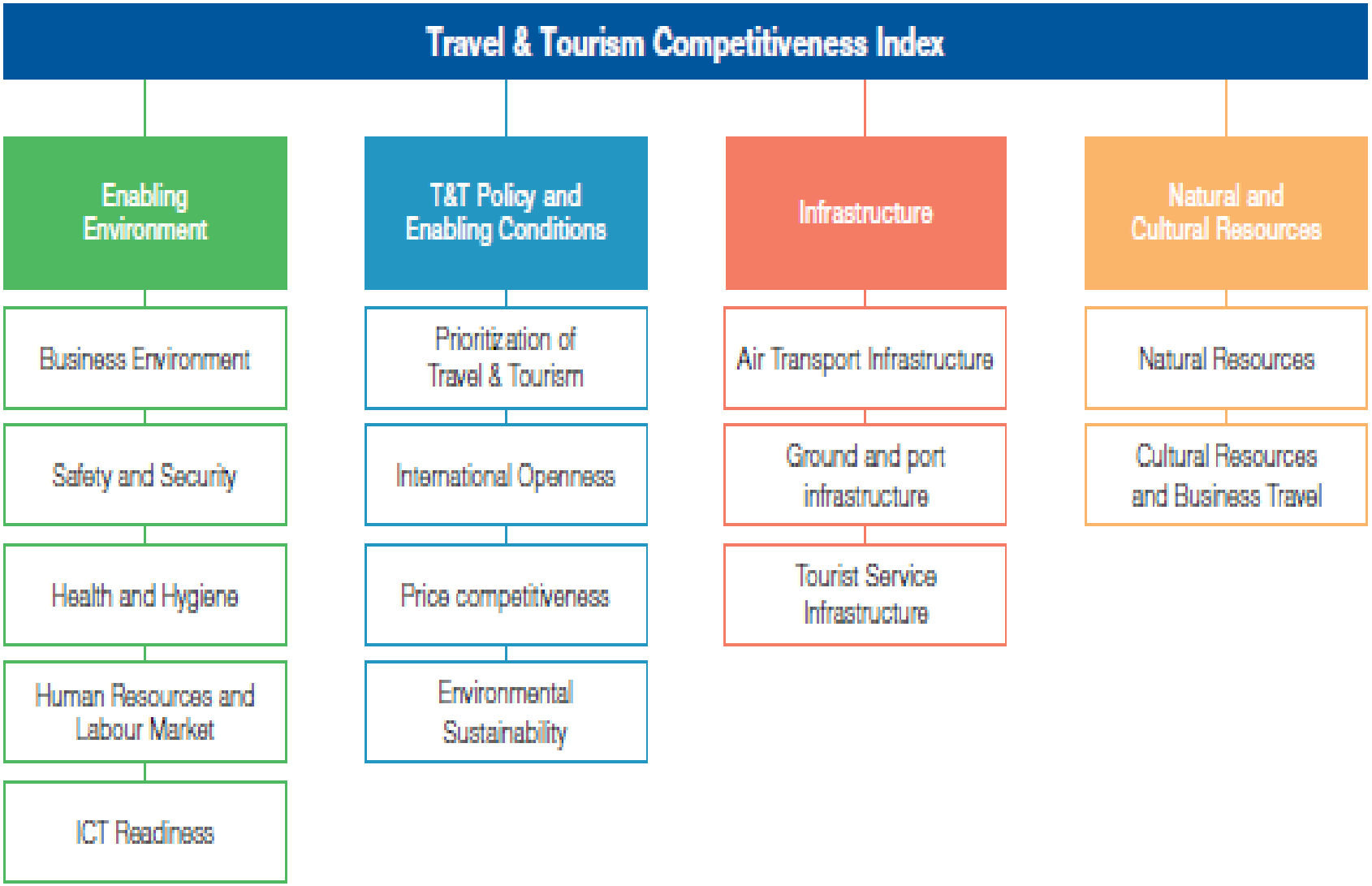
WORLD ECONOMIC FORUM

COMMITTED TO IMPROVING THE STATE OF THE WORLD

The Travel & Tourism Competitiveness Report 2017

136 STATES

Figure 1. The T&T Competitiveness Index 2017 framework



Source:: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Top 10

Country/Economy	Rank	Score
Spain	1	5.43
France	2	5.32
Germany	3	5.28
Japan	4	5.26
United Kingdom	5	5.20
United States	6	5.12
Australia	7	5.10
Italy	8	4.99
Canada	9	4.97
Switzerland	10	4.94

Source:: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

The Travel & Tourism Competitiveness Index 2017

RANK	ECONOMY	SCORE
28	Luxembourg	4.49
36	Malta	4.25
37	Estonia	4.23
41	Slovenia	4.18
52	Cyprus	4.02
54	Latvia	3.97
56	Lithuania	3.91

Source:: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Luxembourg 28th/136

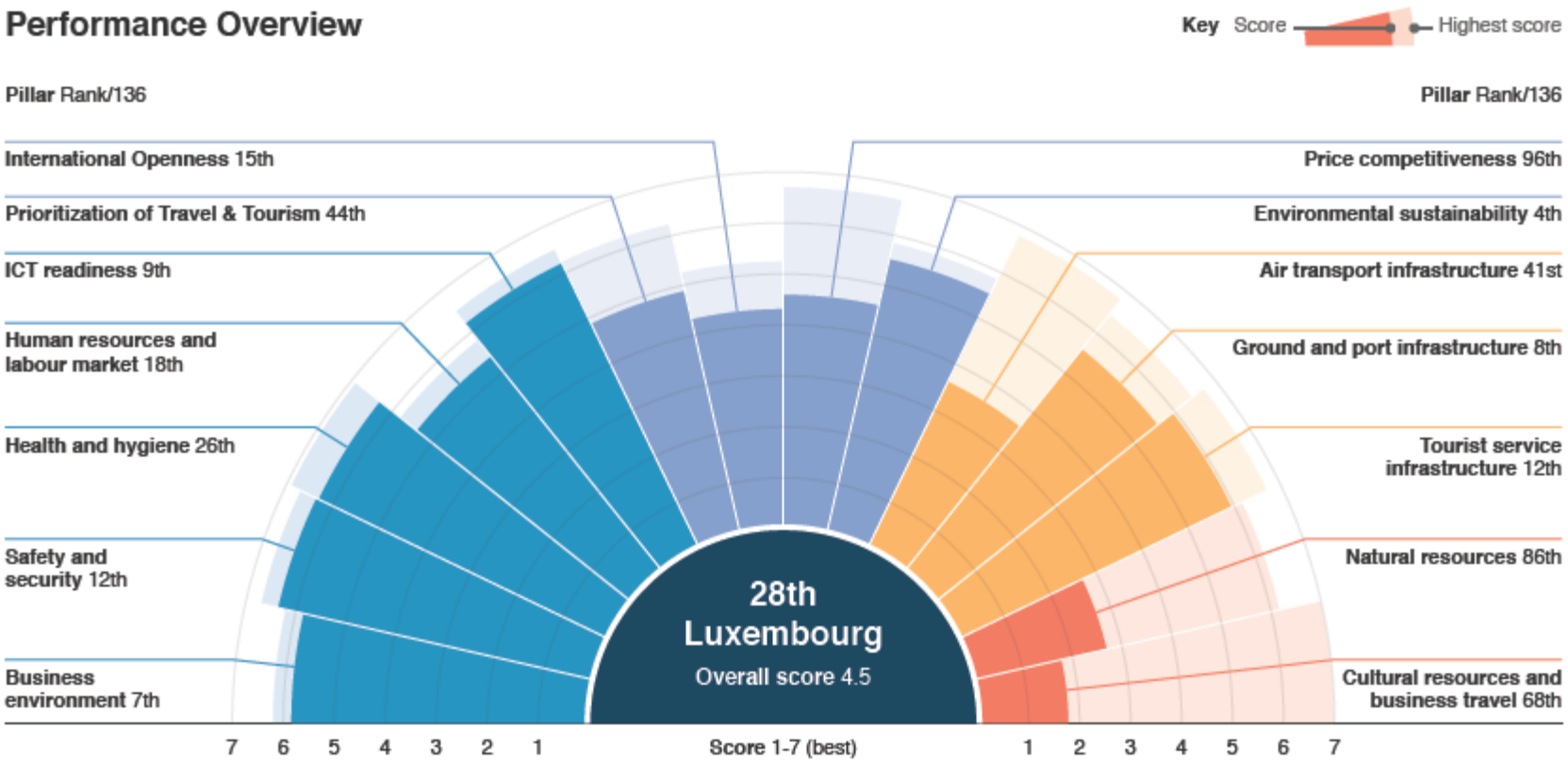
Key Indicators

Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	1,089,576
International tourism inbound receipts	US $4,296.5 million
Average receipts per arrival	US $3,943.3

T&T Industry GDP % of total	US $1,030.5 million 1.8%
T&T Industry employment % of total	6,084 jobs 2.5%

Performance Overview



Source: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Malta

36th/136

Key Indicators

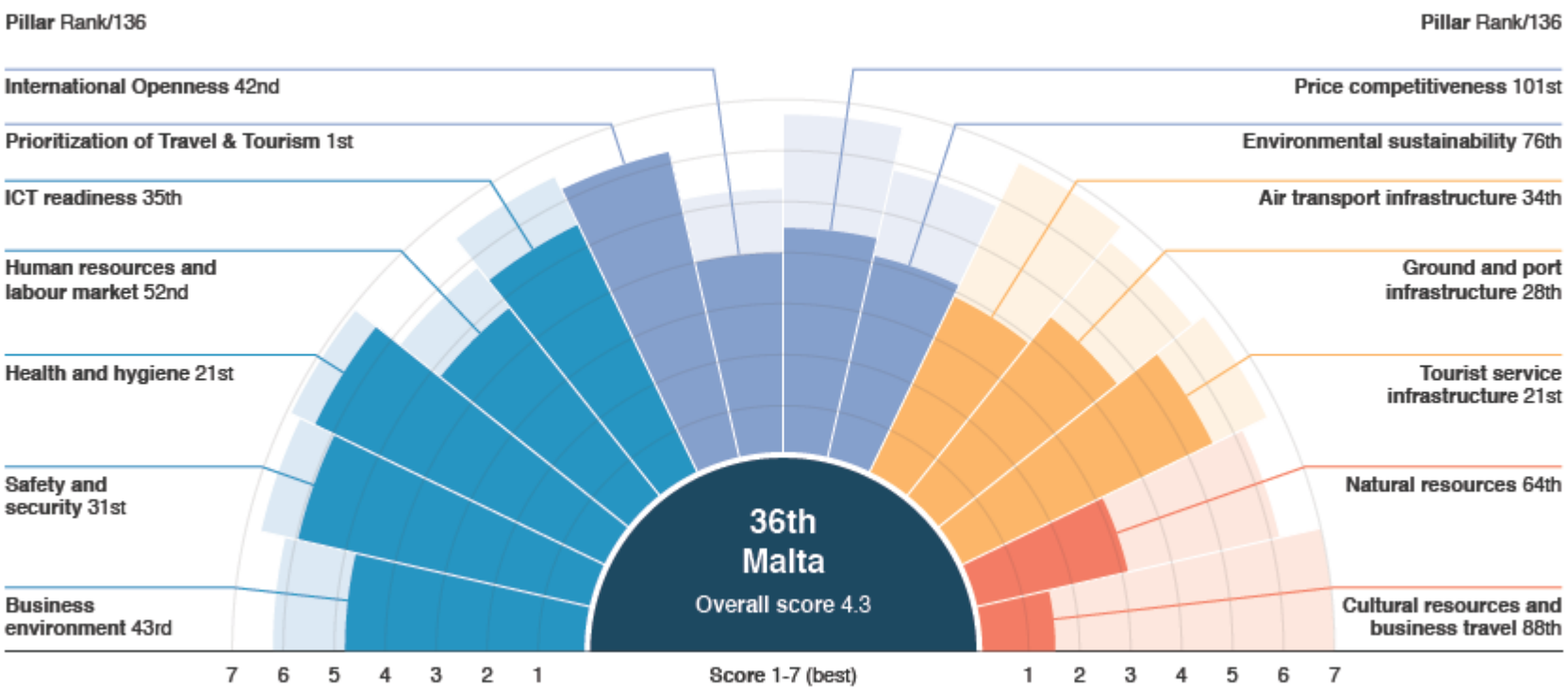
Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	1,783,366
International tourism inbound receipts	US $1,372.0 million
Average receipts per arrival	US $769.3

T&T Industry GDP % of total	US $1,397.4 million 15.1%
T&T Industry employment % of total	29,207 jobs 16.5%

Performance Overview

Key Score — Highest score



Source: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Estonia

37th/136

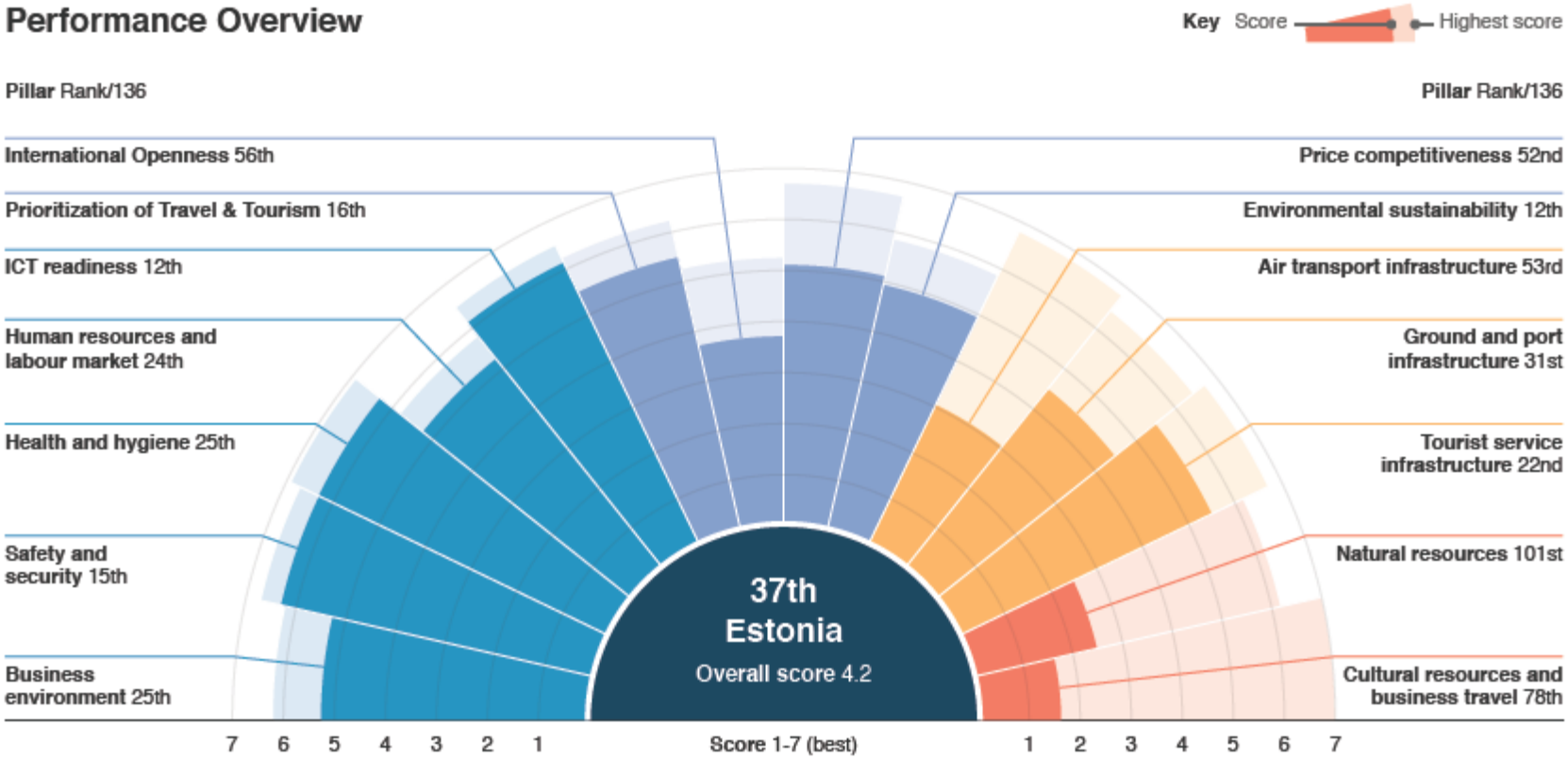
Key Indicators

Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	2,988,731
International tourism inbound receipts	US $1,427.9 million
Average receipts per arrival	US $477.8

T&T Industry GDP % of total	US $875.2 million 3.9%
T&T Industry employment % of total	25,476 jobs 4.1%

Performance Overview



Source: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Slovenia

41th/136

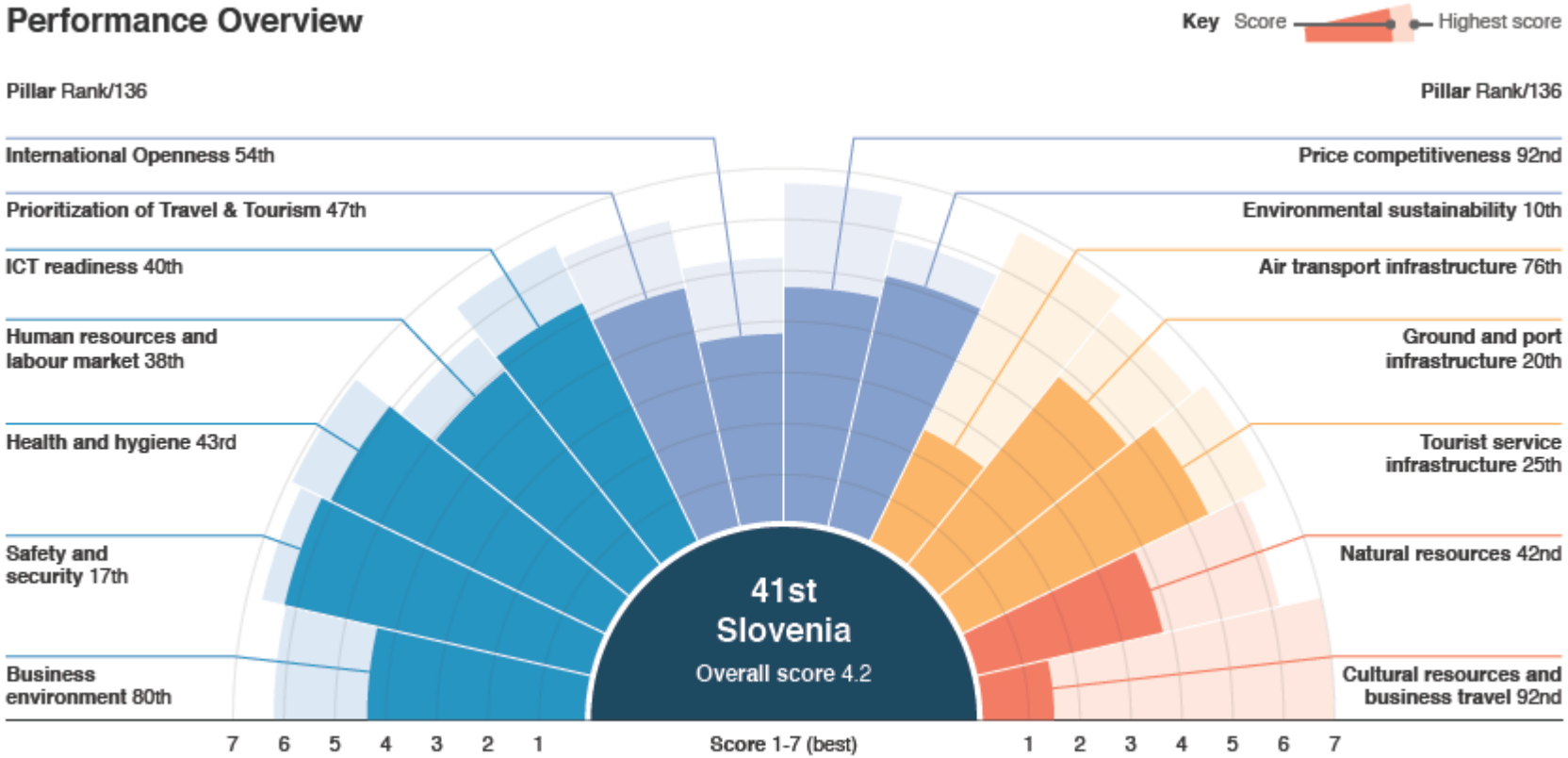
Key Indicators

Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	2,706,781
International tourism inbound receipts	US $2,504.4 million
Average receipts per arrival	US $925.2

T&T Industry GDP % of total	US $1,509.4 million 3.6%
T&T Industry employment % of total	32,382 jobs 4.0%

Performance Overview



Source: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Cyprus

52th/136

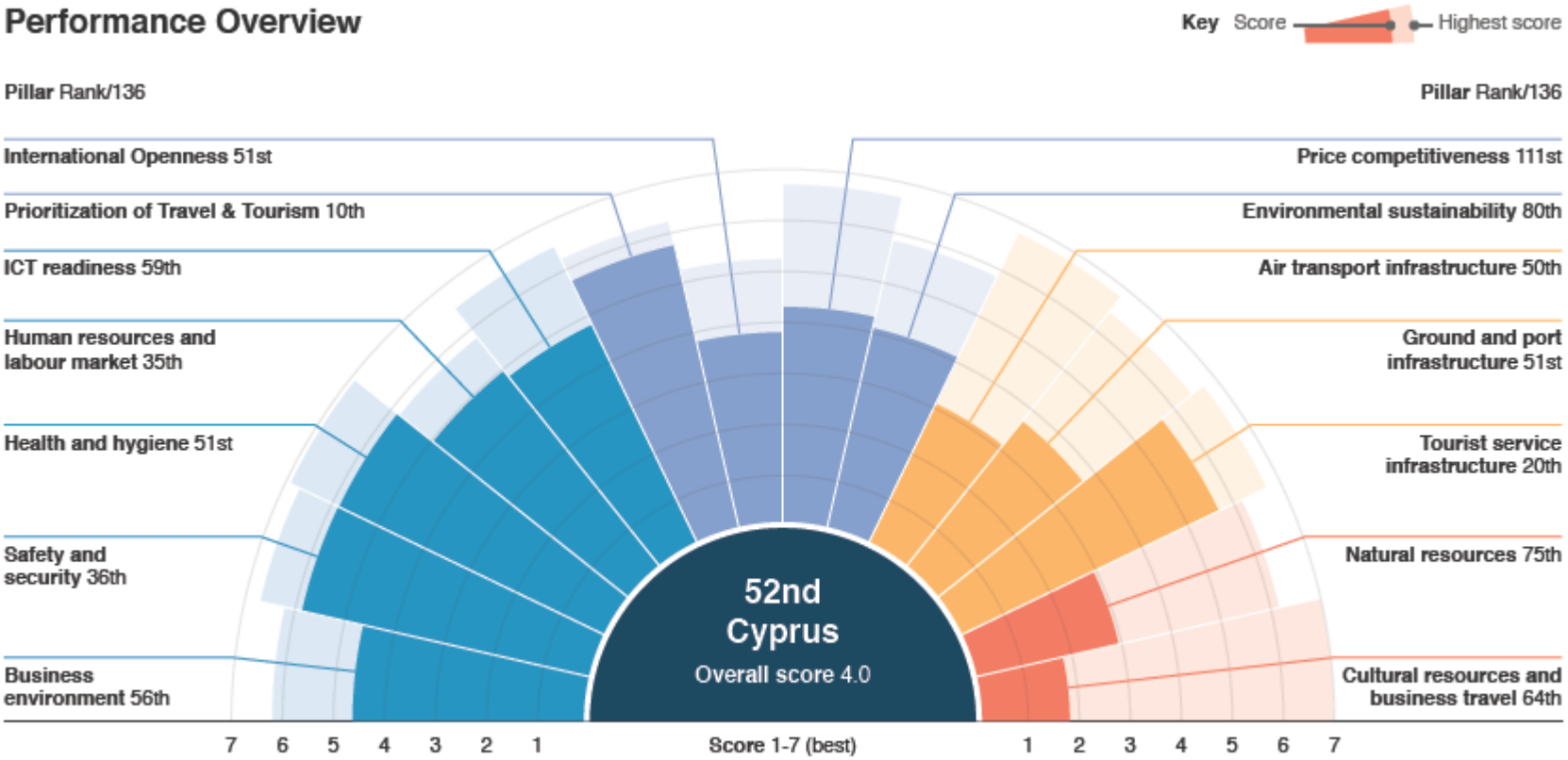
Key Indicators

Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	2,659,400
International tourism inbound receipts	US $2,487.3 million
Average receipts per arrival	US $935.3

T&T Industry GDP % of total	US $1,230.9 million 6.4%
T&T Industry employment % of total	24,121 jobs 6.6%

Performance Overview



Source: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Latvia

54th/136

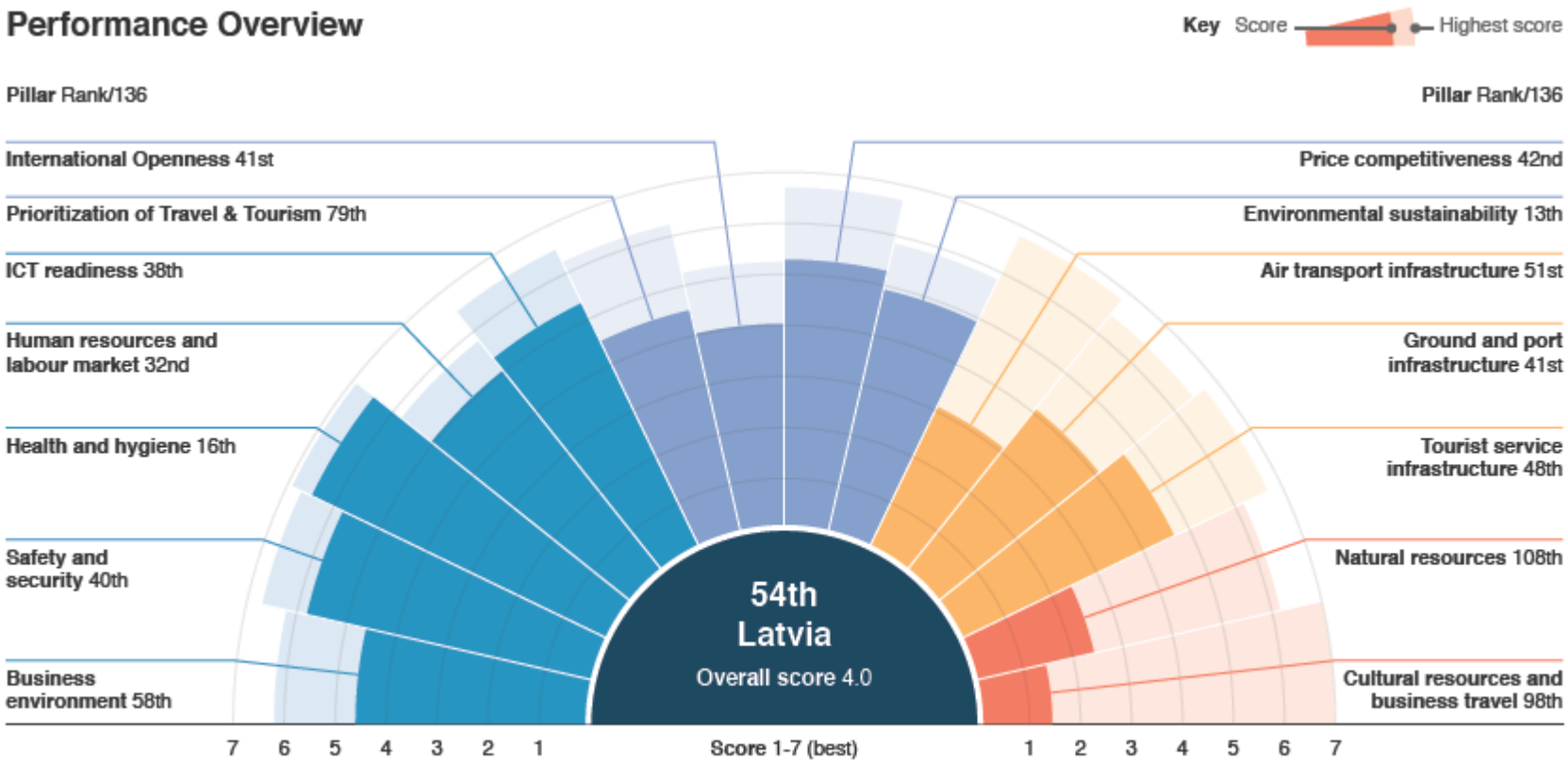
Key Indicators

Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	2,023,500
International tourism inbound receipts	US $895.6 million
Average receipts per arrival	US $442.6

T&T Industry GDP % of total	US $1,116.4 million 4.1%
T&T Industry employment % of total	36,570 jobs 4.1%

Performance Overview



Source: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Lithuania

56th/136

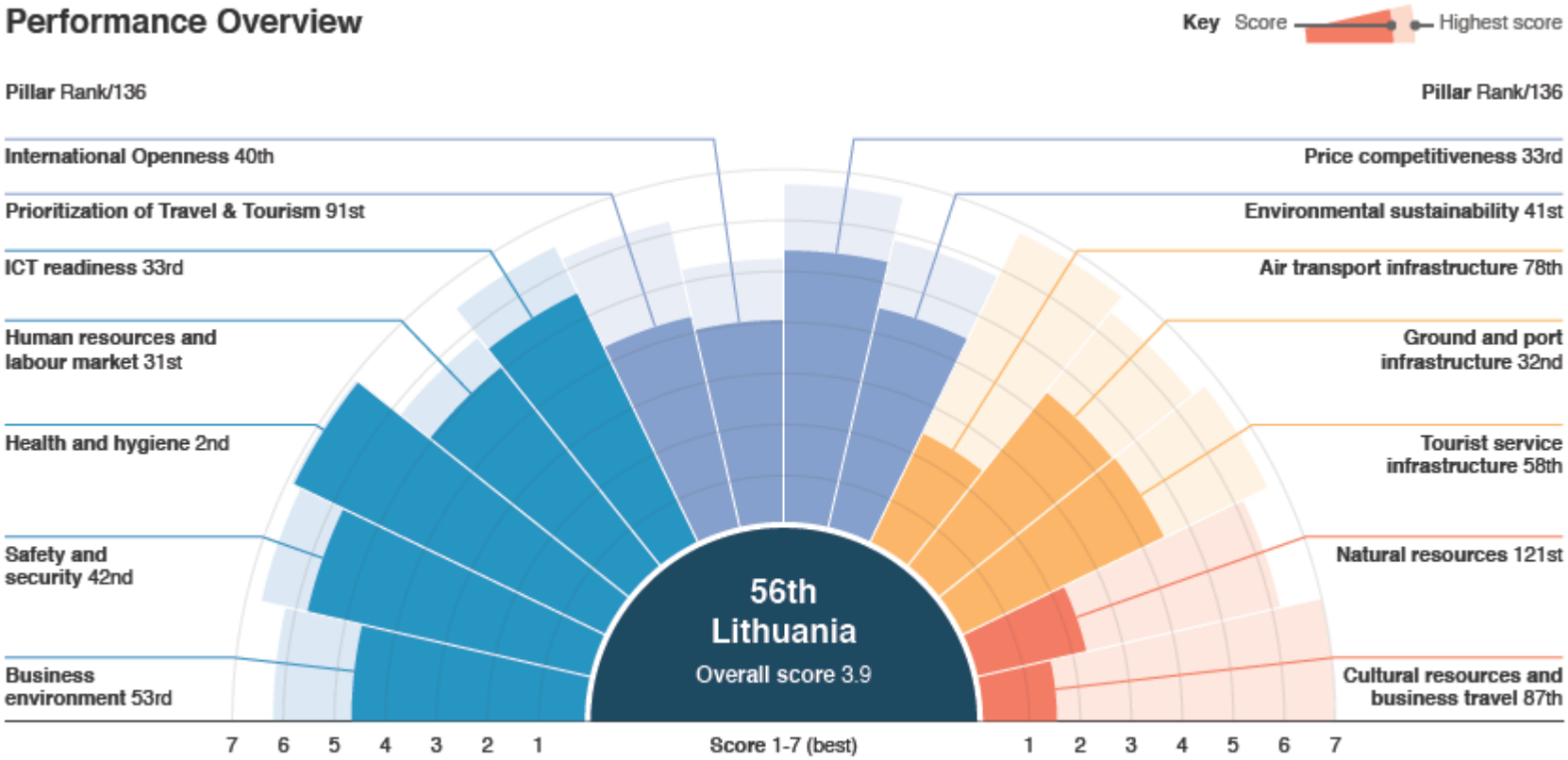
Key Indicators

Sources: World Tourism Organization (UNWTO) and World Travel and Tourism Council (WTTC)

International tourist arrivals	2,071,300
International tourism inbound receipts	US $1,154.6 million
Average receipts per arrival	US $557.4

T&T Industry GDP % of total	US $674.4 million 1.7%
T&T Industry employment % of total	22,553 jobs 1.7%

Performance Overview



Source: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

T@T industry GDP % of total

ECONOMY	%
Luxembourg	1.8
Malta	15.1
Estonia	3.9
Slovenia	3.6
Cyprus	6.4
Latvia	4.1
Lithuania	1.7

Source:: The Travel & Tourism Competitiveness Report 2017, World Economic Forum.

Is it a SITE model ?

- SITE MODEL (McElroy)
- „TOURIST COUNTRIES”
  AND „TOURISM MONOCULTURE„
- SMALL ISLAND STATES (SIS)
  vs SMALL ISLAND DEVELOPING STATES

FINAL REMARKS

- **IS EUROPE AS A CONTINENT A MAJOR PLAYER IN INTERNATIONAL TOURISM MARKET ?**
- **IS TOURISM IMPORTANT ECONOMIC TOOL OF DEVELOPMENT IN THE EUROPEAN UNION SMALL STATES ?**
- **ARE THIS 7 (EUSS) ECONOMIES COMPETIVE IN INTERNATIONAL TOURISM MARKET?**

3 x YES