

# Asia-Pacific

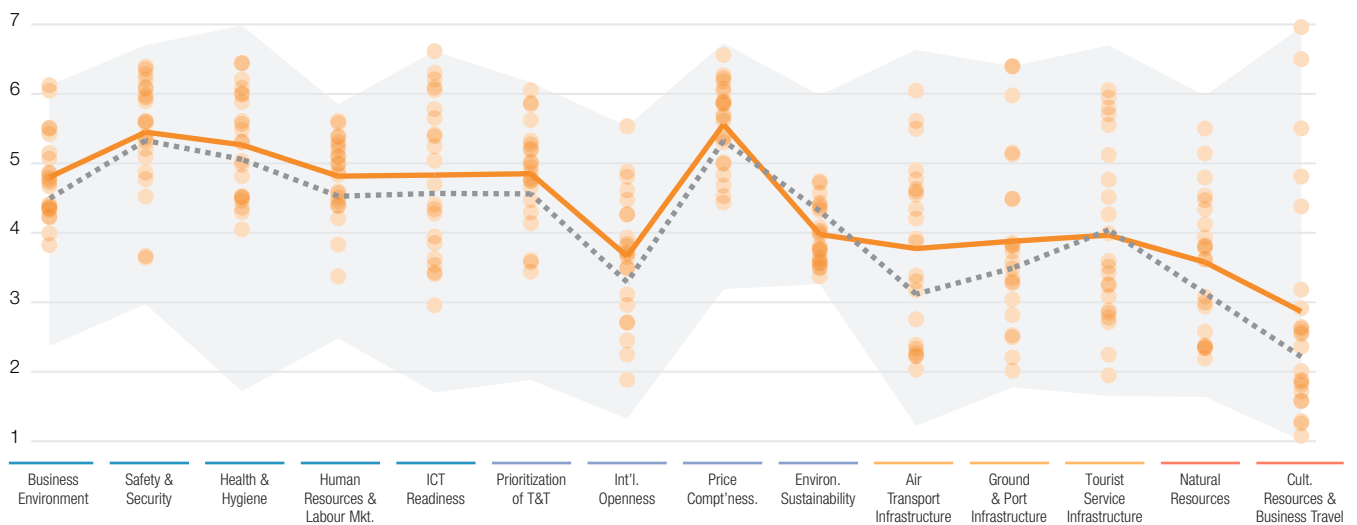
Average score **4.2** Difference from global avg. of 3.8 **8.1%**

## Travel & Tourism Competitiveness Index 2019

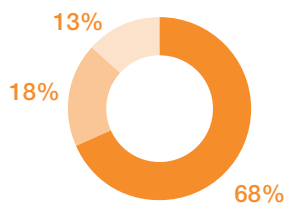
### Key Indicators

|  |           |  |          |
|--|-----------|--|----------|
| International tourist arrivals (thousands) .....             | 290,868.1 | Domestic spending (share of internal T&T spending) ..... | 75.9%    |
| International tourism inbound receipts (US\$ millions) ..... | 339,534.2 | Visitor spending (share of internal T&T spending).....   | 24.1%    |
| Average receipts per arrival (US\$).....                     | 1,167.3   | T&T industry employment (thousands).....                 | 76,735.0 |
| T&T industry GDP (US\$ millions).....                        | 874,555.6 | % of total .....   | 4.1%     |
| % of total .....   | 3.0%      |  |          |

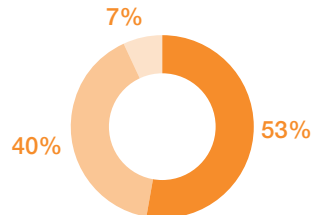
### Asia-Pacific Pillar Performance Overview, 2019



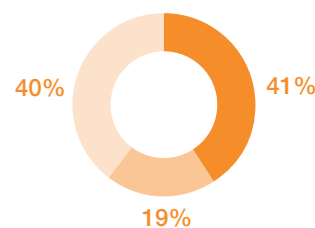
### T&T GDP subregion share



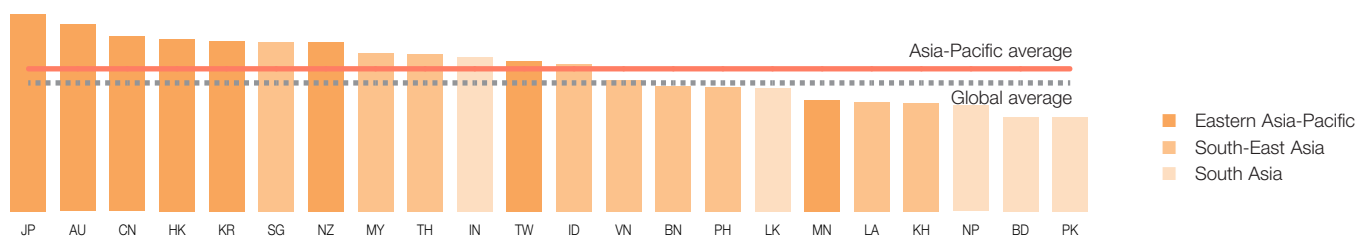
### International tourist arrivals subregion share



### T&T employment subregion share



### Asia-Pacific Travel & Tourism Competitiveness Index Score by Country/Economy, 2019



### Regional Highlights

- Rapidly improving T&T region, with abundant natural and cultural resources and booming air transport, but environmental sustainability remains a challenge.
- Strongest improvements came from the ICT Readiness, Price Competitiveness and Air Transport Infrastructure pillars.
- World's second-most improved regional average score since 2017, with the South Asia subregion experiencing the most rapid score growth.

Note: See page 13 for sources and more explanation on how to read the Regional Profiles.

# Asia-Pacific Pillar Snapshot

|  |  |  |   |
|--|--|--|---|
| <p>Regional average</p> <p><b>4.8</b> ▲</p> <p>Difference from global avg. of 4.5</p> <p>6.9%</p>  | <p><b>Business Environment</b></p> <p> Top scorer: <b>Hong Kong SAR</b><br/>Most improved: <b>India</b></p> <p>Hong Kong SAR ranks 1st globally thanks to, among other things, strong property rights (6th), an efficient legal framework and low impact of taxes (2nd).</p>                        | <p>Regional average</p> <p><b>5.6</b> ▲</p> <p>Difference from global avg. of 5.3</p> <p>4.4%</p>  | <p><b>Price Competitiveness</b></p> <p> Top scorer: <b>Brunei Darussalam</b><br/>Most improved: <b>Australia</b></p> <p>Brunei Darussalam ranks 2nd globally thanks to low fuel prices (6th) and ticket taxes and airport charges (14th).</p>  |
| <p>Regional average</p> <p><b>5.4</b> ▲</p> <p>Difference from global avg. of 5.3</p> <p>2.2%</p>  | <p><b>Safety and Security</b></p> <p> Top scorer: <b>Hong Kong SAR</b><br/>Most improved: <b>Bangladesh</b></p> <p>Hong Kong SAR ranks 5th globally thanks to minimal impact of crime on business costs (8th), reliable police services (6th) and low homicide (6th) and terrorism rates (1st).</p> | <p>Regional average</p> <p><b>4.0</b> ▲</p> <p>Difference from global avg. of 4.3</p> <p>-7.8%</p> | <p><b>Environmental Sustainability</b></p> <p> Top scorer: <b>New Zealand</b><br/>Most improved: <b>India</b></p> <p>New Zealand ranks 24th globally thanks to low air pollution (5th) and robust environmental regulatory enforcement and stringency (17th), among other things.</p>                  |
| <p>Regional average</p> <p><b>5.3</b> ▲</p> <p>Difference from global avg. of 5.1</p> <p>4.2%</p>  | <p><b>Health and Hygiene</b></p> <p> Top scorer: <b>Japan</b><br/>Most improved: <b>Indonesia</b></p> <p>Japan ranks 16th globally thanks to the greatest hospital density in the rankings, among other things.</p>   | <p>Regional average</p> <p><b>3.8</b> ▲</p> <p>Difference from global avg. of 3.1</p> <p>21.1%</p> | <p><b>Air Transport Infrastructure</b></p> <p> Top scorer: <b>Australia</b><br/>Most improved: <b>Viet Nam</b></p> <p>Australia ranks 2nd globally thanks to high airport density (6th), numerous operating carriers (31st) and substantial route capacity (9th).</p>                                  |
| <p>Regional average</p> <p><b>4.8</b> ▲</p> <p>Difference from global avg. of 4.5</p> <p>6.4%</p>  | <p><b>Human Resources and Labour Market</b></p> <p> Top scorer: <b>Singapore</b><br/>Most improved: <b>Pakistan</b></p> <p>Singapore ranks 5th globally thanks to the world's most qualified workforce (1st) and favorable labour market (10th).</p>  | <p>Regional average</p> <p><b>3.9</b> ▲</p> <p>Difference from global avg. of 3.5</p> <p>11.1%</p> | <p><b>Ground and Port Infrastructure</b></p> <p> Top scorer: <b>Hong Kong SAR</b><br/>Most improved: <b>Philippines</b></p> <p>Hong Kong SAR ranks 1st globally thanks to high-quality roads (4th), ports (3rd) and railroads (3rd); paved road density and ground transport efficiency (3rd).</p>   |
| <p>Regional average</p> <p><b>4.8</b> ▲</p> <p>Difference from global avg. of 4.6</p> <p>5.8%</p>  | <p><b>ICT Readiness</b></p> <p> Top scorer: <b>Hong Kong SAR</b><br/>Most improved: <b>Nepal</b></p> <p>Hong Kong SAR ranks 1st thanks to the ranking's greatest mobile phone subscription density and network coverage, as well as the best electricity supply quality.</p>                      | <p>Regional average</p> <p><b>4.0</b> ▲</p> <p>Difference from global avg. of 4.0</p> <p>-1.9%</p> | <p><b>Tourist Service Infrastructure</b></p> <p> Top scorer: <b>Australia</b><br/>Most improved: <b>Korea, Rep.</b></p> <p>Australia ranks 9th globally thanks to good hotel density, high ATM density (6th) and positive perception of its tourism infrastructure quality (16th).</p>               |
| <p>Regional average</p> <p><b>4.9</b> ▲</p> <p>Difference from global avg. of 4.6</p> <p>6.4%</p>  | <p><b>Prioritization of Travel &amp; Tourism</b></p> <p> Top scorer: <b>Singapore</b><br/>Most improved: <b>Mongolia</b></p> <p>Singapore ranks 6th globally thanks to government prioritization (10th), spending on T&amp;T (7th) and effectiveness in tourism marketing (7th).</p>              | <p>Regional average</p> <p><b>3.6</b> ▼</p> <p>Difference from global avg. of 3.1</p> <p>14.3%</p> | <p><b>Natural Resources</b></p> <p> Top scorer: <b>Australia</b><br/>Most improved: <b>Mongolia</b></p> <p>Australia ranks 3rd globally thanks to numerous natural sites (2nd), extensive wildlife (22nd), total protected areas (13th) and strong digital demand for its natural assets (14th).</p> |
| <p>Regional average</p> <p><b>3.7</b> ▲</p> <p>Difference from global avg. of 3.3</p> <p>11.3%</p> | <p><b>International Openness</b></p> <p> Top scorer: <b>New Zealand</b><br/>Most improved: <b>Viet Nam</b></p> <p>New Zealand ranks 1st globally thanks to the openness of its air service agreements (1st) and a substantial reduction in visa requirements (27th).</p>                          | <p>Regional average</p> <p><b>2.9</b> ▼</p> <p>Difference from global avg. of 2.2</p> <p>29.4%</p> | <p><b>Cultural Resources and Business Travel</b></p> <p> Top scorer: <b>China</b><br/>Most improved: <b>India</b></p> <p>China ranks 1st thanks to its numerous stadiums (2nd), cultural and entertainment digital demand (1st) and impressive UNESCO-recognized heritage (3rd).</p>                 |

# Asia-Pacific TTCI 2019 Rankings

| Global Rank | Economy           | Score | DIFFERENCE FROM 2017 |                  | SCORE DIFF. FROM BENCHMARK AVG. |            |
|-------------|-------------------|-------|----------------------|------------------|---------------------------------|------------|
|             |                   |       | Rank                 | Score Growth (%) | Regional (%)                    | Global (%) |
| 4           | Japan             | 5.4   | 0.0                  | 2.1              | 29.1                            | 39.6       |
| 7           | Australia         | 5.1   | 0.0                  | 0.8              | 23.6                            | 33.6       |
| 13          | China             | 4.9   | 2.0                  | 3.2              | 17.2                            | 26.7       |
| 14          | Hong Kong SAR     | 4.8   | -3.0                 | -1.1             | 15.7                            | 25.1       |
| 16          | Korea, Rep.       | 4.8   | 3.0                  | 4.7              | 14.9                            | 24.3       |
| 17          | Singapore         | 4.8   | -4.0                 | -2.0             | 14.4                            | 23.7       |
| 18          | New Zealand       | 4.7   | -2.0                 | 1.4              | 14.1                            | 23.4       |
| 29          | Malaysia          | 4.5   | -3.0                 | 0.4              | 8.5                             | 17.3       |
| 31          | Thailand          | 4.5   | 3.0                  | 2.6              | 8.1                             | 16.9       |
| 34          | India             | 4.4   | 6.0                  | 5.7              | 6.3                             | 14.9       |
| 37          | Taiwan, China     | 4.3   | -7.0                 | -3.0             | 4.1                             | 12.6       |
| 40          | Indonesia         | 4.3   | 2.0                  | 2.8              | 2.6                             | 11.0       |
| 63          | Viet Nam          | 3.9   | 4.0                  | 3.4              | -5.9                            | 1.7        |
| 72          | Brunei Darussalam | 3.8   | n/a                  | n/a              | -9.1                            | -1.7       |
| 75          | Philippines       | 3.8   | 5.0                  | 4.2              | -9.8                            | -2.5       |
| 77          | Sri Lanka         | 3.7   | -13.0                | -2.3             | -10.4                           | -3.2       |
| 93          | Mongolia          | 3.5   | 9.0                  | 4.8              | -16.6                           | -9.8       |
| 97          | Lao PDR           | 3.4   | -3.0                 | 0.4              | -17.9                           | -11.2      |
| 98          | Cambodia          | 3.4   | 3.0                  | 2.4              | -18.4                           | -11.8      |
| 102         | Nepal             | 3.3   | 2.0                  | 2.3              | -19.5                           | -13.0      |
| 120         | Bangladesh        | 3.1   | 5.0                  | 7.3              | -25.5                           | -19.4      |
| 121         | Pakistan          | 3.1   | 3.0                  | 7.1              | -25.6                           | -19.5      |

Source: World Economic Forum, 2019.

# Asia-Pacific TTCI 2019 Scores

| Global Rank                    | ENABLING ENVIRONMENT |                   |                  |                                |               | T&T POLICY & ENABLING CONDITIONS |                 |                  |                         | INFRASTRUCTURE               |                              |                                | NATURAL & CULT. RESOURCES |                                 |
|--------------------------------|----------------------|-------------------|------------------|--------------------------------|---------------|----------------------------------|-----------------|------------------|-------------------------|------------------------------|------------------------------|--------------------------------|---------------------------|---------------------------------|
|                                | Business Environment | Safety & Security | Health & Hygiene | Human Resources & Labor Market | ICT Readiness | Prioritization of T&T            | Int'l. Openness | Price Compt'ness | Environ. Sustainability | Air Transport Infrastructure | Ground & Port Infrastructure | Tourist Service Infrastructure | Natural Resources         | Cultural Res. & Business Travel |
| Japan                          | 4                    | 5.4               | 6.2              | 6.4                            | 5.9           | 6.2                              | 4.9             | 4.8              | 4.4                     | 4.9                          | 6.0                          | 5.7                            | 4.1                       | 4.9                             |
| Australia                      | 7                    | 5.1               | 6.1              | 6.2                            | 5.1           | 5.3                              | 4.6             | 4.4              | 4.4                     | 6.0                          | 3.6                          | 6.1                            | 5.5                       | 4.4                             |
| China                          | 13                   | 4.7               | 5.6              | 5.6                            | 5.2           | 5.0                              | 4.8             | 3.1              | 5.7                     | 3.8                          | 4.3                          | 3.9                            | 3.5                       | 3.9                             |
| Hong Kong SAR                  | 14                   | 6.1               | 6.4              | 6.0                            | 5.8           | 5.6                              | 5.9             | 3.8              | 4.5                     | 4.6                          | 5.8                          | 6.4                            | 4.3                       | 3.6                             |
| Korea, Rep.                    | 16                   | 4.8               | 5.9              | 6.3                            | 5.0           | 6.2                              | 4.9             | 4.2              | 5.0                     | 4.7                          | 4.8                          | 5.2                            | 5.8                       | 2.4                             |
| New Zealand                    | 18                   | 5.4               | 6.2              | 5.9                            | 5.4           | 6.1                              | 5.6             | 4.7              | 4.7                     | 4.9                          | 3.8                          | 5.9                            | 4.3                       | 2.0                             |
| Taiwan, China                  | 37                   | 5.1               | 6.0              | 6.0                            | 5.3           | 5.6                              | 4.7             | 3.7              | 5.4                     | 4.4                          | 3.9                          | 5.1                            | 4.8                       | 2.6                             |
| Mongolia                       | 93                   | 4.3               | 5.6              | 6.1                            | 4.5           | 4.3                              | 4.5             | 1.9              | 6.2                     | 3.6                          | 2.2                          | 2.2                            | 2.9                       | 3.1                             |
| <b>Eastern Asia-Pacific</b>    |                      | <b>5.1</b>        | <b>6.0</b>       | <b>6.1</b>                     | <b>5.2</b>    | <b>5.7</b>                       | <b>5.1</b>      | <b>4.0</b>       | <b>5.1</b>              | <b>4.3</b>                   | <b>4.5</b>                   | <b>4.5</b>                     | <b>4.8</b>                | <b>3.8</b>                      |
| Singapore                      | 17                   | 6.0               | 6.4              | 5.6                            | 5.8           | 6.1                              | 6.1             | 4.6              | 5.0                     | 4.3                          | 5.5                          | 6.4                            | 5.1                       | 2.2                             |
| Malaysia                       | 29                   | 5.5               | 5.9              | 5.3                            | 5.4           | 5.4                              | 4.8             | 4.5              | 4.3                     | 4.0                          | 3.8                          | 3.5                            | 4.5                       | 3.8                             |
| Thailand                       | 31                   | 4.9               | 4.8              | 5.0                            | 5.1           | 5.2                              | 3.9             | 5.8              | 3.6                     | 4.6                          | 3.3                          | 5.9                            | 4.9                       | 2.6                             |
| Indonesia                      | 40                   | 4.7               | 5.4              | 4.5                            | 4.9           | 4.7                              | 5.8             | 4.3              | 4.3                     | 3.5                          | 3.9                          | 3.3                            | 3.1                       | 3.5                             |
| Viet Nam                       | 63                   | 4.4               | 5.6              | 5.0                            | 4.8           | 4.3                              | 4.1             | 3.7              | 5.9                     | 3.8                          | 3.4                          | 3.0                            | 2.8                       | 3.8                             |
| Brunei Darussalam              | 72                   | 4.8               | 6.1              | 5.5                            | 4.6           | 5.4                              | 3.4             | 3.7              | 6.0                     | 4.1                          | 3.3                          | 3.8                            | 4.0                       | 1.1                             |
| Philippines                    | 75                   | 4.3               | 3.6              | 4.8                            | 5.0           | 4.4                              | 4.9             | 3.5              | 3.8                     | 4.0                          | 3.2                          | 2.8                            | 3.6                       | 3.8                             |
| Lao PDR                        | 97                   | 4.4               | 5.3              | 4.5                            | 4.6           | 3.4                              | 4.8             | 3.0              | 5.9                     | 3.7                          | 2.4                          | 2.5                            | 3.4                       | 2.9                             |
| Cambodia                       | 98                   | 3.8               | 5.1              | 4.0                            | 4.2           | 3.9                              | 5.0             | 3.5              | 5.6                     | 3.4                          | 2.3                          | 2.5                            | 3.2                       | 3.0                             |
| <b>South-East Asia Average</b> |                      | <b>4.8</b>        | <b>5.3</b>       | <b>4.9</b>                     | <b>4.9</b>    | <b>4.8</b>                       | <b>4.9</b>      | <b>3.9</b>       | <b>5.9</b>              | <b>3.8</b>                   | <b>3.7</b>                   | <b>3.6</b>                     | <b>4.0</b>                | <b>3.5</b>                      |
| India                          | 34                   | 4.9               | 4.5              | 4.4                            | 4.5           | 3.6                              | 4.3             | 3.8              | 6.1                     | 3.6                          | 4.2                          | 4.9                            | 2.8                       | 4.9                             |
| Sri Lanka                      | 77                   | 4.4               | 5.4              | 5.3                            | 4.4           | 3.9                              | 5.2             | 2.7              | 5.4                     | 4.0                          | 2.8                          | 3.7                            | 3.3                       | 3.6                             |
| Nepal                          | 102                  | 4.0               | 5.2              | 4.3                            | 4.4           | 3.5                              | 5.0             | 2.7              | 6.2                     | 3.5                          | 2.3                          | 2.0                            | 2.2                       | 3.9                             |
| Bangladesh                     | 120                  | 4.2               | 4.9              | 4.5                            | 3.8           | 3.4                              | 3.6             | 2.5              | 5.3                     | 3.8                          | 2.0                          | 3.5                            | 1.9                       | 2.3                             |
| Pakistan                       | 121                  | 4.2               | 3.7              | 4.5                            | 3.4           | 3.0                              | 3.6             | 2.2              | 5.7                     | 3.6                          | 2.2                          | 3.3                            | 2.7                       | 2.3                             |
| <b>South Asia Average</b>      |                      | <b>4.3</b>        | <b>4.7</b>       | <b>4.6</b>                     | <b>4.1</b>    | <b>3.5</b>                       | <b>4.3</b>      | <b>2.8</b>       | <b>5.7</b>              | <b>3.7</b>                   | <b>2.7</b>                   | <b>3.4</b>                     | <b>2.6</b>                | <b>3.4</b>                      |
| <b>ASIA-PACIFIC AVERAGE</b>    |                      | <b>4.8</b>        | <b>5.4</b>       | <b>5.3</b>                     | <b>4.8</b>    | <b>4.8</b>                       | <b>4.9</b>      | <b>3.7</b>       | <b>5.6</b>              | <b>4.0</b>                   | <b>3.8</b>                   | <b>3.9</b>                     | <b>4.0</b>                | <b>3.6</b>                      |



# Asia-Pacific Regional Analysis

## Overview

As the fastest-growing T&T region, Asia-Pacific continues to increase in importance for the global industry. In 2017, it was both the second-largest destination for international visitors and boasted the second-largest volume of international tourist receipts. Moreover, the region is the biggest source of global outbound tourist spending, with most of this spent on intraregional travel. Based on GDP figures, Asia-Pacific also has the largest aggregate domestic travel market. Consequently, for many local countries it has become crucial to remain competitive within the region to attract growing international arrivals, contend with domestic T&T offerings of regional rivals and take advantage of their own growing domestic markets. Since the last edition of the report, Asia-Pacific trails only Europe in terms of TTCI score and rate of score improvement.

In addition to a rapidly growing middle class, Asia-Pacific can rely on a robust balance of natural and cultural resources to generate tourism: the region boasts the TTCI's second-best score for the former and top score for the latter. The region also continues to improve its above-average level of international openness and T&T prioritization, indicating a strong commitment to trade and travel by many Asia-Pacific countries. Moreover, the growing number of international and domestic travellers are supported by, and drive, the world's largest and still rapidly expanding aviation market. As a result, one of the region's greatest leads over the global average comes from its air transport infrastructure. Asia-Pacific also scores above the global averages for ground and port infrastructure as well as all the pillars of the Enabling Environment subindex. Much of this specific competitiveness performance is concentrated in Eastern Asia-Pacific and to a lesser degree South-East Asia, while South Asia leads in terms of overall improvement growth.

Despite Asia-Pacific's many strengths, the region does face several challenges. Although tourist service infrastructure has become more developed, most Asia-Pacific countries outside of the Eastern Asia-Pacific subregion still have more room to improve in this area to meet the global benchmarks. More importantly, environmental sustainability remains the

region's greatest competitiveness constraint. Many countries suffer from high air pollution, water stress, below-average levels of wastewater treatment, endangered wildlife and forest loss. Nevertheless, there has been some progress made on this front as more environmental treaties have been ratified, helping the average Environmental Sustainability pillar score to climb. Notably, a significant portion of this growth in score came from new data related to fish stock status, which provides a more up-to-date measure of marine health, but as such reduces the ability to directly compare this pillar between 2017 and 2019 performance. Furthermore, increasingly accurate statistics show that, on average, the region is not protecting as much of its natural assets as previously thought. If the region manages to balance expanding tourism demand with environmental and developmental sustainability it will continue to improve its competitiveness. In the ten years to 2029, the World Travel and Tourism Council forecasts that regional countries covered by this year's TTCI will increase their T&T GDP by nearly 80%, accounting for over half of the global growth.\*

## Subregion Analysis

**Eastern Asia-Pacific** is the most competitive subregion in Asia-Pacific by far and the second-most competitive in the world. Furthermore, the subregion acts as the engine of T&T in Asia-Pacific, accounting for over half of the parent region's international tourist arrivals and receipts and most of its outbound spending. Eastern Asia-Pacific's greatest advantage relative to both the regional and global averages comes from its well-developed cultural and—to a lesser extent—natural resources. As one of the world's economic centres, with a particularly strong dependence on trade and globalization, the subregion provides exceptional connectivity. It includes some of the world's best air, ground, port and ICT infrastructures. Travel is further bolstered by high degrees of T&T prioritization and international openness. Among all the subregion's covered in this report, Eastern Asia-Pacific witnessed the fastest improvements (by percentage rate) to its tourist service infrastructure score, and is home to almost all the wider region's above-

\* World Travel & Tourism Council, Tourism Satellite Account Research, latest year available.

global average scorers for this category. In addition, since most of Asia-Pacific's high-income economies are located here, the Eastern Asia-Pacific consistently leads regional competitors on business environment, human resource and labour market, safety and security and health and hygiene performance. Nevertheless, while exceeding the broader regional scores for environmental sustainability, it scores at about the global average. Finally, the subregion remains fairly expensive, dissuading potential visitors.

Six of the subregion's eight economies covered in the report have improved their T&T competitiveness since 2017. **Mongolia** experienced the greatest improvement in score (by percentage), moving up nine spots to rank 93rd globally. The country showed improvement on most pillars; it has Eastern Asia-Pacific's strongest rate of growth for health and hygiene (50th to 38th), T&T prioritization (102nd to 85th) and natural (79th to 62nd) and cultural (62nd to 59th) resources. At the same time, Mongolia remains the subregion's least competitive country, requiring more improvements to business environment (83rd), ICT readiness (85th), international openness (128th), environmental sustainability (131st) infrastructure (111th) and natural and cultural resources. **Taiwan, China** had the subregion's largest decline in competitiveness (30th to 37th), due to significantly tightened visa requirements (37th to 119th), waning cultural resources and business travel (26th to 36th) and recalibrated figures showing a drastic reduction in protected areas (20th to 118th). **Japan** remains the subregion's top scorer, ranking 4th globally thanks to its rich natural (25th) and cultural (5th) resources, overall infrastructure (8th), T&T prioritization (23rd), international openness (6th) and enabling environment (10th). Meanwhile, **China** (13th) is Eastern Asia-Pacific's largest T&T economy, accounting for over one-half of the subregion's T&T GDP.\* The country has the index's best score for the Natural and Cultural resources subindex but faces hurdles on Environmental Sustainability (120th).

**South-East Asia** outcores the global average in overall competitiveness. The subregion depends on T&T more than any other subregion for its GDP, with a particular emphasis on international arrivals versus domestic tourism. Many visitors are attracted to the subregion's combination of rich natural resources and price competitiveness, with the latter being its greatest advantage relative to other countries in the broader Asia-Pacific region. It's no surprise, then, that, given this importance of tourism, the subregion outcores the global and Asia-Pacific scores for T&T prioritization and international openness. In addition, the subregion's above-average air transport infrastructure continues to improve at a rapid pace, especially in regard to the number of operating airlines and route capacity. On the other hand, South-East Asia still trails global and regional means for tourism services infrastructure. Most—but not all—of the subregion's economies also score lower for ground and port infrastructure, hindering travel. Enabling Environment scores—and the Health and Hygiene pillar in particular—should continually be enhanced in order to compete with Eastern Asia-Pacific. Yet this subregion's greatest

weakness relative to the global average is environmental sustainability, which has been impacted by deforestation, an increasing number of threatened species and insufficient wastewater treatment. Consequently, the subregion's natural assets are under threat, with the scores on this pillar declining over the past two years due to new data showing less habitat protection than previously believed.

Seven of the subregion's nine economies improved their T&T competitiveness since the last edition of the report. **The Philippines** had the fastest rate of improvement, moving up four places to rank 75th globally. The country showed impressive improvement on overall infrastructure (90th to 80th) and ICT readiness (86th to 82nd), but still faces challenges when it comes to safety and security (135th). On the other hand, **Singapore** had the greatest percentage decline in score (losing four places) but remains the subregion's most competitive T&T country, ranking 17th globally. It has a world-class business environment (2nd), human resources and labour market (5th), ICT readiness (15th), safety and security (6th), T&T policy and conditions (2nd) and overall infrastructure (3rd). Despite this, Singapore dropped from first to third for international openness, due to increased visa requirements (16th to 50th) and a drop in scores for its natural (103rd to 120th) and cultural resources (28th to 38th). **Cambodia** (98th) remains the lowest scorer in South-East Asia, trailing the subregion on the Enabling Environment (106th) and Infrastructure (101st) subindexes. **Thailand** (31st) has South-East Asia's largest T&T GDP, which is reinforced by some of Asia-Pacific's most attractive natural resources (10th) and most efficient tourist services infrastructure (14th).

**South Asia** is the only subregion in Asia-Pacific to score below the global average for T&T competitiveness. Its strongest advantage relative to the global average comes from its price competitiveness and natural and cultural resources, yet it trails Asia-Pacific on the latter two pillars and the global index on all other pillars. South Asia ranks low for infrastructure, with underdeveloped tourist service infrastructure representing its greatest relative disadvantage. Low ICT readiness, international openness, safety and security and health and hygiene are other key weaknesses. However, South Asia also experienced one of the fastest rates of improvement since the last edition of the report, including the greatest subregion percentage jump in scores on ICT readiness.

Four of the five subregion's economies improved their T&T competitiveness over the past two years. **Bangladesh** had the world's greatest percentage improvement on its overall T&T score, helping it move up five spots to rank 120th globally. The country enhanced its safety and security (123rd to 105th), ICT readiness (116th to 111th), T&T prioritization (127th to 121st), price competitiveness (89th to 85th), ground and port infrastructure (74th to 60th) scores at double-digit rates. Environmental sustainability also increased (128th to 116th), but much of the growth came from an improvement in indicators measuring marine

\* World Travel & Tourism Council, Tourism Satellite Account Research, latest year available.

sustainability. However, **India**, which accounts for the majority of South Asia's T&T GDP, remains the subregion's most competitive T&T economy, moving up six places to rank 34th globally. From a subregional perspective, the nation has better air (33rd) and ground and port infrastructure (28th), international openness (51st) and natural (14th) and cultural resources (8th). Compared to global benchmarks, the country can also add price competitiveness (13th) to its roster of strengths. However, India still needs to enhance its enabling environment (98th), tourist service infrastructure (109th) and environmental sustainability (128th). **Sri Lanka** is the only country to decrease in competitiveness (64th to 77th) in South Asia due to falls on business environment (50th to 79th), international openness (67th to 100th) and natural resources (31st to 43rd). In particular, increased visa requirements (16th to 50th) have hindered openness, while natural area protection numbers show a lower percentage of territorial coverage (39th to 112th), reducing the advantage of natural assets. **Pakistan** (121st) remains the least competitive country in South Asia when it comes to T&T, including the region's least favourable safety and security (134th) conditions.

## Selected Country/Economy Analysis

**Japan** remains Asia-Pacific's most competitive T&T economy, ranking 4th globally. While the country's large economy provides it with an expansive domestic market, the nation has recently witnessed a boom in international tourist arrivals and receipts. Over the years, the T&T industry remains a priority (23rd), with increased government funding (42nd) and more effective marketing campaigns (26th). Moreover, Japan continues to become more open (10th to 6th) to international visitors and business. As travel barriers continue to drop, visitors are attracted to its unique cultural resources (5th)—the country's greatest advantage relative to the regional and global averages. The country scores high for aggregate cultural and intangible heritage (7th), and its abundance of sports stadiums (3rd) help Japan position itself for upcoming international sporting and other events. Additionally, the country's central position within the global economy guarantees numerous international association meetings (7th).

International and domestic travel is made easy by continued improvements to already well-developed air transport (19th) and tourist services (29th to 19th) infrastructure. Revisions to road density data also shows Japan's ground and port infrastructure—already recognized for ground transport efficiency (1st)—to be even more developed than previously thought. Online and in-person travel services are also bolstered by good ICT readiness (10th) and exceptional customer orientation (2nd). However, Japan still has room to better utilize its promising natural resources (25th). Improved area protection data shows that the nation could yet do more to expand habitat protection (76th), which is critical given Japan's high number of threatened species (132nd) and global rank of 97th for fish stock pressure (a new indicator for measuring fishing of overexploited or collapsed fish stocks). Yet the country's greater

commitment to environmental treaties (31st to 17th) does show the potential to improve sustainability in the future. Lastly, Japan can further enhance its competitiveness by continuing to improve its price competitiveness (113th), which is characterized by low purchasing power (128th).

**China** is by far the largest T&T economy in Asia-Pacific and the 13th most competitive globally (up two spots from 2017). It welcomes more international visitors than any other country in the region and its T&T industry benefits from a large and growing domestic market. The cornerstone of China's competitiveness is its exceptional natural resources (4th) as well as the TPCI's highest score for cultural resources. The nation has the greatest number of UNESCO Natural World Heritage sites in the world as well as impressive wildlife (6th). It also ranks first on intangible heritage and cultural and entertainment digital demand, second for sports stadiums and eight for business events. Fairly low hotel prices (25th) and reduced ticket taxes (58th to 35th) help minimize the cost of staying and traveling within and to China. Moreover, travel is facilitated by an extensive list of air carriers (7th) that have produced the second-largest airline capacity in the world. Intra-country travel is also made easier by one of the world longest railway networks, which gets relatively positive marks for quality (17th) and efficiency (25th). However, given China's future tourism potential and needs, more investment needs to be diverted to enhancing the quality of roads (42nd), airports (53rd) and ports (55th).

Comparatively low and declining prioritization of T&T (50th to 66th), unfavourable international openness (76th), characterized by strict visa requirements (132nd), and underdeveloped tourist service infrastructure (86th) also create hurdles for potential visitors (although gains have been made in tourist service infrastructure). Further, despite improvement, China still scores low for environmental sustainability (120th). The country faces several environmental challenges, including very high air pollution (136th to 137th), deforestation (52nd to 53rd), endangered wildlife (120th to 122nd), depleting water resources (55th to 67th) and continued insufficient wastewater treatment. Unsurprisingly, despite its impressive natural resources, the degree to which people travel to China for nature-based tourism is below average and decreasing (89th to 95th). Similarly, potential visitors might also be worried about China's health and hygiene (62nd) and safety and security (59th) conditions, though significant progress has been made to both. A strong human resource and labour market (24th), combined with gains on business environment (92nd to 53rd) and ICT readiness (64th to 58th) do bode well for T&T investment and the related online ecosystem.

**Bangladesh** witnessed the greatest percentage increase in T&T competitiveness in the world, allowing it to move up five places in the rankings. While much of the growth is due to a low starting base (the country still ranks 120th globally) it also indicates the nation's high potential for upward mobility. The country ranks just above average for the total number of known species (49th) and oral and intangible cultural heritage (43th), which indicates potential for natural and cultural tourism and might explain the rapid rise in international arrivals. Though it still requires substantial

enhancement, the country's growth in tourism also coincides with improvements on elements that have traditionally hindered travel. The most significant improvement came from safety and security (123rd to 105th), which has been a major concern in previous years. Increasingly favourable perceptions of government commitment to the T&T industry (111th to 109th) and country brand strategy ratings (97th to 77th) has also contributed to a greater prioritization of T&T (127th to 121st). Additionally, enhanced ICT readiness (116th to 111th) and better overall infrastructure (115th to 109th) are likely to make Bangladesh more conducive for travel.

At the same time, international openness has actually declined (104th to 114th), due to increased visa requirements (46th to 53rd), while tourist services infrastructure (133rd) remains the country's greatest disadvantage relative to the global average. To continue improving its T&T competitiveness, Bangladesh could further cut red tape. For instance, the country scores substantially lower than the Asia-Pacific average for time required to deal with construction permits (129th). Improving this indicator could push forward recent gains on business environment (104th to 94th), encouraging investment in T&T. Furthermore, investment barriers could be reduced and travel services enhanced by improving human resources and the soundness of the labour market (120th), which would need to include increasing female labour participation (128th) and further work on labour force qualification (107th). Expanding total protected areas (102nd) could help preserve threatened wildlife (112th), reduce rising deforestation (43rd to 60th) and enhance Bangladesh's utilization of natural assets for tourism. In fact, the nation's nature tourism is also threatened by lax environmental regulations and enforcement (105th), and overall attractiveness of the country is held back by severe air pollution (140th) and a lack of wastewater treatment.



# How to Read the Regional Profiles

This guide explains in detail the regional analysis section of the *Travel & Tourism Competitiveness Report 2019*. This analysis can be accessed as part of the entire 2019 report or individually downloaded at <http://reports.weforum.org/ttcr/>.

This analysis is intended to provide readers with a high-level overview of T&T competitiveness within the five regional groupings covered in the 2019 index. This approach provides an opportunity for policy-makers and industries/investors alike to understand opportunities in context of regional growth and gaps, and to identify strategies that will maximise return on investment from a regional approach. While the regional profiles provide insight into trends please note that such regional trends and averages might not be reflective of the performance of some individual economies as country performance varies greatly within regions. To access individual country profiles, please go to <http://reports.weforum.org/ttcr/>.

The five regions in alphabetical order are: **The Americas**, **Asia-Pacific**, **Europe and Eurasia**, **the Middle East and North Africa**, and **Sub-Saharan Africa**. See page 102 for list of country/economy groupings by region and subregion.

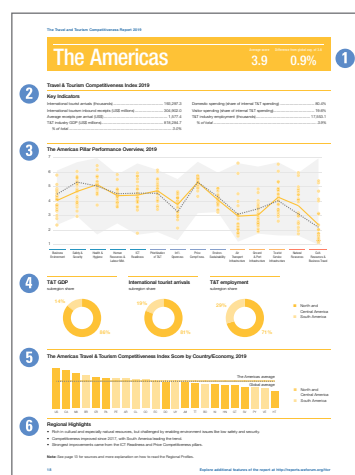
Each regional profile consists of: 1) Regional Dashboard, 2) Pillar Snapshot, 3) TTCI regional rankings table, 4) TTC regional scores heatmap, and 5) written analysis.

## Please note:

- Any mention of country/economy grouping averages (i.e. global or regional averages) in TTCI or component growth since the 2017 index is based on the average (arithmetic) of countries covered in both the 2017 and 2019 report. As a result, performance may be over- or understated.
- Unless otherwise noted, figures in parenthesis represent an economy's global ranking (out of 140) for the mentioned metric.
- Differences between pillars and growth rates might not be reflected in the scores provided due to the rounding of scores to the tenth decimal point.
- All mentions of T&T GDP, domestic and visitor share of internal spending and employment figures comes

from the World Travel & Tourism Council (WTTTC). International tourist arrivals, expenditures and receipts data comes from the World Tourism Organization (UNWTO). For more details on these sources, see details on the Regional Dashboard below.

## Regional Dashboard



### 1 Average score and global average comparison

Presents the average (arithmetic) TTCI score for all economies in the region and the percentage difference between the average (arithmetic) TTCI score for the 140 economies covered by the 2019 report and the regional average (arithmetic) score.

### 2 Key Indicators

Presents several important statistics illuminating the context of a region's overall economy and its T&T sector in particular. Please note that all figures are aggregate totals for the countries covered in region. Included here are the number of international tourist arrivals per year, international tourism receipts (US\$ millions), and the ratio between these two measures as of 2017 (or most recent). This data is provided by the UNWTO's International Tourism Receipts and Expenditure data. International tourism receipts count as exports in the balance of payments (travel) of each destination country and cover all transactions related to the consumption of goods and services by international

visitors, such as accommodation, food and drink, fuel, domestic transport, entertainment, shopping, etc. They include transactions generated by same-day as well as overnight visitors. Not included are receipts from international passenger transport contracted from companies outside the travellers' countries of residence, which are reported in a separate category (passenger transport). For more information, please see the International Recommendations for Tourism Statistics 2008 (IRTS 2008) at: <http://statistics.unwto.org/content/methodology-0>. This section also includes 2018 direct T&T industry GDP, T&T industry GDP as a share of the total economy, domestic and visitor (export) spending as a share of internal T&T spending, and total T&T industry employment as well as its share of total economy. This data is estimated by the World Travel & Tourism Council (WTTTC), using the TSA approach. WTTTC estimates that current and projected future several trips to a given country during a given period will be counted as a new arrival each time. More information regarding WTTTC's TSA Research, along with details on the methodology and data, are available at <https://www.wttc.org/publications/>.

### 3 Regional pillar performance overview

Presents country/economy distribution of global TTCI scores for each of the 14 pillars of the index, colour-coded by subregion (colour key is adjacent to subregion share pie charts). The dotted horizontal line represents the average (arithmetic) pillar score for the 140 economies covered by the 2019 report, while the solid horizontal line represents the average (arithmetic) pillar score for the region. The shaded area presents the outer boundaries of each pillar and are generated by the lowest and highest scoring economy for each pillar. Pillar titles are colour-coded by subindex (colours correspond to the colours in the Pillar Snapshot).

### 4 Subregion share pie charts

Shows the aggregate T&T GDP, international tourist arrivals and T&T employment by subregion share. Charts are sourced from the key indicators section. Note that data is rounded to the nearest whole number.

### 5 Regional TTCI score by country

Presents TTCI scores for each economy in the region, from highest (left) to lowest (right). The dotted horizontal line represents the average (arithmetic) TTCI score for the 140 economies covered by the 2019 report and the solid horizontal line represents the average (arithmetic) TTCI score for the region. Vertical bars are colour-coded by subregion. Economy names are presented as two-letter codes based on ISO classification. Please see pages 16–17 for a full list of country/economy names and their corresponding ISO-2 codes.

### 6 Regional highlights

Provides brief high-level takeaways about the region.

## Pillar Snapshot



Presents regional performance for each TTCI pillar, including:

- Regional average (arithmetic) score, with arrow representing direction of change since the 2017 TTCI. Please note that performance since 2017 is always based on economies covered in both the 2017 and 2019 editions of the TTCI. As a result, performance may be over- or understated.
- Difference from global avg. (%)—the percentage difference between the average (arithmetic) pillar score for the 140 economies covered by the 2019 report and the regional average (arithmetic) score.
- Names of the region's highest-scoring economy on the pillar and the economy that had the highest score increase (by percentage) since the 2017 report.
- Short overview of the highest-scoring economy in the region for the pillar, including its global pillar ranking and key metrics that explain its position.



# ISO-2 Code Lookup Table

| The Americas |                     |
|--------------|---------------------|
| ISO-2 Code   | Economy             |
| AR           | Argentina           |
| BO           | Bolivia             |
| BR           | Brazil              |
| CA           | Canada              |
| CL           | Chile               |
| CO           | Colombia            |
| CR           | Costa Rica          |
| DO           | Dominican Republic  |
| EC           | Ecuador             |
| GT           | Guatemala           |
| HN           | Honduras            |
| HT           | Haiti               |
| JM           | Jamaica             |
| MX           | Mexico              |
| NI           | Nicaragua           |
| PA           | Panama              |
| PE           | Peru                |
| PY           | Paraguay            |
| SV           | El Salvador         |
| TT           | Trinidad and Tobago |
| US           | United States       |
| UY           | Uruguay             |
| VE           | Venezuela           |

| Asia-Pacific |                   |
|--------------|-------------------|
| ISO-2 Code   | Economy           |
| AU           | Australia         |
| BD           | Bangladesh        |
| BN           | Brunei Darussalam |
| CN           | China             |
| HK           | Hong Kong SAR     |
| ID           | Indonesia         |
| IN           | India             |
| JP           | Japan             |
| KH           | Cambodia          |
| KR           | Korea, Rep.       |
| LA           | Lao PDR           |
| LK           | Sri Lanka         |
| MN           | Mongolia          |
| MY           | Malaysia          |
| NP           | Nepal             |
| NZ           | New Zealand       |
| PH           | Philippines       |
| PK           | Pakistan          |
| SG           | Singapore         |
| TH           | Thailand          |
| TW           | Taiwan, China     |
| VN           | Vietnam           |

| Europe and Eurasia |                        |
|--------------------|------------------------|
| ISO-2 Code         | Economy                |
| AL                 | Albania                |
| AM                 | Armenia                |
| AT                 | Austria                |
| AZ                 | Azerbaijan             |
| BA                 | Bosnia and Herzegovina |
| BE                 | Belgium                |
| BG                 | Bulgaria               |
| CH                 | Switzerland            |
| CY                 | Cyprus                 |
| CZ                 | Czech Republic         |
| DE                 | Germany                |
| DK                 | Denmark                |
| EE                 | Estonia                |
| ES                 | Spain                  |
| FI                 | Finland                |
| FR                 | France                 |
| GB                 | United Kingdom         |
| GE                 | Georgia                |
| GR                 | Greece                 |
| HR                 | Croatia                |
| HU                 | Hungary                |
| IE                 | Ireland                |
| IS                 | Iceland                |
| IT                 | Italy                  |
| KG                 | Kyrgyz Republic        |
| KZ                 | Kazakhstan             |
| LT                 | Lithuania              |
| LU                 | Luxembourg             |
| LV                 | Latvia                 |
| MD                 | Moldova                |
| ME                 | Montenegro             |
| MK                 | North Macedonia        |
| MT                 | Malta                  |
| NL                 | Netherlands            |
| NO                 | Norway                 |
| PL                 | Poland                 |
| PT                 | Portugal               |
| RO                 | Romania                |
| RS                 | Serbia                 |
| RU                 | Russian Federation     |
| SE                 | Sweden                 |
| SI                 | Slovenia               |
| SK                 | Slovak Republic        |
| TJ                 | Tajikistan             |
| TR                 | Turkey                 |
| UA                 | Ukraine                |

| Middle East and North Africa (MENA) |                      |
|-------------------------------------|----------------------|
| ISO-2 Code                          | Economy              |
| AE                                  | United Arab Emirates |
| BH                                  | Bahrain              |
| DZ                                  | Algeria              |
| EG                                  | Egypt                |
| IL                                  | Israel               |
| IR                                  | Iran, Islamic Rep.   |
| JO                                  | Jordan               |
| KW                                  | Kuwait               |
| LB                                  | Lebanon              |
| MA                                  | Morocco              |
| OM                                  | Oman                 |
| QA                                  | Qatar                |
| SA                                  | Saudi Arabia         |
| TN                                  | Tunisia              |
| YE                                  | Yemen                |

| Sub-Saharan Africa |                        |
|--------------------|------------------------|
| ISO-2 Code         | Economy                |
| AO                 | Angola                 |
| BF                 | Burkina Faso           |
| BI                 | Burundi                |
| BJ                 | Benin                  |
| BW                 | Botswana               |
| CD                 | Congo, Democratic Rep. |
| CI                 | Côte d'Ivoire          |
| CM                 | Cameroon               |
| CV                 | Cape Verde             |
| ET                 | Ethiopia               |
| GH                 | Ghana                  |
| GM                 | Gambia, The            |
| GN                 | Guinea                 |
| KE                 | Kenya                  |
| LR                 | Liberia                |
| LS                 | Lesotho                |
| ML                 | Mali                   |
| MR                 | Mauritania             |
| MU                 | Mauritius              |
| MW                 | Malawi                 |
| MZ                 | Mozambique             |
| NA                 | Namibia                |
| NG                 | Nigeria                |
| RW                 | Rwanda                 |
| SC                 | Seychelles             |
| SL                 | Sierra Leone           |
| SN                 | Senegal                |
| SZ                 | Eswatini               |
| TD                 | Chad                   |
| TZ                 | Tanzania               |
| UG                 | Uganda                 |
| ZA                 | South Africa           |
| ZM                 | Zambia                 |
| ZW                 | Zimbabwe               |

Source: International Standard for Organization, <https://www.iso.org/home.html>.

