



Tourism Ecosystem

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*GROW.F4 – Tourism, Emerging and Creative Industries
DG Internal Market, Industry, Entrepreneurship and SMEs*

Industrial Ecosystems in Europe

- Social enterprises, associations and cooperatives aiming at generating a social impact, often proximity based

- Retail sales
- Wholesale connected to consumers

- Building of residential and non-residential estates
- Building of roads and railways,
- Building of utilities and civil engineering
- Associated activities

- Telecommunications
- Software publishing, computer programming and consultancy
- Data processing, hosting, web portals
- Manufacturing of computers, communication equipment and consumer electronics

- Pharmaceuticals and other medical products
- Personal protective equipment
- Medical services, hospitals, nursing homes, residential care

- Plant and animal production
- Processing of food

- Passenger transport and travel
- Hotels, short term accommodation
- Restaurants and catering
- Events, theme parks

- Newspapers, books and periodicals
- Motion picture, video and television
- Radio and music

- Aircraft production
- Space manufacturing and services
- Defense products and technologies

- Production of textiles, wearing apparel, footwear, leather and, jewellery

- Raw starting materials (semiconductor wafers)
- Semiconductor manufacturing tools
- Design and manufacturing of semiconductor components

- Production of motor vehicles, ships and trains, and accessories
- Their repair and maintenance
- Transport

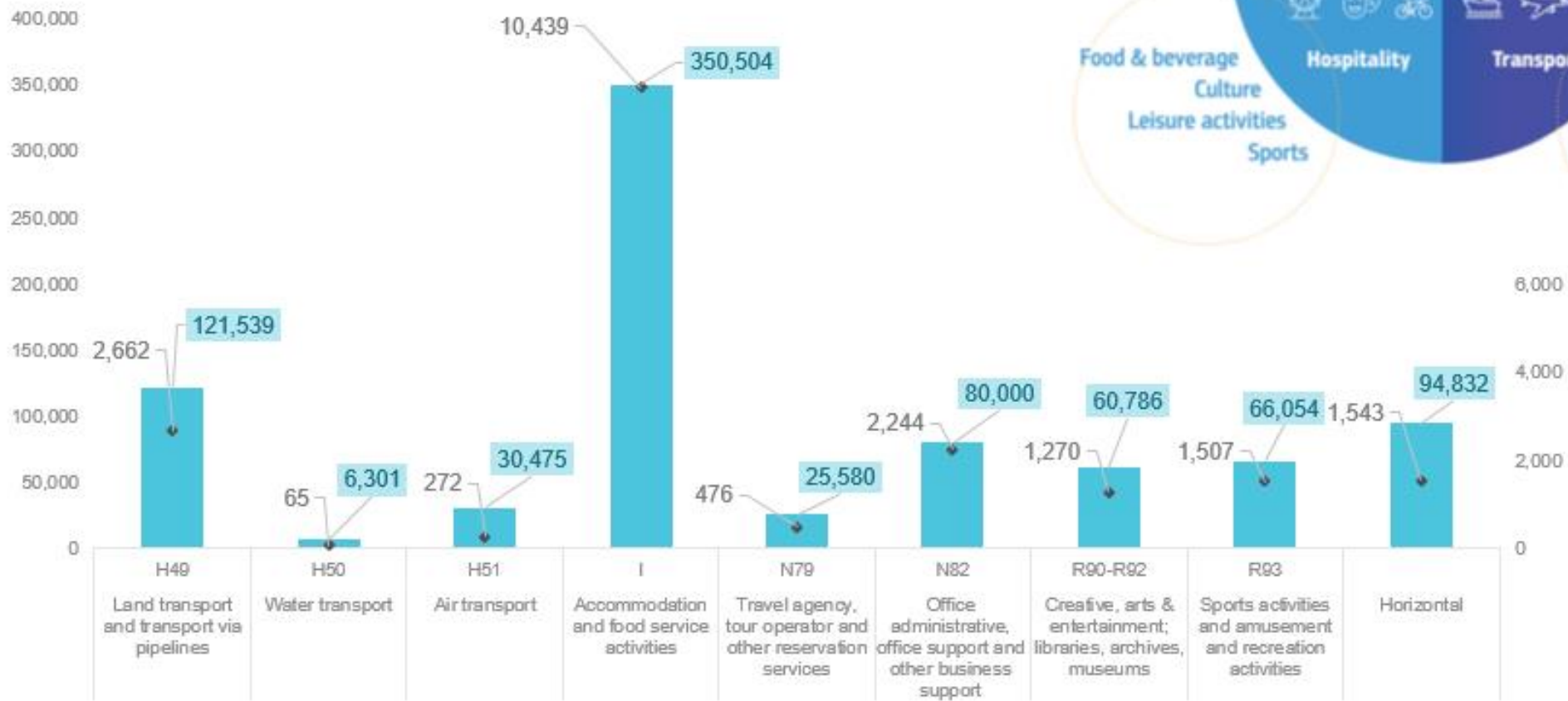
- Raw materials
- Manufacturing of products with high environmental impact: chemicals, iron and steel, forest-based products, plastics, refining, cement, rubber, non-ferrous metals, fertilisers, etc.

- Electric motors, engines and turbines
- Electric power generation
- Manufacturing and distribution of gas

The tourism ecosystem

Tourism

■ Gross Value Added (million Euro) ● Total Employment (thou)



THE POWER OF VISITOR ECONOMY



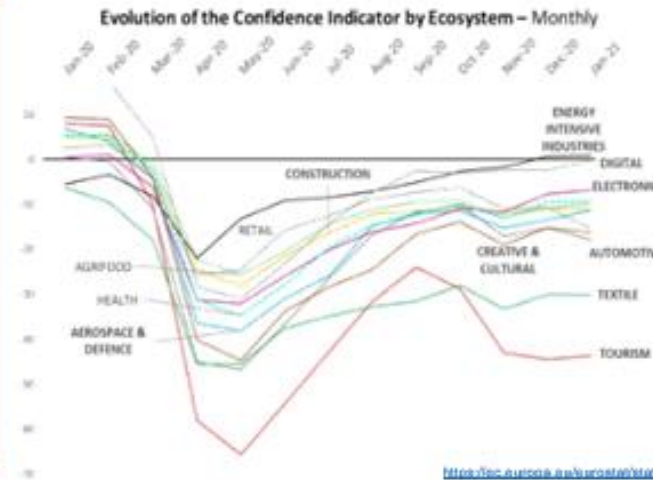
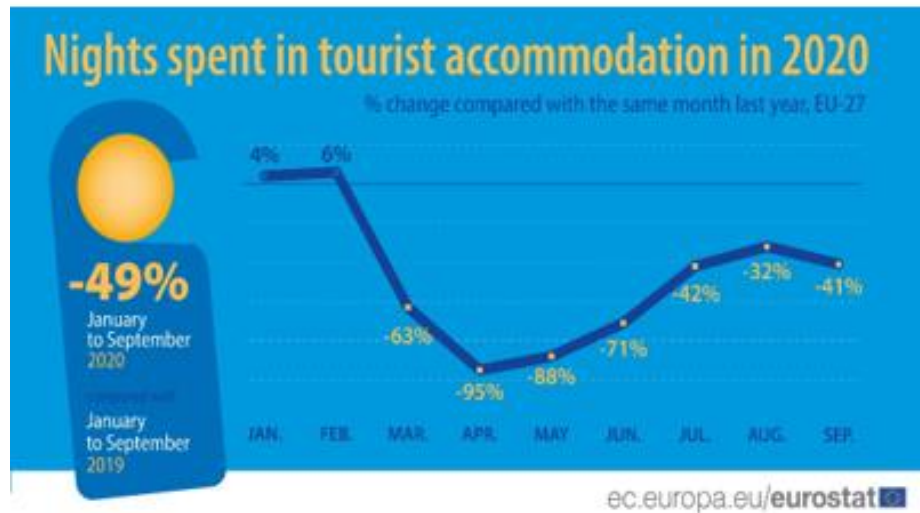


Tourism ecosystem fully disrupted by COVID-19

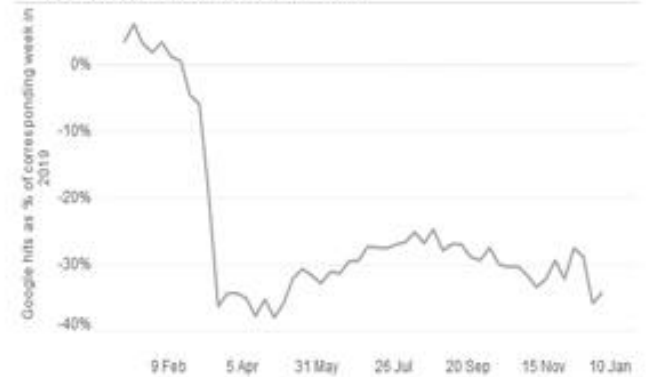
Pre-Covid: EU tourism progressing in absolute terms but losing world market share

Covid impact:

- International tourism **fell by 80%** in 2020 (OECD); EU overnight stays fell by 49% (Jan-Sept 2020)
- **Highest investment gap** of all 14 industrial ecosystems (€161bn 2020-2021)
- **Confidence indicator** for tourism lowest of all ecosystems (Jan 2021)
- High indebtedness, preventing tourism businesses from investing in **green/digital transition & innovation**



Google travel searches in Europe compared to 2019 (WTTTC)



https://ec.europa.eu/eurostat/statistics-explained/index.php/Tourism_statistics_-_nights_spent_at_tourist_accommodation_establishments
<http://www.oecd.org/inequality/eu/eu-response-to-building-tourism-for-the-future-covid-19-policy-responses-and-recovery-scenarios/>
<https://www.unwto.org/press-assessment-of-the-covid-19-outbreak-on-international-tourism>
<https://ec.europa.eu/info/economy-recovery-recovery-dashboard>

→ RRF an important opportunity for the tourism ecosystem

Challenges of tourism labour market

- workforce is less qualified than the general EU working population, with up to 25% possessing low-level qualifications
- low pay, very high demand for staff flexibility and mobility, high staff turnover, high share of informal employment arrangements and persistent skill shortages
- more part-time jobs and temporary contracts compared to other sectors
- highly seasonal and extremely vulnerable to external political and economic factors
- transversal skills typical to tourism (e.g. customer orientation, interpersonal and intercultural communication) valued in other sectors, too

Pact for Skills Tourism: Priority Areas of Investment

- ❑ Four megatrends in tourism: evolving tourism demand; sustainable tourism growth; enabling technologies and data; safe and seamless travel mobility
- ❑ Priority areas of investment should include:



1. **Soft skills:** cross-cultural communication, languages, customer handling/service skills and problem-solving skills
2. **Digitalization:** digital awareness, e-marketing and social media, AI, data analytics
3. **Business planning:** entrepreneurial and business management, people leadership skills, risk/crisis management
4. **Sustainability:** environmental management skills, sustainable forms of tourism that considers well-being of local communities, authentic visitor experience

➤ *A Pact for Skills between industry, VET providers and employment agencies is necessary to equip tourism workforce for post COVID recovery and the green and digital transformation*

Thank you



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