Item 4 of the Provisional Agenda

MARKETS PERFORMANCE AND PROSPECTS

(c) PREVIEW OF TOURISM TOWARDS 2030 FORECASTS FOR THE REGION

Note by the Secretary-General

The attached document, which contains a PowerPoint presentation of an advance release of UNWTO’s forecasting study *Tourism Towards 2030*, aims to provide the Commission with an overview of long-term prospects for future Tourism development, globally and in the Middle East – North Africa region, as well as of the opportunities and challenges that will mark the future.
Tourism Towards 2030

Advance release

36th Meeting of the UNWTO Commission for the Middle East

UNWTO

Tourism 2020 Vision vs. actual trend

World

International tourist arrivals

Tourism 2020 Vision forecast
Actual 1995-2010*

Source: World Tourism Organization (UNWTO)

528 mn
881 mn
940 mn

World Tourism Organization - a Specialized Agency of the United Nations
Tourism Towards 2030

- A broad research project of long-term forecasting, following up on work initiated by UNWTO in the 1990s
- Objectives:
  - Assist UNWTO Members in formulating policies and long-term strategic plans
  - Provide a global reference on future tourism development
  - Reinforce UNWTO’s role in agenda setting for tourism-related subjects
  - Constitute a reference for UNWTO strategic documents, programme of work and activities
- Central to the study are the projections for international tourism flows in the two decades 2010-2030
  - Data series on international tourist arrivals as reported by destination countries are used as the key indicator, taking into account subregion of destination, region of origin, mode of transport and purpose of visit for the period 1980-2010
  - The quantitative forecast is based on a causal econometric model with international tourist arrivals as the dependent variable. Two independent variables are used: 1) growth of Gross Domestic Product (GDP), a proxy for traveller affluence and business travel potential; 2) cost of transport.
Growth in international tourism will continue, but at a more moderate pace

International tourist arrivals, % change over previous year

Average growth 2010-2030
3.3% a year

2010-2020
3.8% a year
2020-2030
2.9% a year

International tourist arrivals to increase by 43 million a year on average

Average increase 2010-2030
43 million a year

2010-2020
42 mn a year
2020-2030
45 mn a year
Asia and the Pacific will gain most of the new arrivals

Inbound tourism by region of destination

International Tourist Arrivals, million

Asia and the Pacific

Europe

Middle East

Americas

Africa

Source: World Tourism Organization (UNWTO) ©
Asia and the Pacific, the Middle East and Africa to increase their shares

1980 (277 mn)

2030 (1.8 bn)

2010 (940 mn)

Asia and the Pacific will also be the outbound region that grows most
Europe generates most arrivals relative to population, while Africa is still low

No major change in share by purpose of visit
Air transport will continue to increase market share, but at a slower pace.
Middle East: growth in international tourism to continue at close to 5% a year on average

Middle East: International tourist arrivals to increase by 4 million a year on average
Middle East: International tourist arrivals to grow from 50 mn to 134 mn

Africa by subregion
South Asia subregion with fastest growth (%), followed by West and Central, and East Africa

North-East Asia will be the most visited subregion in 2030
Middle East: business tourism to grow slightly faster

Middle East: transport by air to grow somewhat faster than over surface
Middle East inbound tourism market share going up due to faster growth
Middle Eastern outbound tourism also growing at a faster pace

Middle East: arrivals to grow from all regions of origin
Round-up

What if assumptions change?

Tourism Towards 2030: global projection and sensitivity analysis

- Actual data 1980-2010
- Transport costs continue to fall (scenario 3)
- Central projection
- Faster rising cost of transport (scenario 2)
- A slower-than-expected economic recovery and future growth (scenario 1)

Source: World Tourism Organization (UNWTO)
Tourism Towards 2030 in one page

- Global growth in international tourist arrivals to continue, but at a more moderate pace, from 4.2% per year (1980–2020) to 3.3% (2010–2030), as a result of four factors:
  - The base volumes are higher, so smaller % increases still add substantial numbers
  - Lower GDP growth, as economies mature
  - A lower elasticity of travel to GDP
  - A shift from failing transport costs to increasing ones
- **Tourism Towards 2030** shows that there is still a great potential for further expansion in coming decades; emerging as well as established destinations can benefit from this trend and opportunity, provided they shape the adequate conditions and policies with regard to business environment, infrastructure, facilitation, marketing and human resources
- Along with opportunities, challenges also arise in maximising social and economic benefits and minimising negative impacts

Long-term tourism growth pattern: more moderate, sustainable and inclusive

UNWTO Tourism Towards 2030: Actual trend and forecasts 1950-2030

![Graph showing actual and forecasted tourist arrivals 1950-2030](chart.png)
Opportunities and challenges:
how to make it possible

Five key areas that mark the future:

• For many countries tourism represents a powerful tool for social and economic development and the reduction of poverty through the creation of job and enterprises, infrastructure development and the export revenues earned.

• In order to tap into this potential, it is essential to continue creating and raising awareness and to mainstream tourism in the political agenda.

• Sustainability (social, economic and environment) is more important than ever, addressing issues such as energy dependency, climate change adaptation and mitigation, green economy, congestion management and risk management.

• Keep track of the changing consumer: more experienced and demanding customers, demographic change (ageing, migration and diversification of family structure), changing values and lifestyles, from service economy to experience economy, etc.

• Enhance competitiveness by shaping an adequate business environment: innovation, diversification of products, markets and segments, product development, ICT and technology in general, marketing and promotion, research, evaluation, human resources development, quality, etc.

---

Middle East: how to make it possible

Opportunities

- natural resources
- cultural resources
- human resources
- authenticity and newness
- price competitiveness
- dynamism

Challenges

- infrastructure development
- planning & product dev’m’ent
- attracting investment
- travel facilitation
- safety and security
- health and hygiene
- quality
- marketing and promotion
- e-marketing
- image building and branding
Middle East towards 2030

4 million additional international tourist arrivals on average a year of the 43 million worldwide

North Africa towards 2030

1 million additional international tourist arrivals on average a year of the 43 million worldwide
Thank you very much for your attention!

World Tourism Organization (UNWTO)

www.unwto.org