Tourism recovery and sustainable growth in Finland

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Need for recovery scenarios during the pandemic

• Tourism Satellite Account (TSA) provides in-depth economic indicators on the impact of tourism compatible with national accounts

• Timeliness was a real challenge with statistics during the pandemic and especially with TSA

• What-if scenario approach was established to better understand:
  • How sensitive are the TSA indicators to changes in tourism volume?
  • What is the economic impact of the pandemic for the tourism sector?

• Main objectives
  • To quantify tourism demand lost during the pandemic
  • To plan support and renewal measures for the tourism industries facing the pandemic
Tourism recovery scenarios in Finland

- Joint effort by Statistics Finland, Ministry of Economic Affairs, Visit Finland and other key stakeholders
- A macroeconomic nowcasting and forecasting model for tourism demand, considering seasonality of tourism
- Combines inputs from
  - Tourism Satellite Account
  - (Short-term) tourism statistics
  - Expert views on recovery
- Tourism ‘what-if’ scenarios for 2020-2022
  - Business-as-usual (without COVID-19)
  - Optimistic recovery of tourism
  - Pessimistic recovery of tourism
- The last update was made in September 2021

Date of estimates 9th Sep 2021
Key results from recovery scenarios (from 9th Sep 2021)

• In 2020 tourism demand decreased 7 billion EUR
  • Share of domestic tourism rose to 84% in 2020

• In 2021
  • Recovery of domestic tourism near to 2019 level (excluding domestic part of outbound tourism)
  • Inbound tourism below 2020 level

• In 2022
  • Domestic tourism may fully recover
  • Recovery of inbound tourism but still well below 2019
Tourism consumption by industry in 2021

2021 compared to "Business as usual"-scenario

- Accommodation
- Restaurants
- Transport
- Travel agencies
- Culture, sports, recreation
- Fuel
- Retail
- TOTAL

0%  0%  -10%  -20%  -30%  -40%  -50%  -60%

MILLION EUROS

0  1.000  2.000  3.000  4.000  5.000  6.000

Pessimistic  Optimistic  Business as usual

9 December, 2022  Statistics Finland  5
Actual recovery: change in guest nights in Finland versus 2019

Resident YTD: + 6% vs 2019
Non-resident YTD: - 33% vs 2019

Source: Statistics Finland, accommodation statistics
Finland’s tourism strategy 2022 - 2028

• Strategy compiled by the Ministry of Economic Affairs
• Envisions Finland as the most sustainably growing tourist destination in the Nordic countries
• Major update in spring 2022 to respond to changes in the operating environment
• Serves as a joint guideline for tourism operators and includes measures to be taken by a wide variety of actors
  • Statistics Finland is tasked with setting up a new international visitor survey due to start in 2023
• Four key priorities enabling sustainable growth and renewal of the tourism sector
  • Supporting activities that foster sustainable development
  • Responding to digital change
  • Improving accessibility
  • Ensuring operating environment that supports competitiveness
• Quantitative objectives are mostly based on existing TSA and tourism statistics indicators
The MST framework is strategic

• To manage sustainability we first need to measure it
• UNWTO’s MST framework:
  • Provides a context and path forward
  • Enables comparability and compatibility with national accounts
  • Is concrete and comprehensive
• Steps toward adopting MST in Finland
  • Further discussion and setting of priorities with the Ministry
  • Ensuring resources
  • Stock-taking (together with SEEA)
  • Methodological considerations
  • Pilot compilation of key tables
Thank you

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