

About the Travel & Tourism Competitiveness Report 2019

The 2019 edition of the *Travel & Tourism Competitiveness Report* features the latest iteration of the Travel & Tourism Competitiveness Index (TTCI). Published biennially, the TTCI benchmarks the T&T competitiveness of 140 economies and measures “the set of factors and policies that enable the sustainable development of the Travel & Tourism (T&T) sector, which in turn, contributes to the development and competitiveness of a country.” For complete performance results of the 2019 TTCI, see parts 1 and 2 of this report as well as the At-a-Glance rankings table on page xiii.

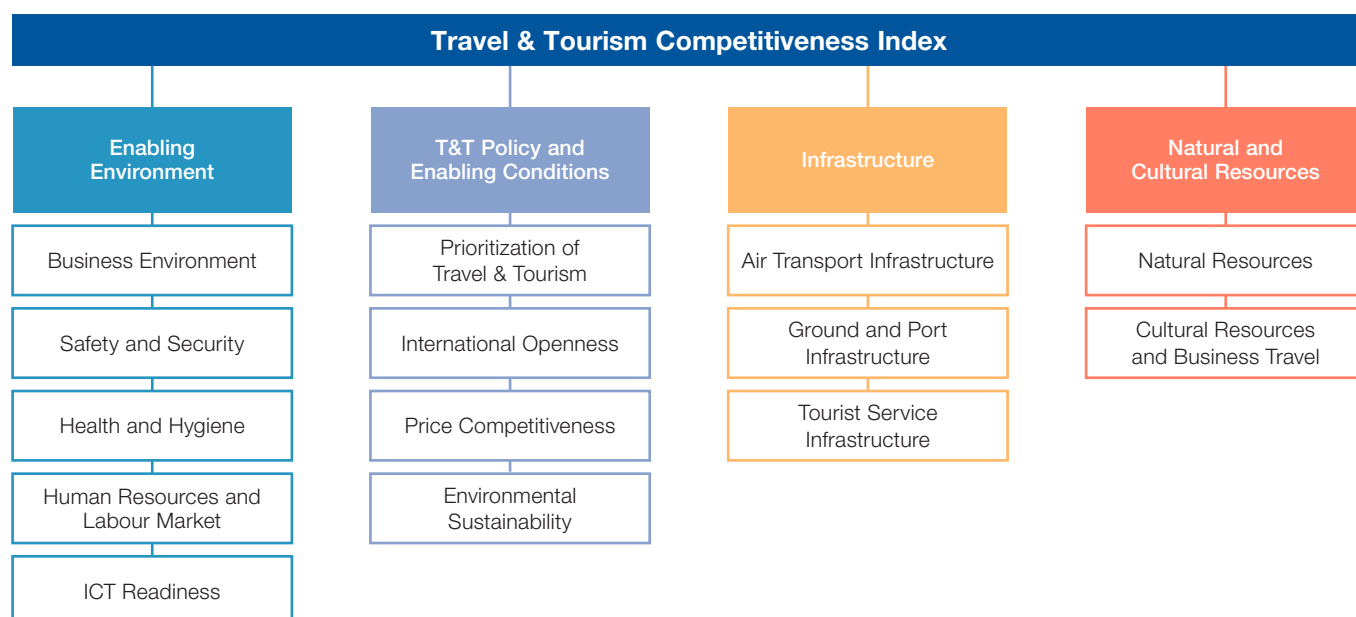
The index has been developed in the context of the World Economic Forum’s Industry Programme for Aviation, Travel and Tourism, as part of the Platform for Shaping the Future of Mobility. It is undertaken in close collaboration with our data partners Bloom Consulting, STR Global, the International Air Transport Association (IATA), the International Union for Conservation of Nature (IUCN), the World Tourism Organization (UNWTO), and the World Travel & Tourism Council (WTTC).

Benchmarking T&T Competitiveness

The report provides a strategic benchmarking tool for business and governments to develop the T&T sector. By allowing cross-country comparison and benchmarking countries’ progress on the drivers of T&T competitiveness, it informs policies and investment decisions related to T&T business and industry development. The report provides unique insight into the strengths and areas for development of each country to enhance its industry competitiveness, and a platform for multistakeholder dialogue at the country-level to formulate appropriate policies and actions.

It is comprised of four subindexes, 14 pillars and 90 individual indicators, distributed among the different pillars.

The T&T Competitiveness Index 2019 framework



Travel & Tourism Competitiveness Index

The **Enabling Environment** subindex captures the general conditions necessary for operating in a country and includes 5 pillars:

1. **Business Environment (12 indicators):** This pillar captures the extent to which a country has in place a policy environment conducive for companies to do business. Research has found significant links between economic growth and aspects such as how well property rights are protected and the efficiency of the legal framework. Similarly, distortions in taxation and competition policy—including both domestic and international competition, measured in terms of foreign direct investment (FDI) facilitation—impact the efficiency and productivity of a country. These factors are important for all sectors, including T&T. In addition, we consider the cost and time necessary to deal with construction permits, which is a particularly relevant issue for T&T development.
2. **Safety and Security (5 indicators):** Safety and security are critical factors determining the competitiveness of a country's T&T industry. Tourists are likely to be deterred from travelling to dangerous countries or regions, making it less attractive to develop the T&T sector in those places. Here we take into account the costliness of common crime and violence as well as terrorism, and the extent to which police services can be relied upon to provide protection from crime.
3. **Health and Hygiene (6 indicators):** Health and hygiene is also essential for T&T competitiveness. Access to improved drinking water and sanitation is important for the comfort and health of travellers. In the event that tourists do become ill, the country's health sector must be able to ensure they are properly cared for, as measured by the availability of physicians and hospital beds. In addition, high prevalence of HIV and malaria can have an impact on the productivity of the T&T labour force and play a role in discouraging tourists from visiting a country.
4. **Human Resources and Labour Market (9 indicators):** High-quality human resources in an economy ensure that the industry has access to the collaborators it needs. The components of this pillar measure how well countries develop skills through education and training and enhance the best allocation of those skills through an efficient labour market. The former includes formal educational attainment rates and private sector involvement in upgrading human resources, such as business investment in training services and customer care. The latter includes measures of the flexibility, efficiency and openness of the labour market, and the participation of women, to assess the depth of the country's talent pool and its ability to allocate human resources to their best use.

5. **ICT Readiness (8 indicators):** Online services and business operations have increasing importance in T&T, with the internet being used for planning itineraries and booking travel and accommodation. However, ICT is now so pervasive and important for all sectors, it is considered part of the general enabling environment. The components of this pillar measure not only the existence of modern hard infrastructure (i.e. mobile network coverage and quality of electricity supply), but also the capacity of businesses and individuals to use and provide online services.

The **T&T Policy and Enabling Conditions** subindex captures specific policies or strategic aspects that impact the T&T industry more directly and includes 4 pillars:

6. **Prioritization of Travel and Tourism (6 indicators):** The extent to which the government prioritizes the T&T sector has an important impact on T&T competitiveness. By making clear that the sector is of primary concern, the government can channel funds to essential development projects and coordinate the actors and resources necessary to develop the sector. Signalling the stability of government policy can affect the sector's ability to attract further private investment. The government can also play an important role in directly attracting tourists through national marketing campaigns. This pillar includes measures of government spending, effectiveness of marketing campaigns and country branding, and the completeness and timeliness of providing T&T data to international organizations, as this indicates the importance that a country assigns to its T&T sector.
7. **International Openness (3 indicators):** Developing a competitive T&T sector internationally requires a certain degree of openness and travel facilitation. Restrictive policies such as cumbersome visa requirements diminish tourists' willingness to visit a country, and indirectly reduce the availability of key services. Components measured in this pillar include the openness of the bilateral air service agreements which the government has entered, which impacts the availability of air connections to the country, and the number of regional trade agreements in force, which proxies the extent to which it is possible to provide world class tourism services.
8. **Price Competitiveness (4 indicators):** Lower costs related to travel in a country increase its attractiveness for many travellers as well as for investing in the T&T sector. Among the aspects of price competitiveness taken into account in this pillar are airfare ticket taxes and airport charges, which can make flight tickets much more expensive; the relative cost of hotel accommodation; the cost of living, proxied by purchasing power parity; and fuel price costs, which directly influence the cost of travel.

9. Environmental Sustainability (10 indicators): The importance of the natural environment for providing an attractive location for tourism cannot be overstated, so policies and factors enhancing environmental sustainability are an important competitive advantage in ensuring a country's future attractiveness as a destination. This pillar consists of policy indicators such as the stringency and enforcement of the government's environmental regulations and variables assessing the status of water, forest resources and marine life, proxied by fish stock status. Given the environmental impacts of tourism itself, we also take into account the extent to which the T&T industry is developed in a sustainable manner.

The **Infrastructure** subindex captures the availability and quality of physical infrastructure of each economy and includes 3 pillars:

10. Air Transport Infrastructure (6 indicators): Air connectivity is essential for travellers' ease of access to and from countries, as well as movement within many countries. In this pillar we measure the quantity of air transport, using indicators such as available seat kilometres, the number of departures, airport density and the number of operating airlines, as well as the quality of air transport infrastructure for domestic and international flights.

11. Ground and Port Infrastructure (7 indicators): The availability of efficient and accessible transportation to key business centres and tourist attractions is vital for the T&T sector. This requires a sufficiently extensive road and railroad network, proxied by road and railroad densities, as well as roads, railroads, and ports infrastructure that meet international standards of comfort, security and modal efficiency. The pillar also accounts for unpaved roads, which enable local connections, and to some extent, can proxy the existence of picturesque roads, which can, in very specific contexts, attract tourists.

12. Tourist Service Infrastructure (4 indicators): The availability of sufficient quality accommodation, resorts and entertainment facilities can represent a significant competitive advantage for a country. We measure the level of tourism service infrastructure through the number of hotel rooms complemented by the extent of access to services such as car rentals and ATMs.

The **Natural and Cultural Resources** subindex captures the principal "reasons to travel" and includes 2 pillars:

13. Natural Resources (5 indicators): Countries with natural assets clearly have a competitive advantage in attracting tourists. In this pillar we include a number of attractiveness measures, including the number of UNESCO natural World Heritage sites, a measure of the quality of the natural environment which proxies the beauty of its landscape, the richness of the fauna in the country as measured by the total known species of animals, and the percentage of nationally protected areas, which proxies the extent of national parks and nature reserves.

14. Cultural Resources and Business Travel (5 indicators): A country's cultural resources are another critical driver of T&T competitiveness. In this pillar we include the number of UNESCO cultural World Heritage sites, the number of large stadiums that can host significant sport or entertainment events, and a new measure of digital demand for cultural and entertainment—the number of online searches related to a country's cultural resources can allow the level of interest to be inferred. The number of international association meetings taking place in a country is included to capture, at least partially, business travel.

Data and Methodology

Two-thirds of the dataset for the TTCl is statistical data from international organizations, with the remaining third based on survey data from the World Economic Forum's annual Executive Opinion Survey, which is used to measure concepts that are qualitative in nature or for which internationally comparable statistics are not available for enough countries. Carried out among over 16,000 business executives and business leaders annually in all the economies included in our assessment, the survey represents a unique source of insight into critical qualitative aspects of T&T competitiveness. For more details about the survey please see Appendix B of the *The Global Competitiveness Report 2018* (<http://reports.weforum.org/global-competitiveness-report-2018/>).

The sources of statistical data include, but are not limited to, Bloom Consulting, STR, IATA, ICCA, ILO, ITU, IUCN, UNESCO, UN Statistics Division, UNAIDS, UNWTO, WHO, World Bank, World Resources Institute, World Road Statistics, CIA World Factbook, WTO, WTTC, WDPA, Yale-CIESIN Environmental Performance Index. The overall TTCl score is computed through successive aggregations of scores, from the indicator level (i.e. the lowest, most disaggregated level) through the pillar and subindex levels, using a simple average (i.e. arithmetic mean) to combine the components. Scores on each indicator are first normalized onto a common scale. For more details please see Appendices B and C of this report.

Data Presentation

The TTCl is accompanied by an extensive data section covering regional and textual analyses that can be accessed online. The published report features Regional Dashboards and Analysis for five regions: The Americas, Asia-Pacific, Europe and Eurasia, Middle East and North Africa, and Sub-Saharan Africa. These provide insight into the regional performance against the 14 pillars, as well as distribution of T&T GDP, T&T employment and international arrivals across the region's sub-regions. In addition, data tables reporting global rankings and scores for each of the pillars provide an overview of the global situation of the most relevant T&T measures available.

Visit <http://reports.weforum.org/ttcr> to view and download the entire report, including interactive scorecards and rankings, as well as individual profiles for each of the 140 economies covered by the TTCl. These profiles provide a complete snapshot of a country's performance on all the components of the TTCl, including the 90 individual indicators as well as additional key indicators, to offer a complete picture of a country's T&T's sector.

Country Coverage

Eight new economies included in the current edition were not analysed in the previous report: Angola, Brunei Darussalam, Burkina Faso, Eswatini, Guinea, Haiti, Liberia and Seychelles. Four that were covered in the last report— Barbados, Bhutan, Gabon and Madagascar— are not covered this time because of insufficient data. The 140 economies covered this year account for approximately 98% of world T&T GDP. Please see Appendix D for economy classification by region and income group determined by the World Economic Forum and World Bank.

T&T Competitiveness Index 2019 Overall Rankings

Covering 140 economies, the Travel & Tourism Competitiveness Index measures the set of factors and policies that enable the sustainable development of the travel and tourism sector, which contributes to the development and competitiveness of a country.

Rank	Economy	Score ¹	Change since 2017		Diff. from Global Avg. (%)
			Rank	Score ²	
1	Spain	5.4	0	0.3	41.4
2	France	5.4	0	1.5	40.4
3	Germany	5.4	0	2.0	40.0
4	Japan	5.4	0	2.1	39.6
5	United States	5.3	1	2.6	36.6
6	United Kingdom	5.2	-1	-0.2	34.9
7	Australia	5.1	0	0.8	33.6
8	Italy	5.1	0	1.9	32.2
9	Canada	5.1	0	1.6	31.3
10	Switzerland	5.0	0	1.5	30.4
11	Austria	5.0	1	2.0	28.8
12	Portugal	4.9	2	3.2	27.2
13	China	4.9	2	3.2	26.7
14	Hong Kong SAR	4.8	-3	-1.1	25.1
15	Netherlands	4.8	2	3.2	24.5
16	Korea, Rep.	4.8	3	4.7	24.3
17	Singapore	4.8	-4	-2.0	23.7
18	New Zealand	4.7	-2	1.4	23.4
19	Mexico	4.7	3	3.4	21.9
20	Norway	4.6	-2	-1.0	19.4
21	Denmark	4.6	10	3.4	19.1
22	Sweden	4.6	-2	0.2	18.6
23	Luxembourg	4.6	5	1.4	18.4
24	Belgium	4.5	-3	0.1	18.2
25	Greece	4.5	-1	0.9	18.1
26	Ireland	4.5	-3	0.3	18.0
27	Croatia	4.5	5	2.4	17.6
28	Finland	4.5	5	2.7	17.4
29	Malaysia	4.5	-3	0.4	17.3
30	Iceland	4.5	-5	0.0	17.0
31	Thailand	4.5	3	2.6	16.9
32	Brazil	4.5	-5	-0.8	15.8
33	United Arab Emirates	4.4	-4	-1.3	15.3
34	India	4.4	6	5.7	14.9
35	Malta	4.4	1	2.4	13.3
36	Slovenia	4.3	5	3.9	13.0
37	Taiwan, China	4.3	-7	-3.0	12.6
38	Czech Republic	4.3	1	2.5	12.5
39	Russian Federation	4.3	4	4.0	12.2
40	Indonesia	4.3	2	2.8	11.0
41	Costa Rica	4.3	-3	1.0	10.9
42	Poland	4.2	4	2.9	10.0
43	Turkey	4.2	1	2.0	9.8
44	Cyprus	4.2	8	4.8	9.6
45	Bulgaria	4.2	0	1.8	9.5
46	Estonia	4.2	-9	-0.7	9.1
47	Panama	4.2	-12	-4.0	9.0
48	Hungary	4.2	1	3.4	9.0
49	Peru	4.2	2	3.1	8.3
50	Argentina	4.2	0	2.5	7.9
51	Qatar	4.1	-4	1.5	7.5
52	Chile	4.1	-4	0.9	6.6
53	Latvia	4.0	1	1.8	5.0
54	Mauritius	4.0	1	2.3	4.2
55	Colombia	4.0	7	4.7	4.2
56	Romania	4.0	12	5.7	3.7
57	Israel	4.0	4	3.6	3.5
58	Oman	4.0	8	5.1	3.4
59	Lithuania	4.0	-3	1.5	3.3
60	Slovak Republic	4.0	-1	2.0	3.3
61	South Africa	4.0	-8	-0.8	3.2
62	Seychelles	3.9	n/a	n/a	2.1
63	Viet Nam	3.9	4	3.4	1.7
64	Bahrain	3.9	-4	0.4	1.5
65	Egypt	3.9	9	7.0	1.3
66	Morocco	3.9	-1	2.2	1.2
67	Montenegro	3.9	5	5.6	1.1
68	Georgia	3.9	2	4.7	0.7
69	Saudi Arabia	3.9	-6	1.4	0.7
70	Ecuador	3.9	-13	-1.2	0.4
71	Azerbaijan	3.8	0	2.7	-1.3
72	Brunei Darussalam	3.8	n/a	n/a	-1.7
73	Dominican Republic	3.8	3	4.2	-1.9
74	Uruguay	3.8	3	4.2	-2.1
75	Philippines	3.8	4	4.2	-2.5
76	Jamaica	3.7	-7	0.9	-2.6
77	Sri Lanka	3.7	-13	-2.3	-3.2
78	Ukraine	3.7	10	6.5	-3.2
79	Armenia	3.7	5	5.2	-3.6
80	Kazakhstan	3.7	1	2.2	-4.6
81	Namibia	3.7	1	2.2	-4.7
82	Kenya	3.6	-2	1.0	-5.7
83	Serbia	3.6	12	7.2	-5.7
84	Jordan	3.6	-9	-1.2	-6.7
85	Tunisia	3.6	2	2.4	-6.8
86	Albania	3.6	12	6.9	-6.8
87	Trinidad and Tobago	3.6	-14	-2.4	-6.9
88	Cape Verde	3.6	-5	0.0	-7.7
89	Iran, Islamic Rep.	3.5	4	3.4	-7.9
90	Bolivia	3.5	9	4.7	-9.1
91	Nicaragua	3.5	1	1.6	-9.2
92	Botswana	3.5	-7	-1.2	-9.6
93	Mongolia	3.5	9	4.8	-9.8
94	Honduras	3.5	-4	-0.9	-10.2
95	Tanzania	3.4	-4	-0.5	-10.8
96	Kuwait	3.4	4	2.7	-11.1
97	Lao PDR	3.4	-3	0.4	-11.2
98	Cambodia	3.4	3	2.4	-11.8
99	Guatemala	3.4	-13	-3.2	-11.8
100	Lebanon	3.4	-4	0.3	-12.1
101	North Macedonia	3.4	-12	-3.8	-12.7
102	Nepal	3.3	1	1.9	-13.0
103	Moldova	3.3	14	6.4	-14.5
104	Tajikistan	3.3	3	3.1	-14.6
105	Bosnia and Herzegovina	3.3	8	5.2	-14.7
106	Senegal	3.3	5	3.8	-15.2
107	Rwanda	3.2	-10	-3.4	-15.5
108	El Salvador	3.2	-3	-1.3	-16.0
109	Paraguay	3.2	1	2.7	-16.0
110	Kyrgyz Republic	3.2	5	4.1	-16.0
111	Gambia, The	3.2	1	3.4	-16.1
112	Uganda	3.2	-6	-0.3	-17.0
113	Zambia	3.2	-5	-0.6	-17.8
114	Zimbabwe	3.2	0	1.2	-18.0
115	Ghana	3.1	5	3.5	-18.2
116	Algeria	3.1	2	2.5	-18.2
117	Venezuela	3.1	-13	-4.6	-18.6
118	Eswatini	3.1	n/a	n/a	-18.8
119	Côte d'Ivoire	3.1	-10	-1.6	-19.1
120	Bangladesh	3.1	5	7.3	-19.4
121	Pakistan	3.1	3	7.1	-19.5
122	Ethiopia	3.0	-6	-2.4	-21.4
123	Benin	3.0	4	6.3	-21.5
124	Lesotho	3.0	4	6.4	-21.5
125	Malawi	2.9	-2	0.7	-23.9
126	Guinea	2.9	n/a	n/a	-24.1
127	Mozambique	2.9	-5	0.0	-24.3
128	Cameroon	2.9	-2	0.7	-24.7
129	Nigeria	2.8	0	0.0	-26.8
130	Mali	2.8	0	0.8	-27.1
131	Sierra Leone	2.8	0	3.4	-27.6
132	Burkina Faso	2.8	n/a	n/a	-27.7
133	Haiti	2.8	n/a	n/a	-28.2
134	Angola	2.7	n/a	n/a	-28.9
135	Mauritania	2.7	-3	1.8	-30.2
136	Congo, Dem. Rep.	2.7	-3	1.4	-30.5
137	Burundi	2.7	-3	3.7	-30.9
138	Liberia	2.6	n/a	n/a	-32.2
139	Chad	2.5	-4	0.0	-34.4
140	Yemen	2.4	-4	-0.9	-37.2

● Asia-Pacific ● Europe and Eurasia ● The Americas ● Middle East and North Africa ● Sub-Saharan Africa

¹ Overall scores range from 1 to 7 where 1 = worst and 7 = best.

² Change in score is displayed as a percentage.