

Research for TRAN Committee – European tourism: recent developments and future challenges

Background



Global tourism has now grown for nine years in succession, with international arrivals reaching 1.4 billion in 2018, two years ahead of forecasts. Growth in tourism receipts continue to outperform global Gross Domestic Product (GDP) and have now reached 1.7 trillion USD. Tourism now accounts for 7% of global exports, making it the world's third largest export industry.

Europe is ranked as the world's number one destination for international arrivals, 713 million in 2018, over half the global total, growing by 6% in 2018. Early indications are that 2019 will see further growth, although at more modest levels than 2018.

Tourism creates a surplus for the European Union (EU) economy, with international tourism receipts exceeding EU residents spending on international tourism by 27 billion in 2016. The industry represents around 6% of total EU export earnings, making it the fourth largest export industry.

Aim

This study aims to provide the Members of the TRAN Committee with an overview of the current state of affairs in European Tourism, considering the latest developments, and where possible identifying future challenges and emerging opportunities. It draws a number of conclusions and where appropriate makes recommendations at an EU policy level that will support the sustainable development of the sector.

The present document is the executive summary of the study on European tourism: recent developments and future challenges. The full study, which is available in English can be downloaded at: <http://bit.ly/32ETV14>

Objectives

To support this the following objectives have been set:

- provide a comprehensive overview of the tourism sector in the EU;
- present an analytical overview of current and expected future developments relevant to EU tourism policy; to this end the study should describe between three to five recent (or emerging) trends likely to have a major impact on the sector;
- summarise current knowledge-based policy debates;
- focus on policy responses made so far at the EU level and on additional actions that could be taken to further boost the growth, competitiveness, sustainability and quality of EU tourism services;
- present a critical assessment of preparedness of the EU tourism sector to face the expected challenges and to reap benefits from the emerging new opportunities;
- offer a set of recommendations for EU policy makers, in particular for the Members of the European Parliament, on what could be done (especially at EU level) to further stimulate growth and competitiveness of the sector.

Recommendations

The study makes a number of recommendations in several areas of tourism, many of these are overlapping, as for example, new smart technologies can be used to both guide tourists around a destination, whilst encouraging them to make more sustainable choices as they do this.

Overtourism is an area that has gained prominence over recent years and if tourism is to become truly sustainable, the industry must adapt to new ways of thinking and more importantly acting upon new ideas. The industry ought to develop strategies for tourists to be more environmentally aware of what the sustainable environment is and encourage them to act in a socially respectful way when travelling. When considering travel, tourists should be encouraged to plan ahead and think about which mode of transport they will use both to travel to their destination and once they arrive at their destination. To support these strategies there must be investment in sustainable transport infrastructure to back-up the development of sustainable growth in tourism, which enables tourists to make informed decisions and act accordingly.

The emergence of new technologies provides a significant opportunity to engage with tourists in ways that have not been possible previously. The EU should take the lead in promoting the development and use of these. As a first step, a much greater emphasis is needed on providing the skills, both for the existing and future workforces; so that the tourism is able to take full advantage of the opportunities it presents.

Whilst the EU should focus on strengthening 'Brand Europe', this needs to be coordinated with national, regional and local DMOs, to encourage a policy of 'Attract and Disperse', particularly away from those destinations that are suffering from too much tourism and towards those areas who would benefit from increased, sustainable, development.

The impacts of overtourism, congestion, unregulated development (Airbnb for example) often have a greater impact on local residents, than other stakeholder groups; yet they are the group that are most often excluded from the process. Ensuring that citizens groups have direct channels to the decision-making process and are appropriately resourced so that they are enabled in this process.

Given the importance of tourism to the EU economy and its potential social and environmental benefits and costs, tourism should have a much higher and more autonomous status within the structure of within the European Commission. This should include a specific tourism budget line and a dedicated and appropriately funded unit, perhaps in the short-term within the DG Internal Market, Industry, Entrepreneurship and SMEs (DG GROW), but in the longer-term as a stand-alone unit would allow it to coordinate better the needs of the tourism industry across the EU.

As already suggested, 'tourism' (industry, tourists and public bodies) in the EU, need to act as well as think more sustainably; environmentally, socially and economically (and politically). Tourism is responsible for 5% of global CO₂ emissions, around 75% of this is from the transport sector; air travel alone accounts for 40% of the industry's emissions. In particular, the EU should:

- Update the *European Charter on Sustainable and Responsible Tourism* with actions addressing more recent tourism challenges (such as over-tourism and under-tourism, individual carbon footprints, sustainable consumption patterns, etc.);
- Promote and implement the *European Charter on Sustainable and Responsible tourism* lines of action;
- Support the transition of the UNWTO Code of Ethics into a Convention and recommend it for adoption by EU Member States.

It is important that 'tourism' begins to act, not just think, sustainably.

Further information

This executive summary is available in the following languages: English, French, German, Italian and Spanish. The study, which is available in English, and the summaries can be downloaded at: <http://bit.ly/32ETV14>

More information on Policy Department research for TRAN: <https://research4committees.blog/tran/>



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