

**Tourism Satellite Accounts in the European Union**  
**Volume 1:**  
**Report on the implementation of TSA in 27 EU**  
**Member States**

**2009 edition**



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## Preface

Tourism is an important part of Europe's economic, social and cultural activity. Council Directive 95/57/EC of 23 November 1995 on the collection of statistical information in the field of tourism provided for the establishment of an information system on tourism statistics at Community level. The Directive has therefore enabled the regular production of harmonised statistics on the capacity and occupancy of tourist accommodation establishments, and on tourism demand. Statistics in this field are used to monitor tourism-specific policies, as well as the wider context of regional policy and sustainable development.

A Tourism Satellite Account (TSA) provides an economic measure of the importance of tourism in terms of expenditures, GDP and employment for a given country. It integrates in a single format data about the supply and use of tourism-related goods and services, and it provides a summary measure of the contribution tourism makes to production and employment. It permits a comparison of tourism with other industries since the concepts and methods used are based on the System of National Accounts.

In March 2000, the United Nations Statistical Commission adopted the common conceptual framework for the compilation of Tourism Satellite Accounts (TSA) jointly elaborated by UNWTO, OECD and EUROSTAT: the *Tourism Satellite Account - Recommended Methodological Framework (TSA-RMF)*. Two years later, EUROSTAT published the *European Implementation Manual on Tourism Satellite Accounts (EIM)*, aiming at providing guidelines on how to implement TSA, with concrete reference to the harmonised statistics available in the European Statistical System, in particular in the domain of tourism statistics.

In the subsequent years, the Directorate-General Enterprise and Industry (DG ENTR) of the European Commission offered grants to the Member States to support feasibility studies and/or the actual implementation of TSA. These projects have fostered the work on TSA in most Member States, however, the state of the exercise and the level of harmonisation differs largely from country to country.

As an answer to this observation, EUROSTAT launched a project which ran in the period 2008-2009 with two main objectives. On the one hand, to make a comparative assessment of the methodologies applied and of the results of the earlier national projects. On the other, to offer a forum for the collection and the exchange of best practices for TSA compilation through multi-country workshops, individual technical assistance missions to Member States and a *cookbook* discussing good practices for the compilation of TSA.

The key deliverables of the project are published in a set of 4 volumes in the EUROSTAT series "Methodologies and Working Papers" under the heading *Tourism Satellite Accounts in the European Union*.

This first volume *Report on the implementation of the TSA in 27 EU Member States* contains a stock-taking of the state of implementation and the compliance with the international recommendations on TSA compilation for each of the Member States of the EU. The individual reports give a comprehensive overview, anno 2009, of the level of development, the general methodological approach as well as the way specific problems are handled.

Michail Skaliotis

Head of Unit "Information society and tourism statistics"



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# Introduction

This set of country-specific TSA stocktaking reports for the Member States of the EU have been prepared in the course of the Statistics Project on Tourism Satellite Accounts (TSA) which was launched by Eurostat at the beginning of 2008. They present the current status of national TSA implementation practice in accordance with the recommendations of the “*Tourism Satellite Account: Recommended Methodological Framework*” (TSA-RMF), published by UNWTO, OECD and Eurostat in 2000, and the “*European Implementation Manual on Tourism Satellite Accounts*” (TSA-EIM), published by Eurostat in 2001.

The majority of existing national TSA reports are by and large results oriented and seldom contain detailed information on the compilation procedure and implemented estimates. For that reason, it is extremely difficult and time-consuming for non-country TSA experts to prepare TSA implementation reports without the knowledge of experienced national compilers at their disposal. This is especially the case whenever country-specific TSA stocktaking reports are requested to maintain a method oriented rather than result oriented focus.

In order to observe the tight time schedule of this project and to remedy the information asymmetry in favour of national compilers, it was decided to make this TSA specific “unpublished” national expert knowledge available. Under the lead of Gerd Ahlert, the ICON senior experts on TSA<sup>1</sup> have prepared draft TSA implementation reports for their own national TSA and for a few other EU Member States. To ensure maximum quality and applicability, the expert team developed a detailed web-based project questionnaire on TSA implementation practice and a clearly structured template for country specific TSA implementation reports at the beginning of the project in February and March 2008. Likewise, an editing system was designed, providing detailed recommendations on the structure and contents of the country-specific stocktaking reports.

At the beginning of April 2008, all national Eurostat contact partners in charge of Tourism Statistics and TSA were invited to participate in the Eurostat project on TSA and complete at least the more general modules of the developed TSA project questionnaire. All 27 EU Member States have complied with this appeal. In addition, all TSA stocktaking reports of Member States with a fully fledged TSA have been peer-reviewed by another ICON senior expert on TSA. The first draft reporter had no information with regard to responsible reviewers, but was aware about the evaluation loop. Only those country reports of Member States with the status “First Compilation Started” (with or without empirical results at the beginning of 2008) have not been included in this peer-reviewing process.<sup>2</sup> Finally, all national contact persons in charge of the TSA were asked in the first half of 2009 for a final evaluation of the final draft version of the national TSA stocktaking report.

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<sup>1</sup> The ICON Project Team consists of 11 TSA senior experts from 9 EU Member States (see Table 1).

<sup>2</sup> Some of the Member States of the EU have made substantial progress in TSA implementation during the runtime of the Eurostat Project on TSA.

The following table gives an overview of the current TSA implementation practice within the EU Member States. It also lists the senior experts on TSA involved in the preparation of the country specific stocking reports.

**Table 1: TSA implementation within the Member States of the EU**

|                     | Member States of the EU with ...                              |  |  |   |
|---------------------|---|--|--|---|
|                     | <i>[regularly] updated</i> fully fledged national TSA figures | <i>"comprehensible"</i> fully fledged national TSA pilot studies | the status „ <i>First Compilation Started</i> “, and empirical results | the status „ <i>First Compilation Started</i> “, and no empirical results |
| Austria (AT)        | PL; GA  |  |  |   |
| Belgium (BE)        |   |  | TH; GA   |   |
| Bulgaria (BG)       |   |  |  | RR; GA  |
| Cyprus (CY)         | PL  |  |  |   |
| Czech Republic (CZ) | ZL; VD  |  |  |   |
| Denmark (DK)        | LB; VD  |  |  |   |
| Estonia (EE)        | ZL; VD  |  |  |   |
| Finland (FI)        | AH; LB  |  |  |   |
| France (FR)         |   | GA   |  |   |
| Germany (DE)        |   | GA; PV   |  |   |
| Greece (GR)         |   | GA   |  |   |
| Hungary (HU)        | AH; PL  |  |  |   |
| Ireland (IE)        |   | VD; LB   |  |   |
| Italy (IT)          |   |  | VD; GA   |   |
| Latvia (LV)         |   | GA   |  |   |
| Lithuania (LT)      | GA  |  |  |   |
| Luxembourg (LU)     |   |  |  | GA  |
| Malta (MT)          |   |  |  | TH; GA  |
| Netherlands (NL)    | AH; VD  |  |  |   |
| Poland (PL)         | ED; PV  |  |  |   |
| Portugal (PT)       | TH; GA  |  |  |   |
| Romania (RO)        |   |  | GA   |   |
| Slovakia (SK)       |   | RR; ZL   |  |   |
| Slovenia (SI)       |   | LB, PL   |  |   |
| Spain (ES)          | RR; VD  |  |  |   |
| Sweden (SE)         | BMW; PV   |  |  |   |
| United Kingdom (UK) |   | ED; VD   |  |   |

Explanation of acronyms with regard to the involved compilers of the stocktaking reports:

Ahlert, Gerd (GA; Germany)  
 Bregar, Lea (LB; Slovenia)  
 Does, Vanda (VD; Portugal)  
 Dziedzic, Ewa (ED; Poland)  
 Hilario-Chaves, Teresa (TH; Portugal)  
 Hüttl, Antonia (AH; Hungary)  
 Laimer, Peter (PL; Austria)  
 Lejsek, Zdenek (ZL; Czech Republic)  
 Magnusson Wärmark, Birgitta (BMW; Sweden)  
 Roig, Rafael (RR; Spain)  
 Vancura, Pavel (PV; Czech Republic)

## **A) Member States of the EU with regularly updated fully-fledged national TSA figures**



**AT**

**Country report for Austria**

## 1 General Introduction

Mr. Peter Laimer [mailto:Peter.Laimer@statistik.gv.at] from Statistics Austria (STAT) is responsible for the compilation of the Austrian TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

During the last decades, tourism in Austria has been increasingly recognized as of significant importance in economic, social, cultural, environmental and even educational respect. Receiving data on the economic impact of tourism, the introduction of Tourism Satellite Accounts (TSA) seemed to be an appropriate approach. Starting with the reference year 1999 - mainly as a pilot TSA - the compilation of TSA-Tables has been initiated in 2001, commissioned by the Federal Ministry of Economy, Family and Youth (BMWFJ) and based on the UN Recommended Methodological Framework on TSA (TSA-RMF), the European Implementation Manual on TSA (EIM) and the OECD Manual on TSA and Employment (OECD-TSA Table 7). Austria was very much involved related to the elaboration of the TSA Manuals, mainly regarding the TSA-RMF and the EIM which supported the work in regard to the compilation of the national TSAs. For the respective reference years TSA results has been published on a yearly basis (except 2006); the latest reference year available is 2007. Besides national TSA results, starting with the reference year 2002 the first Regional TSA (RTSA) has been elaborated for the capital of Vienna (additional reference years: 2003, 2005, 2006 and 2007; 2008 in planning stage). In addition RTSAs for Upper Austria (2003-2007; 2008 in planning stage) and for Lower Austria (2005 - 2007) have been done. Apart from the TSA work on national level, consultancy activities were carried out within the scope of country visits (i.e. Croatia, Hungary, Slovenia) and seminars/conferences were organised and actively attended (i.e. MEDSTAT, Taiwan).

#### 1.1.2 Experience in TSA compilation

At the beginning of the 1970ies tourism has been already recognized and could be perceived as an own sector in the system of National Accounts and in the Input-Output (IO) framework. Progress in methods development and a more reliable and recent statistical data base contributed to improvements in tourism measurement during the following two decades. In the year 1995, an open IO-model was constructed by the Austrian Institute for Economic Research (WIFO) measuring the total impact of tourism in Austria. Parallel to these more theoretical measuring efforts, Tourism Economic Accounts (TEA) has been used as a starting point for the development of TSA-Tables. As the results of the TEA have already been evaluated a number of TSA-Tables could be built upon them. Austrian TEA results were submitted for the reference years 1985, 1990, 1993 and 1996 (1993/1996, including estimates regarding the share of characteristic tourism industries on the overall GDP). The full-fledged TSA was last compiled for the year 2007. It comprises the TSA-Tables 1, 2 and 4 to 6 on a 2 digit level as well as Table 7 with a higher level of detail. The compilation of TSA-Tables 3 and 10 is planned for the near future; less priority is given to TSA-Tables 8 and 9. The next reference year will be 2008.

### 1.1.3 Responsibility of the TSA compilation

The development of a TSA has been undertaken in a joint project by STAT and WIFO since 2001. STAT is mainly responsible for the basic TSA-calculation based on the TSA-RMF and EIM, including the estimation of the direct effects of the tourism industry related to the overall economy (incl. employment). As an extension of TSA concepts WIFO is mainly doing estimates concerning the indirect effects of the tourism industry, forecasting and the direct and indirect leisure effects (incl. employment).

## 1.2 The inter-institutional platform

On a yearly basis a tourism statistics related Working Group, whose members are from local tourism and statistical authorities and other main data users, is discussing tourism statistics in general, which also concerns TSA on national and regional level. On a more detailed level, TSA-relevant discussions occur within STAT (NA-department) but also with other institutions, such as WIFO (as one of the compilers of TSA), the Austrian Central Bank (OeNB; in view of TBoP) or BMWFJ (costumer). Furthermore, a quality report related to TSA (for other statistics as well, part of Total Quality Management; TQM) has been currently discussed within feedback meetings with members of the Quality Commission of the Statistics Council.

## 1.3 The dissemination of the TSA exercise

### 1.3.1 Availability of the country TSA

For the reference years 1999-2007 data has been revised annually (except 2006). Provisional TSA results of the previous year are available by November of the current year. The preliminary data are revised in course of the most recent TSA-results. The results are available on paper and in the internet (free download, [http://www.statistik.at/web\\_en/statistics/tourism/tourism\\_satellite\\_accounts/index.html](http://www.statistik.at/web_en/statistics/tourism/tourism_satellite_accounts/index.html)). Long versions of the TSA-publication with detailed methodological explanations are restricted to universities, research institutes and other experts.

### 1.3.2 Responsibility for the dissemination

STAT and WIFO are responsible for the dissemination of the TSA-results. After the approval of the BMWFJ the TSA main results (summary version) are published free of charge on the web page of STAT. A more detailed publication is available on demand, distributed by STAT/WIFO. If demanded by the BMWFJ a recent press release (or conference) - elaborated by STAT/WIFO - will be published which points out the main TSA-indicators (i.e. GDP share, resident/non-resident visitor consumption, time series).

### 1.3.3 Content of the publication

The TSA-publication (long version, only in German available) covers the following items: After an introductory chapter, the main part of the publication discusses the monetary interlinkages between tourism supply and demand, presenting an overview of conceptual TSA-issues, the application of the TSA-results, the economical implications of TSA

(definition of demand, and direct, indirect and induced effects) and the most recent results (incl. a time series). The second part of the publication discusses the methodological issue related to the Austrian Employment Module, including the purpose of measuring tourism employment, the concepts and definitions, the direct, indirect and induced tourism employment effects, and the results. Finally, an executive summary and the most important references are considered.

#### 1.3.4 Level of detail of the publication

The yearly TSA-publication (long version) gives particular attention to methodological issues and comments on methods used in Austria. Furthermore, adjacent to text parts, tables and charts are incorporated. The publication comprises the core TSA-Tables. In particular the tourism demand related TSA-Tables 1, 2 and 4 as well as the tourism supply related TSA-Tables 5 and 6 are taken into account. Tourism employment, considered within TSA-Table 7, is also presented. Mainly due to lack of data TSA-Tables 8 and 9 are not considered so far. TSA-Table 3 is not taken into account, since it is not part of the internal tourism consumption. Moreover, TSA-Table 10 (non-monetary indicators) does not occur.

#### 1.3.5 Publications

Statistics Austria & WIFO (2001): A Tourism Satellite Account for Austria. The Economics, Methodology and Results. Vienna

Statistics Austria & WIFO (2002): A Tourism Satellite Account for Austria. The Economics, Methodology and Results 1999-2003. ISBN 3-901400-55-9, Vienna.

Statistics Austria & WIFO (2009): A Tourism Satellite Account for Austria. Methods, Results and forecasting for the years 2000-2009 (German version). Vienna, [http://www.statistik.at/web\\_de/static/ein\\_tourismus-satellitenkonto\\_fuer\\_oesterreich\\_036204.pdf](http://www.statistik.at/web_de/static/ein_tourismus-satellitenkonto_fuer_oesterreich_036204.pdf).

Franz, A. & Laimer, P. (1998): Tourism Economic Accounts and Real Net Output in Tourism. Methods and Results. Tourism Journal, issue 3, pp. 313-334.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

Concerning the Austrian TSA the sub-structure of each set is largely predetermined by the existing European standard classifications (NACE/CPA). Thus, a pair of corresponding ("symmetric") classification instruments emerges, viz. served meals and beverages correspond to restaurants, passenger transportation corresponds to railways, etc. The classification of activities and products mainly follows the requirements of the TSA-RMF, although the level of detail is less than the recommended (i.e. cultural activities/services) and the item "transport" includes passenger and goods. The European classification systems are applied for accommodation, food and beverage, transportation, culture and recreation activities/services.

## 2.2 Measurement of domestic tourism expenditure

(1) Within the quarterly sample surveys concerning domestic/outbound holiday/business trips collected by STAT, the amount of the travel expenditure is indicated. It includes all expenditures related to the trip, made before, during and after the trip for all the members being part of the travel party a recall problem occurs.

(2) T-Mona (Tourism Monitor Austria) is a guest inquiry, commissioned and under the responsibility of the Austrian National Tourism Board. It provides qualitative and quantitative (i.e. expenditure) information for inbound and domestic holiday makers. Business tourists and same-day visitors (holiday and business) are not considered. T-Mona is a sample survey (about 2200 core interviews for total Austria, about 17000 interviews including the participating regions per year) which provides data for summer/winter season.

(3) A sample survey concerning same-day visits of the Austrians was carried out in the framework of the Austrian microcensus in 1994 (done by STAT). The questionnaire contained questions related to domestic and outbound same-day holiday visits. Though the data is outdated, the survey serves as a basis for estimates with respect to domestic expenditure data.

(4) Additional information on SDV (mainly physical terms) is available based on the results of the quarterly sample surveys considering the travel behaviour of the Austrians which are currently done by STAT.

## 2.3 The handling of the definition of "visitors" in empirical practice

### 2.3.1 Leaving one's usual environment

Within the Austrian accommodation statistics the usual environment corresponds to geographical boundaries of the municipality (the place of the routine life, including place of work or study or other places frequently visited). Problems occur with respect to huge cities since the area within their borderlines is seen as the usual environment of a resident person (particularly in Vienna), although a domestic same-day visitor within Vienna may be seen as tourist. Within the sample survey (travel behaviour of the Austrians) the question of being within the usual or the non-usual environment is on the one hand left to the respondent (within CATI there is not enough time explaining the usual environment criteria), and on the other hand based on the geographical boundary of a municipality of a resident person (outside of that it is defined as the persons non-usual environment). Furthermore, places visited every second week or more are defined as the visitors' usual environment and therefore not counted among tourism related trips.

### 2.3.2 Business visitors and the fact of being remunerated

In the Austrian TSA the business consumption expenditure is not considered in TSA-Table 4 (as recommended), but in TSA-Tables 1 and 2. Due to NA-requirements (business expenses are intermediate demand) business expenses are excluded from domestic visitor consumption (TSA-Table 2).

In Austria, tourism data related persons remunerated at the place visited are excluded from being a visitor (i.e. construction worker at local road works). Nevertheless, in particular within accommodation statistics (at the registration in the reception of a hotel) this kind of

persons are hardly to identify although the establishments owners are clearly instructed that those persons should not be considered as visitors.

## 2.4 The scope of tourism consumption expenditure

In Austria sample surveys include questions regarding the expenditure before, during and after the trip. They comprise mainly expenses relating to tourism single-purpose consumer durable goods, which are exclusively used on the trip. Multi-purpose consumer durable goods, possibly used within the usual environment, are excluded (i.e. cars). The expenditures contain expenses for package tours, accommodation, food and groceries, transportation (to and from the destination, even if paid before departure), goods for personal use (tobacco, cosmetics, etc.), fuel, typical tourism-related expenses (cultural), expenses for courses, entrance fees to sports/leisure facilities as well as others (hairdressers,...).

## 2.5 Implementation of SNA93 based National Accounts results

The Austrian data on National Accounts (NA) are yearly published by STAT. While the published data are on a highly aggregated level, for TSA purposes data on a more detailed level are taken into account as far as they are internally available this in particular concerns gross/net output on the 2- and 3-digit level, internal calculations related to indirect taxes less subsidies and final consumption expenditure and imports (by items). With respect to IO-statistics a quite comprehensive Input-Output table (IOT) for the reference year 1990 (and 1983) was available (239 activities x 204 products). Since 1995 IOI are drawn up every 5 years. The most recent one is of the reference year 2005 which serves as a basis for TSA-Table 5 as well as for related estimates of the distribution margin. Nevertheless, due to the detailed structure in regard to products and activities IO-Table 1990 still provides important data for TSA-Table 5, although this information is rather outdated and a re-classification according to NACE/CPA had to be done. Since 2001 Supply-Use-Tables (SUT) are compiled annually (most recent 2004) by the NA-department of STAT. They are published for 57 industries and 57 products. Additionally, data for 73 industries and 73 products (based on internal calculations) is available which includes detailed matrices regarding various aggregates. The most recent SUT data is extrapolated by the respective NA indicators, in order to provide a comprehensive and up-to-date data basis for TSA-Table 5 (production account). Thus it also provides the data for TSA-Table 6 (domestic supply).

## 2.6 Measurement of the "travel" item in the Balance of Payments

The Travel Balance of Payments (TBoP) provides important data for the Austrian TSA in regard to TSA-Table 1 (inbound tourism, credit) which concerns the total expenditures of inbound visitor consumption (adjusted according to tourism statistics concepts), and the visitor consumption on "international passenger transport" (expenditure of non-resident visitors on domestic carriers). In order to compile the TBoP Austria expressed a preference for the so-called "hybrid system" which does not give to any individual type of source the status of main component. Concerning the data sources the Austrian system is using main sources, such as sample surveys, accommodation statistics and supplementary sources.

## 2.7 The measurement of timeshare tourism

At present, accommodation establishments based on time-sharing are not explicitly considered within the Austrian TSA. Within the Austrian system of accommodation statistics, tourists staying overnight in those establishments are not taken into account. Nevertheless, time-share units may be in several cases included among second homes, which are usually units owned by several parties in common. In these cases, estimates based on the sample survey related to the travel behaviour of the Austrians (TSA-Table 2) or other sources (i.e. mirror statistics related TSA-Table 1) are available.

## 2.8 Availability of new surveys in the near future

The TSA for Austria is a system which is yearly improved and extended (with regard to the empty parts), which highly depends on the availability of new data sources and additionally developed models. The Austrian TSA was introduced in the tourism statistical system without planning and introducing new primary statistical surveys, but using already available data sources. This is also valid for the near future, but additional and more comprehensive information will be available from the TBoP. This concerns in particular the composition of the package tours as well as the sample survey relating to the travel behaviour of the Austrians with a focus on domestic same-day visitors and their expenditures. Within the European Statistical System (ESS) additional, more detailed and more reliable data is possibly available, in particular with regard to mirror statistics of the partner countries.

# 3 The handling of TSA specific problems

## 3.1 Consideration of the services of travel agencies and tour operators "net"

With reference to the Austrian TSA-Table 1 it is assumed that in case of package tours inbound trips of non-resident tourists are not organized by domestic travel agencies or tour operators. The services or products provided by travel agencies (TA) or tour operators (TO) are therefore valued on a net basis (gross = net). As the TSA-Tables 5/6 (and 2) display the gross margin, an estimation has to be undertaken of the value of respective products used by domestic travel agencies and tour operators within their production process (= intermediate consumption). Furthermore, adjustments of the intermediate consumption of TA/TO concerning the imported parts are done, since imports are not part of the domestic production process. The basic data for gross output and intermediate consumption of the industry "Travel agencies, tour operations and tourist guides" is taken from the latest NA data. Based on IOT data and SUT the domestic share and the imported share of the intermediate consumption are estimated, since the imported share has to be deducted from total intermediate consumption of TA/TO. The IO structure of the imported products is applied to the latest data on intermediate consumption. Furthermore, the share on imported products used for the TA/TO production process is taken into account, which is deducted from the products used for intermediate consumption. For net-calculation the values of the respective characteristic products are increased by the appropriate intermediate consumption items. It is assumed that "connected"/"non-specific products" are not used as intermediate consumption (TA/TO).

### 3.2 Consideration of the distribution margins

With regard to the calculation of the distribution margin of products (within TSA-Tables 1 and 2), the reference is mainly made to IOT and FHCE (final household consumption expenditure), respectively: Based on the production account of IO-statistics the distribution margin is calculated as the share of retail and wholesale margin related to total gross output. According to FHCE those products (products and services) are identified which are characterized as characteristic as well as connected and non-specific products. The calculated share of the margin is only applied to the total final consumption expenditure related to goods, since by definition for services a distribution margin cannot occur.

### 3.3 The Treatment of “second homes”

In the Austrian TSA any member of the household who visits a second home that is not the usual environment is considered as a visitor to that second home as long as the visit is not for the purpose of performing a productive activity in the place visited. The respective estimates are based on the most recent population census, the sample survey on the travel behaviour of the Austrians and additional data sources (i.e. FHCE, sample survey 1993/94 on same-day visits at second homes). Taking into account the definition of usual environment second homes located close to the place of residence of a person are part of the usual environment and any visit to that home is therefore considered as non-tourism-related (i.e. near urban centres).

### 3.4 The measurement of tourism business expenses

Business expenses - based on sample surveys on the travel behaviour and mirror statistics of the important partner countries (i.e. based on the number business trips and the respective expenditure to Austria) - are considered within TSA-Table 1 and are not taken into account within TSA-Table 4 (as stated in TSA-RMF). With respect to TSA-Table 2 - showing data on domestic consumption expenditure - business expenses are also excluded. This becomes necessary since according to NA-rules, business expenses of employees are identified as intermediate consumption. Therefore they are regarded as an input to the production process and not as a component of the value added. On the other hand, this means that with regard to the calculation of the TVA, where demand side information is applied to GVA, visitor business expenditure has to be excluded. At present, business expenses are not differentiated between paid by the company and privately paid, since the latter could be defined as tourism demand (as part of final demand).

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

In the Austrian TSA-Table 1 services provided by tour operators are valued on a net basis. As a working hypothesis it is assumed that non-resident visitors, in particular same-day visitors, do not book package tours within the area visited (gross valuation equals net valuation). Nevertheless, parts of a package booked abroad may be relevant for the domestic production, if the package includes domestic products (i.e. a package of a foreign tour operator includes the ticket for a skiing lift, or for the hotel). The margin of the tour operator however remains

non-domestic. The total inbound expenditures correspond mainly to the total tourism receipts (credits) according to the TBoP. Nevertheless, due to methodological differences regarding Tourism Statistics concepts (UNWTO) and BoP requirements (IMF) the credit figure is adjusted with respect to border workers, student and patients. Based on TBoP data the inbound tourism related expenditures for international passenger transport which comprises expenditures for domestic carriers are available. With regard to same-day visitors (SDV) and overnight visits mirror data of the partner countries are used relating to inbound SDV a German study (DWIF) is referred to. In particular, estimates concerning the share of business expenses are based on mirror statistics of the important partner countries (i.e. based on the number business trips and the respective expenditure in Austria). As an assumption shares of the various means of transport used for domestic holiday trips are taken into account for inbound tourism, as well.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Due to a lack of data it is assumed that resident SDV do not make use of a travel agency, a tour operator and tourist guide services (gross valuation corresponds to net valuation, in this respect). Nevertheless, it has to be noted, that services of travel agencies may be used, e.g. bus trips to national attractions and other sights. The total tourism consumption of resident SDV is based on a microcensus survey from 1993/94 related to "same-day holiday visits of Austrians in 1994" and on a current sample survey related to the travel behaviour of the Austrians, extrapolated by arrivals and consumer price index (CPI). With regard to the used means of transport it is assumed that same-day visitors follow a similar pattern as overnight tourists doing domestic trips, considering the number of domestic trips by the transport used, including railway, bus, water and air transport. Regarding the latter lower amounts of expenditure are assumed. The basic data for calculation of the total amount of expenditure of overnight resident tourists in Austria for characteristic products is taken from the results of the sample survey on the travel behaviour of the Austrians as well as the accommodation statistics. The basic structure and the expenditure per day are taken from the latest T-Mona results, which specify tourism consumption in detail. The expenditure items of T-Mona are reclassified according to TSA requirements, excluding the costs for package tours. Furthermore, additional estimates are done related to the amount of expenditure per day for business trips since those trips are not included in T-Mona surveys. The total outbound tourist consumption of resident visitors is primarily based on a microcensus survey concerning "same-day holiday visits of Austrians in 1994" and the most recent sample surveys regarding the travel behaviour of the Austrians. Furthermore, overnight visitors related mirror data of partner countries (if available) are used.

#### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

TSA-Table 3 describes outbound tourism consumption of visitors with respect to same-day visitors and overnight tourists. This TSA-Table is not part of the aggregate "Internal tourism consumption" according to TSA-Table 4, since it considers tourism consumption abroad which does not affect the domestic supply.

For the time being, TSA-Table 3 is not part of the Austrian TSA-system. Nevertheless, respective estimates in this regard could be based on TBoP information (total amount debit),

the sample survey relating to the travel behaviour of the Austrians (structure of expenditure) and mirror statistics of partner countries (structure).

#### 4.4 Estimating same-day visitors expenditures

The consumption of resident same-day visitors is primarily based on a microcensus survey related to "same-day holiday visits of Austrians in 1994" and the most recent sample surveys concerning the travel behaviour of the Austrians. The respective data are generated as follows: With regard to 1994 data, for the reference year the number of SDV is extrapolated considering the development of the arrivals assuming that the dynamic of arrivals and SDV are similar (trend to short-term trips). The tourist consumption for same-day visits is extrapolated taking into account the development of "final household consumption expenditure" for products and services related to private vehicles, transport, leisure and culture as well as catering. The share of passenger transport related total expenditures is estimated with respect to same-day visitors by the structure of inbound same-day German visitors according to DWIF. The structure related to the means of transport is based on the most recent sample surveys concerning the travel habits of the Austrians. Due to a lack of information it is assumed that resident same-day visitors traveling within Austria do not make use of a "travel agency, tour operator and tourist guide services", although services of travel agencies might be used, in particular related bus trips to national attractions and other sights. With regard of SDV abroad it may be assumed that connected and non-specific products are not consumed within the domestic country while travelling abroad. This concerns mainly products related retail trade, including souvenirs or retail trade products (i.e. shoes) which may be the purpose of the visit.

#### 4.5 TSA-table 4: Internal tourism consumption by products and types of tourism

TSA-Table 4 represents total visitor final consumption expenditure in cash associated with inbound (TSA-Table 1) and domestic tourism (TSA-Table 2) consumption. The aggregate obtained is called "Internal tourism consumption in cash and kind". In contrast to TSA-Tables 1/2, two specific rows are added: the value of domestically produced goods net of distribution margins and that of imported goods net of distribution margins which are not considered within the Austrian TSA. In Austria "internal tourism consumption in kind" concerns "second homes" and consumption expenditure related to "health cures" (based on the advice of a medical doctor). According to FHCE the total amount of expenditure relating to renting a flat (incl. imputed rents) is calculated. According to the "social security statistics" the expenditure for health cures is estimated which is mainly including medical rehabilitation.

## 5 The TSA tables for production and supply and use

### 5.1 TSA-table 5: Production accounts of tourism industries and other industries

TSA-Table 5 is the core of the Austrian TSA system, providing data on production. Considering TSA-Table 6 (production and internal tourism consumption) the rows of both tables are similar. Within the Austrian TSA both tables are presented within one aggregated table by what the interpretation of the respective results is facilitated. In Austria TSA-Table 5 presents the production accounts of tourism industries (incl. tourism connected industries and non-specific industries), available in a form suitable for the comparison with internal tourism consumption (TSA-Table 4), the basis for estimating the tourism ratios by products. TSA-Table 5 is mainly based on the most recent SUT and the most recent detailed IOT. The structure of the SUT matrix follows the requirements of SNA and ESA (rows=commodities, columns=corresponding activities) in addition Use-Tables are showing the components of GVA (compensation of employees, etc.). The Austrian SUT is providing domestic production by industries and products, including other transaction of products within the national economy (i.e. imports, margins). Extrapolation of the commodity data is based on the most recent GVA for each industry, keeping constant the structure of the production account based on the 1990 IO-data and SUT (most recent 2004) it is therefore assumed that the industry development is consistent with that of the commodity.

### 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

#### 5.2.1 The general structure of the table

TSA-Table 6 represents the table, where the confrontation between supply and internal tourism consumption takes place. Within the scope of the Austrian TSA system TSA-Table 5 and 6 are shown together in one table which facilitates the presentation of the production account and the internal consumption expenditure. The Austrian TSA Table 6 displays less products and activities as required by the TSA-RMF which concern mainly "travel agencies, tour operators, tourist guides" and "cultural, recreation and miscellaneous services". Furthermore, a differentiation between "hotel and food & beverages services/activities" is not considered, the same is valid for "supporting transport services", "transport equipment rental" and "maintenance and repair services". In addition, "connected and non-specific products/activities" are added to one aggregate, since a decision was not taken which kinds of products/activities are defined as connected and non-specific. Tourism shares by product and industry are not estimated since the tourism shares are calculated by applying the internal tourism consumption by product to the respective product (supply). Furthermore, the products related to intermediate consumption are not considered in detail (agriculture, manufacturing, etc.), as is also valid for the components of the GVA (compensation of employees, etc.).

#### 5.2.2 General characteristic of the data

For TSA reasons the basic data of "imports" and its structure are mainly taken from IO-Table and SUT the structure is applied to the latest data on imports (NA-statistics). Imports are

recorded equivalent to basic values. Accordingly, imports are represented by a "basic value equivalent" including all transport costs to the country border (cif - costs of insurance and freights). The imports of services included in "packages" provided by domestic organizers are excluded the imports are therefore reduced by the imports of such services. The basic data for "indirect taxes, less subsidies" are taken from the most recent IOT (value added by components) and SUT extrapolation is based on the most recent NA-data taking into account the main aggregates available (i.e. Hotels and restaurants, land transport, etc.).

### 5.2.3 Calculation of Tourism Value Added (TVA)

In the Austrian TSA TVA is defined as the value added generated by tourism industries and other industries of the economy in response to internal tourist consumption. TVA includes the proportion of value added generated by all industries in the process of the provision of goods and services to visitors or would-be visitors, or to third parties for their benefit. However, the starting point of the calculation of TVA is TSA-Table 6, which shows products characteristic of tourism on the supply as well as on the use (demand) side (internal consumption). Calculating the "tourism ratio" of any given supply of commodities the amount purchased by tourists is related to the total supply of the respective commodity. These "tourism ratios" are applied to the Gross Value Added (GVA) of the "symmetrically" corresponding industry in TSA-Table 5, the direct TVA of each industry results. However, due to a lack of (sufficient) detailed data availability on the demand side several industries have to be summed up, i.e. cultural, recreation and sporting industry, transport supporting and equipment rental. Finally, the total TVA of the respective industries is related to overall GDP, resulting in the share of tourism in total GDP. Calculating TVA business expenses are excluded.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

The "TSA-Employment Module for Austria" represents an approach to draw a more comprehensive picture of the tourism industry impact on the labour market, considering "characteristic tourism industries". In order to get a better idea about the composition of employment, a supply-side approach is mainly used which is adjusted by demand related data (TSA-tourism ratios). The methodological basis of the Austrian measurement mainly refers - apart from the TSA-RMF - to the OECD Manual on TSA and Employment (2000). In the Austrian TSA-Employment Module the figures are displayed according to two concepts occurring in the System of National Accounts, "number of jobs" and "full-time-equivalents" (FTE). The main data source used is the employment related data from the NA-statistics. These figures are, in order to maintain the consistency with the Austrian TSA results, the basis for the extrapolation of structural data (breakdown by sex, employment data on the NACE 4-digit-level) which was mainly derived from the latest results of "labour force survey", "SBS: manufacturing and services", "economic census" and "cultural statistics"; additionally, administrative data is used.

## **6.2 TSA-table 8: Tourism gross fixed capital formation**

No data available so far.

## **6.3 TSA-table 9: Tourism collective consumption**

No data available so far.

## **6.4 TSA-table 10: Non monetary indicators**

No data available so far.

## **6.5 Other tables beyond the 10 RMF-TSA-tables**

As an extension to the basic TSA-results the indirect effects of tourism in relation to the overall economy are estimated by WIFO, based on IO multipliers. Furthermore, the direct and indirect effects of the leisure industry (related activities of residents within their usual environment) are calculated, mainly based on "FHCE" data. In addition, in relation to the reference year forecasts are done, for the current and the following year.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

In Austria accommodation statistics - as one of the main tourism data source - only shows physical flows and is analyzing a rather small part of the tourism industry. TSA does consider monetary flows which are indispensable for providing more comprehensive information on the impact of tourism on the economy reflecting supply related data (i.e. information on accommodation, transport, culture). Currently published TSAs for Austria show the economic value of the Austrian tourism and give a comprehensive picture of the tourism industry integrating demand and supply related information and considering any kind of tourism activity beyond that of overnight tourists. Compiling TSA, the following problems arise: "connected products/activities" and "non-specific products/activities" are not presented separately, the activity/product related data are less structured as required, "hotel services" and "restaurant services" cannot be distinguished clearly (in SUT not available), accommodation establishments based on time-sharing are not explicitly considered, more recent/detailed data on same-day visitors is needed, assumptions related to the composition of packages have to be made.

# **7 TSA country results**

## **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

According to the preliminary results of 2007, the total (internal) visitor consumption expenditure (incl. business trips and trips to friends and relatives) accounted for 30.37 bn Euro. In 2007 about 50.3 percent of total expenditure accounted for non-resident visitors

(15.27 bn Euro), of which 1.86 bn Euro is due to same-day visitors and 13.41 bn Euro is due to overnight tourists.

## **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

In 2007 about 46.5 percent of the total visitor consumption expenditure or 14.11 bn Euro was spent by resident visitors (including business visitors); domestic same-day visitors were spending about 5.80 bn Euro, overnight tourists about 8.31 bn Euro. The amount of expenditure of resident visitors at their own vacation homes accounted for 984 mn Euro which is 3.2 percent of total visitor consumption.

## **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

No data available so far.

## **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

In 2007 the total internal visitor consumption amounted to 30.37 bn Euro, including business expenses of the domestic visitors. Excluding business trips, the total amount accounted for 27.18 bn Euro.

## **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

According to the TSA method, in 2007 the direct TVA amounted to 14.55 bn Euro (including domestic business expenses). Related to the 2007 GVA (270.84 bn Euro) the share of TVA accounted for 5.4 percent. The tourism ratios related the tourism demanded products in regard to the supply accounted between 80 percent for "accommodation and food/beverage services", and about 1 percent for "tourism connected/non-specific products". In relation to GDP and within the tourism characteristic industries, the GVA of "Hotels/restaurants and similar" has the highest share (4.1 percent), followed by "cultural, recreational and sporting services" with 1.0 percent.

## **7.6 TSA-table 7: Employment in the tourism industries**

The crucial role of tourism for the Austrian economy implies effects on the labour market and therefore contributes considerably to the employment situation. According to the results of the TSA-Employment Module (TSA-EM) in the year 2007 about 257300 directly in the tourism characteristic industries employed persons (measured in full time equivalents (FTE)) were estimated. Thus, tourism contributes 7.1 percent to the overall employment (total Austrian economy about 3.16 mn). In the Austrian tourism industry the share of female employed amounts to 51 percent.

## 7.7 Country specific TSA data sheet

| Reference year of following TSA-Tables  | 2007          |                     |                  |
|---|---------------|---------------------|------------------|
|   | in mn Euro    |                     |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |               |                     |                  |
| Total inbound tourism consumption   |               |                     |                  |
| same-day visitors   |               | 1858                |                  |
| tourists  |               | 13414               |                  |
| all visitors  |               | <b>15272</b>        |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |               |                     |                  |
| Total domestic tourism consumption  |               |                     |                  |
| same-day visitors   |               | 5799                |                  |
| tourists  |               | 8313                |                  |
| all resident visitors   |               | <b>14111</b>        |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |               |                     |                  |
| Total outbound tourism consumption  |               |                     |                  |
| same-day visitors   |               | 0                   |                  |
| tourists  |               | 0                   |                  |
| all visitors  |               | <b>0</b>            |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |               |                     |                  |
| Total internal tourism consumption (T1 & T2)  |               | 29383               |                  |
| Total internal tourism consumption (in cash and in kind)  |               |                     |                  |
| including tourism business expenses   |               | 30367               |                  |
| including other components of visitors consumption in kind<br>(without tourism business expenses) |               | 27181               |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |               |                     |                  |
| <b>Internal tourism consumption by products</b>   | <b>30367</b>  |                     | T-ratios (in %)  |
| A.1 Characteristic products   | 24273         |                     | 50               |
| 1 Accommodation services  | 10791         |                     | 80               |
| 2 Food and beverage serving services  | 7719          |                     | .                |
| 3 Passenger transport services  | 3581          |                     | 22               |
| 4 Travel agency, tour operator and tourist guide service  | 14            |                     | 100              |
| 5 Cultural services   | 2167          |                     | 26               |
| 6 Recreation and other entertainment services   | .             |                     | .                |
| 7 Miscellaneous tourism services  | .             |                     | .                |
| A.2 Connected products & B. Non specific products   | 6094          |                     | 1                |
| <b>Total final consumptions by private households (national)</b>                                  | <b>140080</b> |                     |                  |
| <b>Total Output (national)</b>  | <b>461684</b> |                     |                  |
| <b>Total Output of activities</b>   | <b>461684</b> | GVA                 | T-shares (in %)  |
| 1 Hotels and similar  | 18580         | 11086               | 60               |
| 2 Second home ownership (imputed)   | 1457          | 924                 | 63               |
| 3 Restaurants and similar   | .             | .                   | .                |
| 4 Railways passenger transport  | 2644          | 179                 | 7                |
| 5 Road passenger transport  | 3493          | 1996                | 57               |
| 6 Water passenger transport   | 108           | 35                  | 32               |
| 7 Air passenger transport   | 3457          | 863                 | 25               |
| 8 Passenger transport supporting services   | 4980          | 2178                | 44               |
| 9 Passenger transport equipment rental  | 1999          | 1497                | 75               |
| 10 Travel agencies and similar  | 3652          | 329                 | 9                |
| 11 Cultural services  | 4151          | 2763                | 67               |
| 12 Sporting and other recreational services   | 880           | 499                 | 57               |
| Tourism connected & non specific industries   | 416283        | 248487              | 60               |
| <b>Total Value Added (national)</b>   | <b>270837</b> |                     |                  |
| <b>Tourism Valued Added</b>   | <b>14553</b>  |                     |                  |
| TSA-table 7: Employment in the tourism industries (in 1000 FTE)                                   |               |                     |                  |
|   | number        | number of employees | number of female |
| <b>Total employment in the tourism industries</b>   | <b>257.3</b>  | <b>215.3</b>        | <b>131.2</b>     |
| 1 Hotels and similar  | 72.6          | 60.9                | 44.8             |
| 2 Second home ownership (imputed)   | .             | .                   | .                |
| 3 Restaurants and similar   | 115.3         | 80.0                | 58.2             |
| 4 Railways passenger transport  | 5.0           | 4.7                 | 0.3              |
| 5 Road passenger transport  | 26.7          | 21.8                | 3.6              |
| 6 Water passenger transport   | 0.0           | 0.0                 | 0.0              |
| 7 Air passenger transport   | 5.0           | 4.2                 | 2.1              |
| 8 Passenger transport supporting services   | 1.0           | 1.0                 | 0.0              |
| 9 Passenger transport equipment rental  | .             | .                   | .                |
| 10 Travel agencies and similar  | 36.5          | 29.9                | 14.2             |
| 11 Cultural services  | 13.7          | 8.4                 | 5.4              |
| 12 Sporting and other recreational services   | 7.2           | 4.4                 | 2.5              |
| <b>Total Employment (national)</b>  | <b>3155.3</b> |                     |                  |

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**CY**

**Country report for Cyprus**



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Since in the Republic of Cyprus (excluding the northern territory) the tourism sector is one of the most increasing sectors, the start of TSA-work was recommended by "Cyprus Tourism Organisation" (CTO) which stressed the importance of a systematic monitoring of the economic impact of the tourism industry on the overall Cypriot economy, taking into account TSA-methodology. In 2005, based on the initiative of CTO and the "Statistical Service of the Republic of Cyprus" (CYSTAT), the development of a TSA for Cyprus - supported by an external consultant - was defined as one of the priority actions having more sophisticated and economic information about the Cypriot tourism. During the years 2006 and 2007 - taking into account the international recommended TSA standard tables (TSA-RMF see 1.1.2) - several monetary data has been collected by CYSTAT. In 2008 an experimental (preliminary) TSA has been developed for the reference year 2003 by CYSTAT furthermore estimates - based on particular chosen key indicators from tourism and NA-statistics - were done for the reference years 2004, 2005 and 2006. During this work the main focus was put on the reconciliation of the demand and supply side TSA data for the moment the "Travel Balance of Payments" (TBoP) key aggregates (credit and debit) were not used. On 20 June 2008 the methods used and the main results were presented within a TSA-seminar to the main Cypriot tourism stakeholders (i.e. hotel and travel agency associations, CTO, Central Bank, academics) at CYSTAT. During 2009 TSA-Tables 1-6 have been updated for the reference year 2007; furthermore, an initial attempt is taken place in compiling the remaining TSA-Tables 7-10, based on the TSA-RMF 2008 (preliminary data are expected at the end of 2009/ beginning 2010).

#### 1.1.2 Experience in TSA compilation

Before the year 2006 there were no initiatives set related TSA compilation, although during the last decade, tourism has increasingly been recognized as one of the economic sectors with significant importance in economic, social and cultural respect of Cyprus. Considering this fact, at first the primary focus was put on the collection of physical data within "Survey on Passenger Arrival and Departure", done at Larnaca and Paphos Airports. Within the MedStat project of Eurostat several estimates were done related the share of the tourism industry to total GDP for 1998 by CYSTAT in regard to these estimates the tourism industry comprises "Restaurants and Hotels", "Travel Agencies", "Foreign Airline Offices", "Activities of Tourist Guides" and "Rental of Self-drive cars". Based on the "UN-Recommended Methodological Framework on TSA" (TSA-RMF) and on the "European Implementation Manual on TSA" (TSA-EIM) in 2007 and 2008 an experimental (preliminary) TSA has been developed for the reference years 2003 - 2007 TSA-RMF TSA-Tables 1, 2, 3, 4, 5 and 6 have been considered. In 2009 additional work has been done related the remaining TSA-Tables 7, 8, 9 and 10.

### **1.1.3 Responsibility of the TSA compilation**

The development and elaboration of a TSA for Cyprus has been undertaken by CYSTAT, initiated by CTO. Within CYSTAT the TSA-project is done under the leadership of the division "Demography, Social Statistics, Tourism", in cooperation with the division "National Accounts, Foreign Trade".

## **1.2 The inter-institutional platform**

At present, an official inter-institutional platform specifically related to TSA-compilation has not been installed, so far nevertheless, there is a working group available related tourism statistics in general, which also concerns TSA related items (i.e. the main data sources). Furthermore, there have been current meetings between CYSTAT, CTO and the Central Bank of Cyprus (CBC) based on informal agreements (i.e. related to the calculation of TVA). On a more detailed level, TSA-relevant discussions occur within CYSTAT, in particular between the involved divisions.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

At present, the preliminary results are not published. Nevertheless, a current production and publication of TSA-results is envisaged. Internally, data are available for the reference years 2004 - 2007, for which the year 2003 (in particular due to the availability of Supply-Use-Table for that year) serves as the primary data basis. For 2007 results, a preliminary SUT 2007 has been developed by the CYSTAT division "National Accounts, Foreign Trade".

### **1.3.2 Responsibility for the dissemination**

TSA data and results are not disseminated, so far. However, CYSTAT will be responsible institution. - A first publication of TSA-results is going to be planned for the end of 2009.

### **1.3.3 Content of the publication**

At present, an officially distributed publication is not available. Within internal paper reports current data and time series (2003 - 2007) for the key figures (in particular inbound and domestic visitor consumption, Tourism Value added (TVA)) are taken into account.

### **1.3.4 Level of detail of the publication**

At present, a publication is not available. The internal paper reports concern methodological issues, comments on the data and the relationship to NA and TBoP; furthermore, a general summary including text and tables is added. In addition the visitor consumption by tourism characteristic products is available.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

Related the Cypriot TSA international standard classifications are used (TCP/CPA, TCA/NACE), broken down mainly to 2-digit-level, except "Travel agency, tour operator and tourist guide services", "cultural services", "recreation and other entertainment services" and "miscellaneous tourism services". In TSA-Table 1, 2, 3 and 4 related "recreation and other entertainment services" and "miscellaneous services" at total is available, only. Therefore, since data on visitor consumption collected by CYSTAT are partly not classified as recommended by the TSA-RMF and TSA-EIM, either reclassification related various items had to be done or various items being excluded at the moment.

### 2.2 Measurement of domestic tourism expenditure

Data on domestic expenditure are hardly available due to the fact, that domestic tourism in Cyprus is less developed and concerns mainly trips to relatives and friends and same-day visits. At present, a household survey related the travel behaviour of residents is not available. Nevertheless, two main data sources related overnight tourists are available and taken into account for TSA-purposes: The "accommodation statistics" done by CTO, and the "Household Budget Survey" (HBS excl. business trips), done by CYSTAT. Related the HBS related the number of trips an underestimation is assumed therefore, an adjustment of the figures based on CTO data related "hotels and similar establishments" has to be done. Related the expenditure of domestic same-day visitors a best estimate was done which is based on several data sources (i.e. cost of fuel, eating/drinking) and assumptions (i.e. related to consumed items, travel purposes, average distances travelled).

### 2.3 The handling of the definition of "visitors" in empirical practice

#### 2.3.1 Leaving one's usual environment

The compilation of TSA for Cyprus is following the international agreed recommendations on tourism statistics, in particular related the usual environment which corresponds to the geographical boundaries within which an individual displaces herself/himself within her/his regular routine of life. The usual environment of a person consists of the direct vicinity of his/her home and place of work or study or other places frequently visited. In Cyprus, the frequency is defined on a daily basis; the minimum distance is set at 50 kilometres. In Cyprus where the inbound tourism is the most important form of tourism, the aspect of the usual environment is not considered as being relevant. Nevertheless, related domestic tourism there might occur some inconsistencies in regard to international recommendations (activities within the usual environment are considered "touristic") however, due to the low number of domestic tourism consumption (compared to international tourists), the problem is neglectable (see also 2.2).

### 2.3.2 Business visitors and the fact of being remunerated

In Cyprus persons remunerated at the place visited are excluded from being a visitor (i.e. construction worker at local road works). Due to the fact, that the main purpose coming to Cyprus is for holiday reason, this problem seems to be hardly relevant at the moment (although this might increase in future). Nevertheless, in particular within accommodation statistics done by CTO this kind of persons are hardly to identify although they should not be considered as visitors.

### 2.4 The scope of tourism consumption expenditure

In Cyprus pre-trip expenses are excluded. High value items bought during the trip are included. Furthermore, the visitor consumption expenditure related domestic and outbound tourism is including expenses related "tourism single-purpose consumer durable goods", which is not the case related inbound tourism. Within the "survey on passenger arrivals and departures" more detailed information related to the kind of expenditure is received (mainly for accommodation, food and beverage, transport).

### 2.5 Implementation of SNA93 based National Accounts results

Data on National Accounts (NA) are yearly published by CYSTAT. While the published data are on a highly aggregated level, the respective data on a more detailed level are taken into account as far as they are internally available from NA. This in particular concerns the gross output and net output on the 2- and 3-digit level related TSA-Table 5 and 6. Supply and Use Tables (SUT) represent economic transactions by economic branches and groups of products which serve as a basis for TSA-Table 5 in particular. The most recent SUT has been compiled for the reference year 2003 which consists of 223 products and 60 industries. Symmetric IO-Tables are not available, so far. Furthermore, data on "final household consumption Expenditure" are compiled by CYSTAT NA-division which comprises 197 products including among other things "accommodation services", "food and beverage serving services", "passenger transport services", "cultural services" and "recreation and other entertainment services".

### 2.6 Measurement of the "travel" item in the Balance of Payments

The "Travel Balance of Payments" (TBoP) provides important benchmark data for the Cypriot TSA in regard to TSA-Table 1 (inbound credit) and TSA-Table 3 (outbound debit). In Cyprus the measurement of the travel item of BoP is based on an "adjusted bank settlement method" which is considering credit card reports and data on cross border transactions (Survey on Passenger Arrivals and Departures done by CYSTAT). The responsibility for compiling TBoP data is lying at the "Central Bank of Cyprus" (CBC). Since the beginning of 2008 CBC is using the data based on the "survey on passenger arrival" (debit may be also applied to TSA-Table 3). Nevertheless, in general for TSA purposes, due to different concepts of tourism statistics and BoP requirements the figures have to be adjusted, mainly related to education related expenditure (however border and seasonal workers have to be identified as non-important for Cyprus, apart from those coming from the northern territory of Cyprus). The travel item provided by Central Bank (credit and debit) was lower than CYSTATS data since package expenditure is included under other. Therefore the TSA tables were not adjusted with the central banks balance of payments.

## 2.7 The measurement of timeshare tourism

At present accommodation establishments based on time-sharing are not considered within the Cypriot TSA.

## 2.8 Availability of new surveys in the near future

Related the expenditure of same-day visitors a new survey is going to be planned in general, a household survey related to the travel behaviour of the Cypriots might be of rather importance.

# 3 The handling of TSA specific problems

## 3.1 Consideration of the services of travel agencies and tour operators "net"

As stated in the TSA-RMF TSA requires all components of a package tour, including the value of the service of the "tour operator" (TO) himself, to be considered as directly purchased by the visitors. This entails a so-called "net" valuation of package tours, meaning that the output of tour operators consists of a "margin" whereas the elements of the package are directly attributed to the respective products (i.e. "accommodation service"). Related TSA-Table 1 for Cyprus (inbound tourism) it may be assumed that - in case of package tours - inbound trips of non-resident tourists are not organized by domestic tour operators about two third of visitors are coming via package tours to Cyprus. Therefore, the expenditure for tour operators is zero (= margin). Related to the domestic tourism (TSA-Table 2 domestic tourism) the margin of the travel agencies of those package trips are taken into account which are used by Cypriots travelling abroad. The main data basis is the "survey on passenger arrival" and on the "survey on outbound expenditure", both done by CYSTAT. Related to TSA-Table 5 the respective estimates concerning the value of the respective products used by domestic tour operators within their production process (= intermediate consumption) is based on SUT information. For "net-estimates" the supply of the respective characteristic products is increased by the respective products of the intermediate consumption of TO.

## 3.2 Consideration of the distribution margins

At present, a consideration of "distribution margin" for products is not done; it is included within the total figure.

## 3.3 The Treatment of "second homes"

In the Cypriot TSA any member of the household who visits a second home that is not his/her usual environment is considered as a visitor to that second home as long as the visit is not for the purpose of performing a productive activity in the place visited. An estimate related the visitor consumption expenditure in regard to second homes is based on the survey "Expenditure for secondary residence (of tourists) in Cyprus" for inbound tourists and an estimate of domestic visitor consumption expenditure in second homes is calculated from the results of the household budget of 2003. The total output amounts to about Euro 6.83 mn. The

"tourism ratio" accounted for about 1 percent (low since the commercial share of renting is quite high) the share of inbound tourists staying at second homes amounts to about 5.4 percent.

### 3.4 The measurement of tourism business expenses

Business expenses are considered within TSA-Table 1 and 2, and they are not taken into account within TSA-Table 4, as stated in TSA-RMF. The "survey on passenger arrivals and Departures" serves as the main data basis. Nevertheless, in regard to the calculation of the "tourism value added" (TVA) domestic visitor consumption expenditure for business purposes should be excluded (TSA-Table 2), since on the production side business expenses are defined as intermediate consumption (and not final demand). Since in Cyprus domestic tourism for business purposes is hardly relevant and due to the lack of data, business expenses are excluded at present.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

TSA-Table 1 is available, distinguishing between same-day visitors and overnight tourists. In general, same-day visitors obviously do not use certain services typical for overnight tourists, in particular: "accommodation", "travel agency, tour operator, tourist guide services" and certain "passenger transport services" (air transport, interurban railway, water services, supporting services, transport equipment rental, maintenance and repair services). Related the measurement of inbound same-day visits to Cyprus several peculiarities have to be considered:

- From main land abroad holiday same-day visitors are mainly not coming to Cyprus nevertheless, cruise passengers visiting Cyprus for several hours have to be taken into account therefore, these visitors were considered.
- Business same-day visitors are coming to Cyprus from main land abroad by airplane the respective data are available by the "survey on passenger departure".

As a basis for doing estimates on the expenditure of inbound overnight tourists, three data sources are mainly taken into account:

- Data on arrivals and overnight stays in "hotels and similar establishments" provided by CTO
- Physical and monetary data based on the "survey on passenger departures"
- Data based on "travel balance of payments" (TBoP) by the Central Bank of Cyprus, in particular related the credit item (divided into "travel" and "international passenger transportation"). Which were not used because the balance of payments provided by central banks data is lower than CYSTATS data, since package expenditure is not included in the "travel" item since they do not know how to split it. The only item that is included from the balance of payments to TSA table 1 is a part of other expenditure for water and air, which is included under supporting services.

In general it has to be mentioned that the use of mirror statistics - related the outbound trips of partner countries to Cyprus (if available) - may be not a reliable data source, since in the most countries (apart from UK) the share of those travelling to Cyprus is low.

## 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

In Cyprus data on domestic tourism data are hardly available; nevertheless, two main sources (night tourists) are available:

\* Accommodation statistics done by CTO, including the number of overnight stays and arrivals of Cypriots in tourism accommodation

\* Household Budget Survey (HBS excluding business trips): Related the number of trips an underestimation is assumed adjustments of figures based on CTO data related "hotels and similar establishments" are done

Related the expenditure of domestic same-day visitors a best estimate was done which is based on several data sources (i.e. cost of fuel, eating and drinking) and assumptions (i.e. consumed items, travel purposes, distances travelled see also 4.4). Related to the domestic part of outbound trips, estimates are realised based on the "survey on passenger arrivals".

A differentiation related holiday and business trips is not possible, so far.

## 4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

TSA-Table 3 is part of the Cypriot TSA-system the respective information is mainly available based on the "survey on passenger arrivals". TBoP-data (debit) is not used because it is lower than CYSTATS data because package expenditure is not included in the "travel" item since they do not know how to split it. The only two items that are used from the balance of payments is 10% of the debit side of "water transport – other components" and 90% of the debit side of "air transport- other components" which both correspond to supporting services.

## 4.4 Estimating same-day visitors expenditures

Related inbound same-day visitors see 4.1 (TSA-Table 1). Related domestic same-day visitors the following best estimate was elaborated. Based on several data sources, a best estimate related the expenditure of domestic same-day holiday visitors was done considering the following assumptions:

- expenditure related fuel, drinking, eating was taken into account
- main travel purposes: visiting friends and relatives, and going to beaches (incl. dinner)
- number of same-day visits per month by age groups (20 - 24: 22 same-day visits, 25 - 29: 22, 30 - 69: 11, 70 and over: 0 same day visits)
- 160 km per same-day visit with car (assumed: busses are not used)
- each car on average 2 persons
- 12.5 km per liter fuel
- per Liter: CYP 0.38 (Euro 0.65)
- drinking and eating: CYP 11.13 (Euro 19.02) per person based on surveys.

It is estimated that the total expenditure amounts to about CYP 63.23 mn (Euro 108.04 mn compared to CYP 54.5 mn (Euro 93.16 mn) domestic tourists) which is about 2 percent of total household expenditure according to the "family budget survey" for fuel CYP 15.23 mn (Euro 26.03 mn =9 percent of total household expenditure) is spent, for the year 2003.

#### 4.5 TSA-table 4: Internal tourism consumption by products and types of tourism

In general, TSA-Table 4 provides data on tourism consumption in a structure symmetrical with the supply side information (TSA-Tables 5 and 6). TSA-Table 4 represents total visitor final consumption expenditure in cash and kind, including inbound and domestic visitor consumption. Related second homes, the following was assumed:

- \* Visits to second homes last at least one night, in particular those done by non-resident visitors

- \* Domestic trips: Long and short term visits (about 48.000 units are available)

- \* Main data source related inbound tourism is the survey on "expenditure for secondary residence (of tourists) in Cyprus" which is considering the current costs according to the results of this survey a total of CYP 354.25 (Euro 605.27) per year (adjusted by the maintenance of the main housing unit) is estimated for the year 2003.

- \* Main data sources related to domestic tourism is the HBS which is considering the current cost according to the results of a total of CYP 393.74 (Euro 672.74) per year.

According to "social protection statistics" the amount of expenditure for health cures may be indicated, considering mainly medical rehabilitation, health improvements and prevention of illnesses due to the unimportance this kind of expenditure is not considered within the Cypriot TSA.

## 5 The TSA tables for production and supply and use

### 5.1 TSA-table 5: Production accounts of tourism industries and other industries

CYSTAT is mainly responsible for compiling NA-statistics. At present there is a final Supply-Use Table (SUT) available for the reference year 2000, for 2003 a preliminary one is already available. The data base related tourism activities is mainly based on surveys on business statistics, i.e. "hotel and restaurant Statistics 2004" or "transport statistics 2001". TSA-Table 5 is mainly based on SUT. The matrix is usually based on the SUT information and on other adequate indicators which is calculated on the basis of the commodity account and the structure of the appropriate production account. Value added (VA) information by industries is mainly available on 2-digit-level, 4-digit-level - based on additional data - may be possible. (However, this heavily depends on the disaggregation level of demand related information.) For provisional results 2006 the most recent SUT 2003 (for 2007 data a preliminary SUT 2007) could be taken into account, extrapolated to the following year 2004 - 2007 by using the most recent NA key figures (i.e. by industries) and applying the structure 2003 to that figures, respectively. Therefore, additional estimates are done related the reference year 2004, 2005 and 2006 the following main NA-indicators were taken into account:

- \* Output and "Gross Value Added" (GVA) by activities on NACE 2-digit-level for more detailed data the 2003 structure is considered and applied to the respective data 2004, 2005, 2006 and 2007.

- \* Furthermore, the most recent data 2004, 2005, 2006 and 2007 related "imports" and "taxes, net" are considered the structure 2003 serves as a basis, too.

- \* For the reference years 2004, 2005, 2006 and 2007 "Value Added Tax" (VAT) rates 2003 are referred to it is assumed that critical changes during these years did not occur.

## 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

### 5.2.1 The general structure of the table

TSA-Table 6 is mainly showing supply and demand related information, supply by product and internal visitor consumption by product, which is the basis for estimating the TVA. Data on the intermediate input structure by industry (related products of agriculture, ores, electricity etc.) is available, too. The general structure of the Cypriot TSA-Table 6 is following the recommended one within the TSA-RMF. Nevertheless, the data structure is less detailed as recommended and TSA-Table 5 and 6 are presented in a combined version. Related the differentiation between "connected" (i.e. fitness centre within a hotel, used by residents, or hairdresser within a hotel used by residents) and "non-specific" products and industries it was decided not being considered for the Cypriot TSA in the first phase, since further discussion on this item is needed total production minus characteristic production is "connected and non-specific production", therefore. However, hotel rooms rented to other businesses should be classified under non-specific production.

### 5.2.2 General characteristic of the data

The majority of the data is based on SUT 2003 which is fully harmonized with ESA 1995 standards. Since for the most recent year 2004 - 2007 data have not been available, it has been proposed - for a preliminary TSA - adjusting the 2003 figures according to the key results 2004 - 2007 (i.e. based on VA 2007 and assume the same development 2003 - 2007 for the tourism industries). VAT have to be included ("purchaser price"), since on the demand side (TSA-Table 4) in general any tax paid by the visitor is included (calculating the "tourism ratio").

### 5.2.3 Calculation of Tourism Value Added (TVA)

"Tourism Value Added" (TVA), can be defined as the value added generated by tourism industries and other industries (connected and non-specific TSA-Table 6) of the economy in response to "internal tourist consumption" (TSA-Table 4). TVA includes the proportion of value added generated by all industries in the process of the provision of goods and services to visitors or to third parties for their benefit. Based on TSA-Table 6 information, the following steps for calculating TVA were considered:

- Calculating the "tourism ratio" (in percent) of any given supply of commodities, the amount purchased by tourists was related to the total supply of the respective commodity.
- These "tourism ratios" applied to the "gross value added" (GVA) of the "symmetrically" corresponding industry in TSA-Table 5, the direct "tourism value added" (TVA) of each industry result.
- In the following, the total TVA of the respective industries is related to overall GDP, resulting in the share of tourism in total GDP.

However, considering this kind of calculation of TVA it is assumed that the share of tourism demand by products is similar to that of industries, since the "tourism ratios" are transferred from products to industries.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

Preliminary estimates are done, taking into account data from “census of establishments 2000 and 2005”, “employment survey”, “labour force survey” and “labour cost survey”, preliminary data are expected end of 2009/ beginning of 2010.

### 6.2 TSA-table 8: Tourism gross fixed capital formation

Preliminary estimates are done, taking into account data from “annual services survey” and “survey on transport, storage and communication”, preliminary data are expected end of 2009/ beginning of 2010.

### 6.3 TSA-table 9: Tourism collective consumption

Data on „tourism collective consumption“ will be mainly based on CTO information and their expenses for the Cypriot tourism industry. In addition several items are going to be included based on the yearly government budget report, mainly related to the item „other education and training“, preliminary data are expected end of 2009/ beginning of 2010.

### 6.4 TSA-table 10: Non monetary indicators

For TSA-Table 10a the results based on TSA-Tables 1-3 are considered; related to TSA-Table 10b, the „survey on passenger arrivals and departure“ is considered as the main data source. TSA-Table 10c is based on the „accommodation statistics“ data done by CTO. For TSA-Table 10d the „census of establishments 2000 and 2005“ is seen as the main data source. Preliminary data are expected end of 2009/ beginning of 2010.

### 6.5 Other tables beyond the 10 RMF-TSA-tables

No data available, so far nevertheless, the appropriate information may be drawn from the "survey on passenger arrivals and departures" (physical data).

### 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

Benefits:

- Describing the size/ economic importance of Cypriot tourism, including relevant tourism activities
- Providing detailed information on visitor consumption, considering inbound and domestic tourism
- Providing a reliable and credible tool necessary for tourism policy and business operations
- Bringing new recognition and confidence to tourism as one of the most important sectors of the Cypriot economy
- Being a macro-economic tool and bringing light to the overall economic inter-linkages between tourism and the national economy

- Reconciliation/benchmarking tool regarding demand and supply related data, verifying the quality of the data used
- Starting point of the documentation of the meta data related the data used compiling a TSA
- Starting point of cooperation between main partners such as CYSTAT, CTO, Central Bank, research institutes, and exchange of views with the tourism industry
- Starting point of general considerations related the tourism statistical system, including the introduction of best estimates, modelling and extrapolation methods

#### Problems:

- Additional analysis is necessary according to domestic tourism in particular related visiting friends and relatives, same-day visits and domestic business travel (see also 4.5)
- Level of detail of TSA-Tables, aggregation is necessary
- Net valuation of package tours, more investigations are needed
- Further reconciliation work related to TBoP and NA data (supply/demand information in general).

## 7 TSA country results

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

In 2003 inbound visitor consumption accounted for CYP 1300.2 mn (Euro 2221.5 mn), in 2007 it was rather the same (CYP 1444.2 mn, 2.5 bn Euro). In 2003 about 99.2 percent was due to overnight tourists, in 2007 it was 98.4 percent.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

In 2003 domestic tourism consumption amounted to CYP 199.4 mn (340.7 mn Euro), in 2007 it increased to CYP 270.6 mn (462.3 mn Euro). In both years, this was mainly due to overnight tourist (68.2 percent, 70.7 percent).

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

In 2003 outbound visitor consumption amounted to CYP 408.1 mn (697.3 mn Euro), in 2007 it increased to CYP 616.9 mn (1054.1 mn Euro). In both years this was due to overnight tourist (99.9 percent).

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

According to the preliminary results of 2003, the total visitor consumption expenditure (incl. business trips and trips to friends and relatives) accounted for CYP 1503.4 mn (Euro 2568.7 mn), for the year 2007 the estimation amounted to CYP 1719.9 mn (Euro 2938.6 mn +12.6 percent). In 2003 about 86.5 percent of total expenditure accounted for non-resident visitors,

whereas 13.5 percent of the expenditure was spent by resident visitors (including those visiting their second homes). Compared to 2003, in 2007 the share of the consumption expenditure of resident tourists increased by 2.5 percentage point to 15.7 percent. In regard to the duration of stay in 2003 the majority of the visitor consumption expenditure (95.1 percent) was due to overnight tourists (with at least one overnight stay) as expected, the share of same-day visitors is rather low (4.9 percent). In 2007 the distribution of the consumption expenditure among overnight tourists and same-day visitors is rather the same (94.0 to 6.0 percent). In general, transport services were demanded most.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

Based on the demand and supply related TSA-Tables the share of the tourism industry (TVA) on the total Cypriot economy (GDP) amounted to about 10.9 percent in 2003. For the following years 2004 and 2005 the respective tourism share was facing decreases, from 9.9 to 9.0 percent. From 2005 to 2006 the tourism share increased by 0.2 percentage points. In 2007, the respective share amounted to 8.7 percent. However, the TVA reached in 2007 about CYP 710.1 mn (1.21 bn Euro) which is about 3.2 percent higher than in 2003 (CYP 686.7 mn Euro 1.17 bn Euro).

### **7.6 TSA-table 7: Employment in the tourism industries**

No data available, so far: expected at the end of 2009/ beginning of 2010.

## 7.7 Country specific TSA data sheet

|   |              |                        |                        |
|---|--------------|------------------------|------------------------|
| Reference year of following TSA-Tables  | 2007         |                        |                        |
|   | in mn Euro   |                        |                        |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |              |                        |                        |
| Total inbound tourism consumption   |              |                        |                        |
| same-day visitors   | 40           |                        |                        |
| tourists  | 2428         |                        |                        |
| all visitors  | <b>2468</b>  |                        |                        |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |              |                        |                        |
| Total domestic tourism consumption  |              |                        |                        |
| same-day visitors   | 135          |                        |                        |
| tourists  | 327          |                        |                        |
| all resident visitors   | <b>462</b>   |                        |                        |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |              |                        |                        |
| Total outbound tourism consumption  |              |                        |                        |
| same-day visitors   | 1            |                        |                        |
| tourists  | 1053         |                        |                        |
| all visitors  | <b>1054</b>  |                        |                        |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |              |                        |                        |
| Total internal tourism consumption (T1 & T2)  | 2939         |                        |                        |
| Total internal tourism consumption (in cash and in kind)  |              |                        |                        |
| including tourism business expenses   | 2939         |                        |                        |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | n.a.         |                        |                        |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |              |                        |                        |
| <b>Internal tourism consumption by products</b>   | <b>2939</b>  | <b>T-ratios (in %)</b> |                        |
| A.1 Characteristic products   | 2552         |                        | 0                      |
| 1 Accommodation services  | 774          |                        | 0                      |
| 2 Food and beverage serving services  | 795          |                        | 0                      |
| 3 Passenger transport services  | 913          |                        | 0                      |
| 4 Travel agency, tour operator and tourist guide service  | 17           |                        | 0                      |
| 5 Cultural services   | 13           |                        | 0                      |
| 6 Recreation and other entertainment services   | 41           |                        | 0                      |
| 7 Miscellaneous tourism services  | 0            |                        | 0                      |
| A.2 Connected products & B. Non specific products   | 386          |                        | 0                      |
| <b>Total final consumptions by private households (national)</b>                                  | <b>10343</b> |                        |                        |
| <b>Total Output (national)</b>  | <b>23150</b> |                        |                        |
| <b>Total Output of activities</b>   | <b>23150</b> | <b>GVA</b>             | <b>T-shares (in %)</b> |
| 1 Hotels and similar  | 757          | 313                    | 89                     |
| 2 Second home ownership (imputed)   | 1149         | 992                    | 0                      |
| 3 Restaurants and similar   | 992          | 681                    | 66                     |
| 4 Railways passenger transport  | 0            | 0                      | 0                      |
| 5 Road passenger transport  | 96           | 69                     | 54                     |
| 6 Water passenger transport   | 287          | 141                    | 2                      |
| 7 Air passenger transport   | 392          | 157                    | 46                     |
| 8 Passenger transport supporting services   | 161          | 140                    | 60                     |
| 9 Passenger transport equipment rental  | 70           | 47                     | 79                     |
| 10 Travel agencies and similar  | 158          | 100                    | 100                    |
| 11 Cultural services  | 50           | 44                     | 12                     |
| 12 Sporting and other recreational services   | 247          | 170                    | 14                     |
| Tourism connected & non specific industries   | n.a.         | n.a.                   | n.a.                   |
| <b>Total Value Added (national)</b>   | <b>13953</b> |                        |                        |
| <b>Tourism Valued Added</b>   | <b>1213</b>  |                        |                        |
| TSA-table 7: Employment in the tourism industries   |              |                        |                        |
|   | employed     | employees              | female employees       |
| <b>Total employment in the tourism industries</b>   | <b>0</b>     | <b>0</b>               | <b>0</b>               |
| 1 Hotels and similar  | 0            | 0                      | 0                      |
| 2 Second home ownership (imputed)   | 0            | 0                      | 0                      |
| 3 Restaurants and similar   | 0            | 0                      | 0                      |
| 4 Railways passenger transport  | 0            | 0                      | 0                      |
| 5 Road passenger transport  | 0            | 0                      | 0                      |
| 6 Water passenger transport   | 0            | 0                      | 0                      |
| 7 Air passenger transport   | 0            | 0                      | 0                      |
| 8 Passenger transport supporting services   | 0            | 0                      | 0                      |
| 9 Passenger transport equipment rental  | 0            | 0                      | 0                      |
| 10 Travel agencies and similar  | 0            | 0                      | 0                      |
| 11 Cultural services  | 0            | 0                      | 0                      |
| 12 Sporting and other recreational services   | 0            | 0                      | 0                      |
| <b>Total Employment (national)</b>  | <b>0</b>     |                        |                        |

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**CZ**

**Country report for Czech Republic**



## 1 General Introduction

Mr. Pavel Vancura [mailto:pavel.vancura@czso.cz] and Zdeněk Lejsek [mailto:zdenek.lejsek@czso.cz] are responsible for the compilation of the Czech TSA at the Czech Statistical Office (www.czso.cz).

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

The history of measurement of the economic significance of tourism in the Czech Republic began in 1999. In the first years after the assignment of the government task relating to the TSA, the CZSO, which was charged with the compilation of this account, lacked appropriate conditions for the performance of this task. Therefore, a feasibility study was carried out in 2002 - 2004. Available statistical data concerning tourism were gradually classified and an assessment of their value, comparability and reliability in relation to the TSA was carried out. This study resulted in the selection of specific methodological basis and working methods relating to the compilation of the TSA in the Czech Republic for 2003. The first shape of the national methodology was published in 2004. However, its application over a certain period of time indicated that it lacked a major number of reliable basic data and showed year-to-year differences in the existing basic data which were difficult to explain. Most of the methodological approaches have been updated since 2005 due to a higher quality of available data sources (e.g. an introduction of border survey) and due to learning from other countries experience. New results were published according to an improved methodology in 2006 (reference period 2003 - 2006). Revised and latest figures were released in January 2009 (reference period 2003 - 2007). It is the latest official version of the Czech TSA, which gradually approaches to be a full-fledge system in the near future. An expected time in which the Czech TSA becomes fully implemented is within 2 years. The next reference year will be 2008.

#### 1.1.2 Experience in TSA compilation

Demand and supply side of the Czech TSA are continuously calculated on an annual basis, showing the interface between visitor consumption and the corresponding supply of goods and services. To ensure methodological comparability the results have been published since 2003. We did not estimate figures before that year because the sources of data were less reliable and insufficient. In order to publish such results a special data treatment would be needed. Due to the time constrain we decided not to do it and the year 2003 has been selected as a starting year. The TSA tables 1 to 8 and 10 have been fully and with regard to table 10 partially implemented up to now (May 2009). The last table (TSA table 9) has not been implemented yet. In terms of methodology the compiling of the Czech TSA is fully in line with valid international documents, especially with Tourism Satellite Account: Recommended Methodological Framework and European Implementation Manual on Tourism Satellite Account. A linkage between the Czech TSA and mentioned documents outlines the concept of our system as well as its final state which we want to reach at the end of an implementation phase. Due to this fact the Czech TSA can be considered to be internationally comparable and

coherent. Apart from recommended scope of the ten TSA tables, a Tourism Employment Module has been also compiled.

### 1.1.3 Responsibility of the TSA compilation

A task of compiling TSA is generally stated in the State Tourism Policy Concept by the Ministry of Regional Development (MRD) as the body responsible for tourism policy. The Czech Statistical Office (CZSO) is in charge of compiling the Czech TSA. Since 2002 one expert has been working (full time job) on TSA and other connected tasks in CZSO. The Czech TSA is financed by CZSO (apart from other activities there is also a household tourism expenditure survey) and by MRD (inbound border survey).

## 1.2 The inter-institutional platform

Tourism belongs under the responsibility of MRD. Their main duties are creating state policy and legal acts, running grant policy and cooperating with UNWTO and OECD. As far as statistics is concerned collecting tourism figures is one of the tasks of the Czech Statistical Office. CZSO cooperates with Eurostat. Third main player is the National tourism authority called CzechTourism that is in charge of promoting and supporting tourism. CZSO also organises tourism working group meetings to bring all stakeholder together and discuss issues concerning tourism statistics. The members are: CZSO, MRD, CzechTourism, Czech National Bank, universities and associations. The working group meets twice a year.

## 1.3 The dissemination of the TSA exercise

### 1.3.1 Availability of the country TSA

The results of the Czech TSA are accessible (easily and free of charge) on the Internet of CZSO. It includes documents, publications and materials mentioned in chapter 1.3.3. All dissemination outputs can be downloaded electronically and publications can be purchased in a paper form. There were two press conferences concerning the Czech TSA: (1) November 2006 - TSA results for period 2003 - 2005. (2) April 2008 - Tourism employment module.

### 1.3.2 Responsibility for the dissemination

Czech Statistical Office is responsible for the dissemination of TSA results. Tourism statistics is carried out by Tourism Statistics Section within Trade, Tourism, Transport, Information and Communication Statistics Department.

### 1.3.3 Content of the publication

Documents concerning Czech TSA have the following forms:

1. Publications: (1) Tourism Satellite Account in the Czech Republic. Development for the years 2003 - 2007. It includes the most recent figures. (2) Tourism Satellite Account in the Czech Republic 2003 - 2005. It includes updated methodology and revised data of the Czech TSA. (3) Case study of TSA in the Czech Republic. It includes very first methodology and data of the Czech TSA.
2. Tables: 34 TSA tables and 11 tables of Tourism employment module (TEM). They include detailed information which is recommended in the document TSA-RMF. [http://www.czso.cz/csu/redakce.nsf/i/tabulky\\_satelitniho\\_uctu\\_cestovniho\\_ruchu](http://www.czso.cz/csu/redakce.nsf/i/tabulky_satelitniho_uctu_cestovniho_ruchu)

[http://www.czso.cz/csu/redakce.nsf/i/modul\\_zamestnanosti\\_cestovniho\\_ruchu](http://www.czso.cz/csu/redakce.nsf/i/modul_zamestnanosti_cestovniho_ruchu)

3. Methodology papers: Separately for TSA and TEM. They include detail information on definitions, methods and procedures in implementing the Czech TSA.
4. Press Releases: Published on the occasions of press conferences.
5. CD: Issued on the occasions of press conferences.
6. Press Articles: The results of the Czech TSA are occasionally published in different magazines.

### **1.3.4 Level of detail of the publication**

The results are published annually for a reference period of one year (annual data only). Time series for years 2003 - 2007 is available. No forecast is being done. Figures are calculated only at national level, no regional breakdown. Only direct effects are measured. Indirect effects are not calculated it can be done in economic impact models using the TSA results. Free-time activities are not considered either. Last time, only tables with figures were disseminated. A thorough analysis of the results was carried out in the publication in 2006. Apart from that detail description of methodology, concepts, calculation methods and procedures in compiling the Czech TSA is available as well.

### **1.3.5 Publications**

Czech Statistical Office (2009): Tourism Satellite Account in the Czech Republic. Development for the years 2003-2007.

Czech Statistical Office (2006): Tourism Satellite Account in the Czech Republic 2003-2005.

Czech Statistical Office (2004): Case study of TSA in the Czech Republic.

All publications in Czech language only.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

The Czech TSA uses standard statistical classifications and nomenclatures which ensure that data are comparable in terms of space, time and international standards. Industrial Classification of Economic Activities, CZ-NACE, corresponds to the NACE Rev.1.1 which is linked with the ISIC Rev.3.1. It classifies all business economic activities. Classification of Products by Activity, CZ-CPA, corresponds to an updated edition of the CPA2002 and classifies products (good and services) as output of economic activities. Specific classification listing tourism-specific products and industries was developed for the purpose of the Czech TSA. It is similar to classification proposed in the TSA-RMF.

### **2.2 Measurement of domestic tourism expenditure**

A measurement of the domestic tourism expenditures is a key element of the household tourism survey. The survey distinguishes domestic from outbound tourism expenditures. Total

tourism expenditures are divided into 6 component spending categories: tour/travel package, accommodation, catering, transportation, shopping (excluded are purchases for the purpose of resale) and other (recreational, cultural and sporting activities, insurance, etc.). Total expenditures exclude purchases for commercial purposes (resale of goods), capital type investments, cash given to relatives or friends during the trip, which does not represent payment of tourism goods or services, as well as donations made to institutions, etc. The Czech TSA covers also expenditures made during the stays at second homes for the purpose of leisure activities and recreation and stays by friends or relatives. In the case of second homes the imputed rent is estimated and it is a part of the domestic tourism consumption. Household final consumption expenditure from NA is a reference and a constraint for domestic tourism consumption. The breakdown of services is only limited available for particular types of visitors that is accommodation services, food and beverage serving services as well as travel agencies, tour operators and tourist guide services can be separately shown for same-day visitors and tourists.

## **2.3 The handling of the definition of "visitors" in empirical practice**

### **2.3.1 Leaving one's usual environment**

The concept of usual environment relates to the place where the person lives and works or studies and includes any other places frequently visited and depends on the criteria of who answers the questionnaire. A visitor is a person travelling to and staying in a place other than that of his/her usual environment for less than 12 months and whose main purposes are leisure activities and recreation or other than the exercise of an activity remunerated from within the place visited. It has two dimensions: administrative borders and frequency. Usual environment includes the direct vicinity of visitor's residence, although it could be visited rarely and on the contrary places which are frequently visited (1-2 times per week) are considered as part of usual environment even though these places may be located at a considerable distance from the place of residence. State border is not significant in this case. Borders of municipality (LAU 2) are important because a person within the area of his/her resident municipality is not included into the tourism even if he/she undertakes tourism activities. This may influence tourism figures especially in large cities (e.g. Prague).

Czech Statistical Office delimits the "usual environment" using the following criteria, in a "cascade" system aimed at narrowing down one's "unusual environment":

1. It is a visit outside the municipality of permanent living.
2. The duration of the trip/visit takes more than 3 hours and less than 1 year.
3. The frequency is less than once a week.
4. The only purpose of the visit is not related to daily routine or to the maintaining of 'daily living'.

Secondary dwelling which is used as holiday establishment is excluded from usual environment and visit/trip to such secondary dwelling is always tourism.

### **2.3.2 Business visitors and the fact of being remunerated**

Business tourists belong to the tourism concept according to the international methodology and are covered in the Czech TSA: Being remunerated within the place visited is the main

criteria. Business tourists are the persons who carry out trips for the purpose of business or work outside the usual environment-it means regular place of e.g. congresses, conferences, fairs, exhibitions, business missions, training etc. They do not cover persons whose main job is connected with travelling (e.g. insurance agents, lorry drivers etc.) such activities are excluded from tourism. Business trips with at least one overnight stay are recorded and their length must not exceed 12 months. For the time being same-day business trips are being neglected.

## **2.4 The scope of tourism consumption expenditure**

Czech TSA includes expenditures made during or before a trip. Single purpose and multi-purpose consumer durables are considered. Tourism consumption includes all purchases of tourism single-purpose consumer durables (e.g. suitcases, tents, caravans, sport equipment), irrespective of when they are bought (whether on or prior to a trip), for domestic, outbound and inbound tourism. Multi-purpose consumer durables (goods that are used on a trip but also used within the usual environment) are only included if purchased during a trip. Expenditures spent while doing shopping need special treatment only a part which is not connected with maintaining a day-to-day living goes to tourism consumption.

## **2.5 Implementation of SNA93 based National Accounts results**

The Czech National Accounts (NA) are fully in line with the European System of Accounts (ESA95) and with the SNA93 as well. The Czech TSA uses data of the NA for compiling the supply of tourism. Main data sources are matrices of production (P.1), intermediate consumption (P.2), import (P.6), taxes (D.2), subsidies (D.3) and gross fixed capital formation (P.5). Matrices of production and intermediate consumption are especially important in the process of supplementation of data and structure of the Czech TSA in terms of its industry and commodity details. Within this framework characteristic, connected and non-specific industries and products can be defined. Recommendations of the TSA-RMF as well as special conditions of the Czech tourism market have been taken into account while selecting specific industries and products in the Czech TSA. Time span (6-10 months) between demand side and supply side data is the common problem of the Czech TSA as well as insufficient details of NA data. Even at the most detailed level (128 industries and 232 products) in the Czech NA passenger transportation is not specified. Thus, supplementary estimation procedures must be used that influence the accuracy of the calculations.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

The Czech National Bank is compiling BoP data using an adjusted banking system the sources used are external trade statistics on goods and services, reporting bank system, credit card records, administrative records from central authorities and other institutions and other sources mainly used for estimation and validation of the BoP results. Travel item is specified under the item of export/import of services. BoP data are used in the Czech NA and TSA to break down the total internal tourism (inbound and also domestic) consumption by product and to validate the TSA results.

## 2.7 The measurement of timeshare tourism

This kind of tourism activity is not significant in conditions of the Czech Republic, hence not measured in the Czech TSA. Instead of timeshare, the phenomenon of the second homes ownership (mostly cottages) in the Czech Republic is well known and a special (important) issue on Czech TSA. Maybe due to this fact timeshare is not so popular in the Czech Republic.

## 2.8 Availability of new surveys in the near future

Two projects might be carried out in the future.

1. Extension of the border survey: It is considered that the structure of expenditures could be surveyed in more details, new frontier crossings could be included and some modules for verification of characteristics of respondents or indicators could be introduced.
2. Census of restaurants and accommodation establishments: It is planned in 2009-2010. It will cover all the units that operate in catering and accommodation industry. A combination of census and sample type of the survey will be probably used.

# 3 The handling of TSA specific problems

## 3.1 Consideration of the services of travel agencies and tour operators "net"

Tour/travel package is a special type of product that includes a mixture of two or more tourism services and as such has to be treated in a special way. In the Czech TSA spending on package tours is split among the constituent services to show supply and demand on a commodity basis. Expenditures on tour packages collected via demand side surveys are recorded as total. Therefore, one task within the TSA is to separate the total expenditures into their components. The split of the expenses reported within the packages tours is based on the use of volume indicators concerning the number of passengers and night spent, as well as for the supply of restaurants. Then, only the amount covering commissions of travel agencies or tour operators is considered as revenue of their industry. The net valuation of package tours is only considered for domestic and outbound. For inbound tourism no special treatment is done on the net valuation of package tours, since the resources allocated to Czech Republic are not given separately in the border survey. Concerning supply side, net valuation is based on information from the SUT from NA, since NA use the same approach for travel agencies and tour operators, net valuation, as it is used in supply side of the Czech TSA.

## 3.2 Consideration of the distribution margins

Distribution margins cover retail and wholesale margins. To some extent, it is similar to margin/commission of travel agencies that sales tour packages of other tour operators. In the Czech TSA distribution margins are measured separately (the same way as in the case of tour packages) and are recorded in retail trade industries. Demand side data, where expenditures of goods are recorded including distribution margins, are being adjusted in order to split the constituent components (i.e. value of products and distribution margins), considering the information from the household final consumption expenditures and the respective margins

from NA. Nevertheless, the value of domestically produced goods net of margins is not published figures for margins are not explicit in Tables 1, 2 and 4.

### **3.3 The Treatment of “second homes”**

Secondary dwellings (homes) are considered as dwellings that are not principal with reference to the time spent there. Not every visit to secondary dwelling is considered to be tourism activity. It depends on the purpose and frequency of visit. If secondary dwelling is used as holiday establishment then it is excluded from usual environment and visit/trip to such secondary dwelling is always tourism. In the Czech TSA we include two types of expenditures in terms of secondary homes. One type is expenditures connected with the visits (food, transportation and so on) and second is imputed rent (the implicit rent associated with dwelling) that is measured in the National Accounts. The imputation method used by NA is the one defined by the Commission Regulation (EC) 1722/2005.

### **3.4 The measurement of tourism business expenses**

Business trips and expenses on such trips (both expenses that are covered by employers and expenses that are covered by visitors themselves) are collected on the demand side (household tourism survey and border survey) and on table 4 of Czech TSA Total business expenditures are included in total visitor consumption according to TSA-RMF. It is considered as the acquisition of services associated directly with the visitors' activities. For the time being business trips cover trips with at least one overnight stay. No same-day business trips are collected or estimated in the Czech TSA. We intend to do that in the future. From the supply side point of view these expenditures are part of the intermediate consumption of producing unit that is in line with the concept of NA in the Czech Republic.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The main data source for table 1 is the inbound border survey -continuously conducted in the Czech Republic since April 2005 in cooperation with the Ministry for regional development. The survey is conducted in 18 road border crossings, 2 railway stations and 5 airports including Prague Ruzyne. It is a face-to-face survey and minimum size of the sample is 25 thousands of person per year. The data is collected by purpose of the visit and by 7 expenditure groups of products: package tour, accommodation, transport, fuel, catering, leisure and recreation and other products. Only basic information is provided for the net valuation of the package tours. For inbound tourism it is expected to identify the residence of the travel agency or the tour operator of the visitor as well as of the providers of the components of the package. Since the inbound survey does not give information on total number of visitors going to the Czech Republic, the estimation procedure uses data on the number of foreign visitors from collective accommodation establishment and information of share of tourists from the border survey (by type of visitors). Computation is carried out quarterly. Inbound tourism consumption by type of visitor and by products equals average expenses per person and day multiplied by average number of overnight stays. Extreme

values (outliers) are displaced by modified average (maximum and minimum values are cut down). Inbound tourism consumption includes also the estimation of that part of expenses paid in the country of the non-resident to the Czech resident units that provide the services (e.g. accommodation). The breakdown of services is only limited available for particular types of visitors that are accommodation services as well as food and beverage-serving services can be separately shown for same-day visitors and tourists.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

The household sample survey on domestic tourism carried out since 2003 is the main source for domestic tourism consumption. One chosen member of the household aged 15+ who usually resides in the dwelling surveyed gives information about trips taken in the reference month for the purpose of leisure activities and recreation and business trips outside his usual environment. Expenditures spent on these trips are also collected. Using coefficients, data collected by the sample survey are converted to the total population aged 15+. Estimation of tourism expenditures of children (aged 15+) is being made. Structure of expenditures is surveyed, broken down by only 6 basic categories: accommodation, transport, restaurants, package tours, shopping and other products (aggregations). It is impossible to collect so detailed division as it is recommended by TSA-RMF. The breakdown of expenses by products is accomplished furthermore. In the category of "tour package" only margin (commission) of travel agencies and tour operators is included. Then full structure of items for all types of trips (long, short, same-day, business) is calculated and the redistribution of that part of expenses paid in the Czech Republic provided by non-resident units (firms) is carried out. Finally certain correction of the domestic tourism is being done with respect to the second homes and the total consumption is increased by imputed rent which is estimated by National Accounts Division. Total consumption is published:-By type of visitor (same-day visitors, tourists, business trips), consumption is distinguished by 6 basic categories (aggregations) of products.-By products in details which recommends the TSA-RMF recommendation (25-30 items). There is not division by type of visitor, consumption figures are for all types of visitors together.

#### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The basic data source for construction of the TSA table 3 is the household tourism survey as in the case of the domestic tourism. The number of long, short and business trips and number of same-day trips abroad as well as expenditures on these trips are collected. Most of data operations are similar to the processes of adjustment in domestic tourism, because outbound and domestic expenditures of residents are coherent and are collected via same survey. Data collected by the sample survey are converted to the total population aged 15+ by using coefficients. Total consumption is published:-By type of visitor (same-day visitors, tourists, business trips), consumption is distinguished in 6 basic categories (aggregations) of products.

#### **4.4 Estimating same-day visitors expenditures**

Characteristics concerning same-day visitors are extracted from demand-side surveys (border survey, household survey) by types of tourism. The amount of expenses which respondent spent on this trip is collected. The total consumption of same-day visitors equals average expenditure on 1 trip multiplied by the total number of same-day visitors. In case of domestic and outbound tourism the different treatment is applied whether the main purpose of trip is

shopping or tourism. Because of relatively high quality results from surveys it is not necessary to use the "mirror statistics", data from balance of payments or other data source to measure same-day visitors expenditures, neither for inbound tourism nor domestic.

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

TSA table 4 has a compilation character and represents all financial resources from tourism allocated on the economic territory of the Czech Republic. It includes tourism consumption of non-residents allocated into the CR, expenditures of residents on domestic tourism and domestic part of expenditures of residents on outbound trips in fact. Tourism social transfers in kind and consumption of individual non-market services are not included in the Czech TSA. Distribution margin of domestic produced goods is not evaluated separately; they are not explicit in the tables even though demand side data is being adjusted in order to separate margins. Margin of domestic produced and imported goods is not evaluated separately. Total consumption is published by type of tourism, by 6 basic categories of products and also by the TSA-RMF recommendation (25-30 items) no split by type of visitor.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

Fundamental prerequisite for the compilation of TSA table 5 is detailed and quality data from NA. Sources for databases (matrices) of National Accounts in the Czech Republic are structural business surveys. The supply and use tables are being reconciled at 2 digit level of NACE and CPA classification (more accurately at level of 59 industries and 60 products). The most important matrices are production (P.1) and intermediate consumption (P.2) matrices which are computed in the National Accounts Department and are available in a non-official (not disseminated) version, broken-down by 128 industries according to NACE classification and by 232 products according to CPA classification. Nevertheless, such level of detail is still insufficient for tourism analysis and needs of TSA. Therefore, additional adjustment of data needs to be done, especially in terms of passenger transportation which can be separately recognised at 4-digit level of classifications. Final data of the supply and use tables are broken-down by 223 industries and 236 products and this is being done according to structure business surveys and experts guess. Then, the characteristic and connected industries and products are chosen following the recommendation in the TSA-RMF manual and specific conditions in the Czech Republic. In Table 5, production is compiled as recommended but intermediate consumption is not split into the 6 groups of products.

### **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

#### **5.2.1 The general structure of the table**

The structure of TSA table 6 in the Czech TSA follows the recommendations in the TSA-RMF document. It is an extension version of TSA table 5 and therefore it suffers from the

same weaknesses as table 5 (i.e. intermediate consumption is not split into the 6 groups of products).

### 5.2.2 General characteristic of the data

Like in the TSA table 5 the main sources are data from National Accounts, particularly data on production (matrix P.1 according to ESA95), intermediate consumption (P.2), import (P.6), taxes (D.2), subsidies (D.3) and fixed capital formation (P.5). Data in supply tables are at the same level of detail as for table 5 data in final use tables (i.e. taxes, subsidies, import) are aggregated by products. Before filling the table 6, data have to be analysed and adjusted in order to reduce year-on-year discrepancies. Connected as well as non-specific industries/products are put together to separate columns and rows. Then, a calculation of the share of internal tourism consumption/ tourism value added is done for each product/industry or for their groups (e.g. connected and non-specific products/industries).

### 5.2.3 Calculation of Tourism Value Added (TVA)

Tourism gross value added is calculated on the basis of tourism share of internal tourism consumption in supply of each product. The same shares are applied to total Gross value added of 12 characteristic industries and groups of connected and non-specific industries. A presumption that the Tourism gross value added share is equal to the Total domestic supply share has been made. So, the Tourism gross value added can be measured for each industry and for total economy as well. The fact that net tourism taxes (i.e. taxes less subsidies on tourism products) can be measured separately enables the Tourism Gross Domestic Product to be estimated.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

CZSO published information on the position and significance of tourism employment in the spring of 2008. We implemented the Tourism Employment Module in accordance with methodological recommendation by OECD (2000) and ESA95. Up to now we managed creating nine tables out of fifteen recommended. The Czech NA and labour force survey are the main sources of information for compilation of this module. Figures are arranged by tourism characteristic industries (except of second homes). Connected and non-specific industries are published only in total. Most of the data are available for the division of employees and self-employed people. The employment module is a part of the Czech TSA. Tourism employment is measured by different socio-economic and demographic characteristics (status in employment, seasonality, working scheme, permanency of job, sex, age, level of education, nationality). All data represent so-called domestic concept of employment. It means that results refer to persons working in the Czech territory. In contradistinction to the national concept, where residents working in the Czech Republic are included and residents working abroad are excluded in this concept.

## 6.2 TSA-table 8: Tourism gross fixed capital formation

CZSO published information on tourism gross fixed capital formation (TGFCF) in February 2009. Basic data sources are data from National Accounts. Two matrixes are being used: (1) Matrix of TGFCF broken-down by fixed assets and industries; (2) Matrix of TGFCF broken-down by CPA and NACE. Data from NA are adjusted in order to be convenient to tourism purposes and then tourism shares for each asset and industry are being estimated. Results are available on CZSO website:

[http://www.czso.cz/csu/redakce.nsf/i/tsa\\_t8\\_tvorba\\_hrubeho\\_fixniho\\_kapitalu\\_v\\_cestovnim\\_ruchu\\_v\\_cr](http://www.czso.cz/csu/redakce.nsf/i/tsa_t8_tvorba_hrubeho_fixniho_kapitalu_v_cestovnim_ruchu_v_cr). Tables with results in Czech-English version; methodological note is only in Czech language available.

## 6.3 TSA-table 9: Tourism collective consumption

The formation and publication of the TSA table 9 is planned in 2009. The Czech TSA does not contain this table at the moment.

## 6.4 TSA-table 10: Non monetary indicators

Two tables of non-monetary indicators have been realised in the Czech TSA: (10a): Number of trips and overnights by type of tourism and categories of visitors (10c): Number of establishments and capacity by forms of accommodation. The formation of tables 10b (inbound tourism: number of arrivals and overnights by means of transport) and T10d (number of establishments in tourism characteristic and tourism connected activities classified according to number of employed persons) has not been planned up to now. Data sources of non-monetary tables are: tables of the demand side of the TSA, survey of capacity of collective accommodation establishments, population and housing census (1991, 2001) and census of restaurants and accommodation establishments (2001). Estimates must be used sometimes, e.g. in the case of number of second homes.

## 6.5 Other tables beyond the 10 RMF-TSA-tables

Beyond recommended scope of ten tables, we compile the Tourism Employment Module. It is a methodological component of the Czech TSA using manuals of OECD and Eurostat. As it was mentioned, the module consists of 11 tables about employment. The Czech Republic does not publish other tables or additional tables to describe economic significance of the tourism industry. There are no information on shorter period than it is year and no information on regional modifications of standard TSA tables.

## 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

The main contribution in the process of formation of the TSA from the point of view of national tourism statistical system is a reconciliation of related statistics, which are used as data sources as well as a conceptual and methodological base. The TSA is able to improve the quality, features and contents of surveys and can influence the conception of tourism balance

of payment or system of national account too. The most crucial problems related to the compilation of the national TSA are: high level of detail of the recommended tables, timeliness of the results, reconciliation of tables of demand side with tourism balance of payment and harmonisation of results on demand and supply side of the TSA. It could be mentioned also permanent problems related to the terminology and comprehension of manuals, e.g. definition of usual environment, the concept of tour packages, shopping trips, determining the share of financial resources being transferred to the target destination, monitoring and surveying visitors in transit and so on. Issues for discussion are also indirect effects of tourism and an estimate of non-taxed incomes (grey economy).

## **7 TSA country results**

### **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

Inbound tourism consumption has a dominant importance for the tourism consumption in the Czech Republic. It totalled almost 4.6 bn Euro in 2007 (in current prices and an annual exchange rate of 27.762 CZK = 1 Euro). The most finance resources spend by foreign tourists and their part of the total consumption was 77 percent, however this share decreased by 1.7 percent in comparison with 2003. The boarding and the accommodation are main products. They totalled 26 percent and 23 percent in 2007 in case of tourists.

### **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

The total domestic tourism consumption was 3.8 bn Euro in 2007. Tourists participated by 61 percent on it and their ratio decreased by 2.9 percent in the period 2003 to 2007. It is the contrary trend than in the case of same-day visitors, whose percentage went up from 26 percent to 27.3 percent during four years. When we look at structure of consumption by products, it is not a surprise that expenditures for consumer goods are the most significant for this category of visitors. They comprised 50 percent in 2007.

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Total outbound tourism consumption was almost 2.9 bn Euro. The growth rate was 26 percent in the period 2003-2007. Tourists realised the biggest part of the consumption and the relevance of same-day visitors decreased. They totalled only 4 percent of outbound tourism consumption in 2007. The share of business tourism reached 27 percent of total consumption.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

The internal tourism consumption consists of inbound and domestic tourism and its value totalled about 8.4 bn Euro in 2007. It went up by 21 percent since 2003. The share of inbound tourism consumption was 55 percent in 2007 and it increased by 3.3 percent in comparison with 2003. Main parts of expenditures were spent on boarding services (20 percent in 2007), accommodation services (17 percent including second home services on own account or for free) and passenger transport services (14 percent). And finally, 35 percent was the share of connected products (e.g. fuel, textile, glassware, electronics and so on).

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

Tourism ratio on gross value added was 2.6 percent in 2007 and tourism ratio on gross domestic product was 2.9 percent in 2007. It is important to note that the Czech economy is expanding. The total output and gross value added increased in last years, the share of tourism decreased. The value of GVA declined by 0.8 percent and the one of GDP by 0.5 percent. Tourism gross value added totalled 3.0 bn Euro and tourism gross domestic product totalled 3.7 bn Euro in 2007. Structure of the TGVA by industries was: 2.1 bn Euro in tourism characteristic industries (69 percent), 0.8 bn Euro in tourism connected industries (27 percent) and 0.1 bn Euro in non-specific industries (4 percent).

### **7.6 TSA-table 7: Employment in the tourism industries**

The tourism ratio on total employment totalled 4.7 percent and the number of people employed in tourism reached 171 th. in 2006. 76 percent were employees (131 th.) and 24 percent self-employed people (40 th.). The growth rate was 4.7 percent in the period 2003-2006 and the total number of people employed in tourism increased about 11 th. since 2003. The major part of the people employed in tourism is in tourism characteristic industries (over 70 percent). In the Czech Republic, most of the persons worked in boarding services (72 th.) and in accommodation services (39 th.). The share of female on all employees was 51 percent in 2006. It was by 10 percent more in comparison with the national economy.

## 7.7 Country specific TSA data sheet

Reference year of following TSA-Tables

2006

in mn Euro

TSA-table 1: Inbound tourism consumption by products and categories of visitors

|                                   |             |
|-----------------------------------|-------------|
| Total inbound tourism consumption |             |
| same-day visitors                 | 1063        |
| tourists                          | 3571        |
| all visitors                      | <b>4634</b> |

TSA-table 2: Domestic tourism consumption by products and categories of visitors

|                                    |             |
|------------------------------------|-------------|
| Total domestic tourism consumption |             |
| same-day visitors                  | 1039        |
| tourists                           | 2766        |
| all resident visitors              | <b>3805</b> |

TSA-table 3: Outbound tourism consumption by products and categories of visitors

|                                    |             |
|------------------------------------|-------------|
| Total outbound tourism consumption |             |
| same-day visitors                  | 125         |
| tourists                           | 2779        |
| all visitors                       | <b>2903</b> |

TSA-table 4: Internal tourism consumption by products and types of tourism

|   |      |
|---|------|
| Total internal tourism consumption (T1 & T2)  | 8438 |
| Total internal tourism consumption (in cash and in kind)<br>including tourism business expenses   | 8438 |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 0    |

TSA-table 6: Domestic supply and internal tourism consumption by products

|  |               |        |                 |                 |
|--|---------------|--------|-----------------|-----------------|
| <b>Internal tourism consumption by products</b>                  | <b>8438</b>   |        |                 | T-ratios (in %) |
| A.1 Characteristic products                                      | 5061          |        |                 | 29              |
| 1 Accommodation services   | 1429          |        |                 | 74              |
| 2 Food and beverage serving services                             | 1673          |        |                 | 41              |
| 3 Passenger transport services                                   | 1186          |        |                 | 30              |
| 4 Travel agency, tour operator and tourist guide service         | 289           |        |                 | 100             |
| 5 Cultural services  | 318           |        |                 | 29              |
| 6 Recreation and other entertainment services                    | 133           |        |                 | 6               |
| 7 Miscellaneous tourism services                                 | 34            |        |                 | 1               |
| A.2 Connected products & B. Non specific products                | 3377          |        |                 | 3               |
| <b>Total final consumptions by private households (national)</b> | <b>60128</b>  |        |                 |                 |
| <b>Total Output (national)</b>                                   | <b>326455</b> |        |                 |                 |
| <b>Total Output of activities</b>                                | <b>326455</b> | GVA    | T-shares (in %) |                 |
| 1 Hotels and similar   | 1587          | 593    |                 | 72              |
| 2 Second home ownership (imputed)                                | 181           | 125    |                 | 100             |
| 3 Restaurants and similar  | 3678          | 1391   |                 | 43              |
| 4 Railways passenger transport                                   | 340           | 264    |                 | 48              |
| 5 Road passenger transport                                       | 1381          | 575    |                 | 27              |
| 6 Water passenger transport                                      | 22            | 3      |                 | 17              |
| 7 Air passenger transport  | 1102          | 285    |                 | 52              |
| 8 Passenger transport supporting services                        | 897           | 132    |                 | 14              |
| 9 Passenger transport equipment rental                           | 347           | 143    |                 | 5               |
| 10 Travel agencies and similar                                   | 1893          | 266    |                 | 100             |
| 11 Cultural services   | 1078          | 607    |                 | 27              |
| 12 Sporting and other recreational services                      | 2039          | 926    |                 | 6               |
| Tourism connected & non specific industries                      | 309017        | 109426 |                 | 1               |
| <b>Total Value Added (national)</b>                              | <b>114735</b> |        |                 |                 |
| <b>Tourism Valued Added</b>                                      | <b>3029</b>   |        |                 |                 |

TSA-table 7: Employment in the tourism industries (in number of persons)

|   |                  |                    |              |
|---|------------------|--------------------|--------------|
|   | <b>2006</b>      | employed employees | employees    |
| <b>Total employment in the tourism industries</b> | <b>171191</b>    | <b>130937</b>      | <b>67342</b> |
| 1 Hotels and similar                              | 39339            | 34397              | 20190        |
| 2 Second home ownership (imputed)                 | 0                | 0                  | 0            |
| 3 Restaurants and similar                         | 72349            | 49571              | 26198        |
| 4 Railways passenger transport                    | 7366             | 7364               | 2175         |
| 5 Road passenger transport                        | 15658            | 12060              | 1307         |
| 6 Water passenger transport                       | 87               | 75                 | 11           |
| 7 Air passenger transport                         | 4419             | 4412               | 2173         |
| 8 Passenger transport supporting services         | 1526             | 1450               | 234          |
| 9 Passenger transport equipment rental            | 151              | 97                 | 46           |
| 10 Travel agencies and similar                    | 15232            | 8578               | 6609         |
| 11 Cultural services                              | 12786            | 11172              | 7590         |
| 12 Sporting and other recreational services       | 2278             | 1761               | 808          |
| <b>Total Employment (national)</b>                | <b>5 047 221</b> |                    |              |

CZ

# DK

Country report for Denmark



## 1 General Introduction

Mr. Thomas Thessen [mailto:tth@visitdenmark.com] from VisitDenmark (The Official Tourism Organisation of Denmark) is responsible for the Danish TSA. (Connected expert: Jie Zhang, [jie@crt.dk](mailto:jie@crt.dk) from the Centre for Regional and Tourism Research)

### 1.1 Level of development of the TSA

In 2003 AKF and VisitDenmark, in cooperation with Statistics Denmark, developed the first experience for the Danish TSA for 2000, with results for tables 1, 2, 4, 5, 6 and 7. The project was financed by VisitDenmark and by the European commission, on the basis of a grant agreement signed in December 2003. In 2004 a full-fledged national TSA for the reference year 2000, with Tables 1, 2, 4, 5, 6, 7 was compiled. Since 2006 the Centre for Regional and Tourism Research (CRT) has overtaken the responsibility for the TSA compilation and the LINE model from AKF. In 2006, the updated results for the period 2000 - 2004 at regional level were published by VisitDenmark (see *Turismen i Danmark 2000 - 2004*) the same tables are available. Regional Danish TSA can be considered as full-fledged TSA since they show the interface between visitor consumption and the corresponding supply of products and they are balanced. In May 2009 the TSA results for 2006 were published including the new municipality structure in Denmark.

#### 1.1.1 Knowledge about TSA compilation

Denmark has more than ten years experience of research on economic impact of tourism. Since 1996 the Institute of local government studies (AKF) and the Danish Tourism Board VisitDenmark embarked upon the development of an estimation model which combined together data from the tourism survey TOBBE (on domestic and outbound tourism), the AKF interregional models, AIDA (1996-1999) and LINE (since 2000) models in order to assess the tourism impact in Denmark at regional level. The AIDA model was a macro economic model with a combination of built-in interregional input-output tables and the breakdown of national accounts to county level. The actual LINE model is based mainly on municipal data allowing thus the aggregation at county level. The data in the LINE model are organized in a Social Accounting Matrix with make and uses matrices. One of the key features of this model is a spatial component which allows the construction of sub-models for tourism and other spatially determined activities (commuting, shopping etc). Experience in TSA compilation

Research on tourism regional impact by interregional models established the basis for the development of regional tourism satellite accounts for Denmark. AKF developed a framework for TSA within the interregional LINE model and used this model for estimating the Danish TSA. Starting the development of TSA at regional level is probably a unique feature of Denmark. This is partly a consequence of availability of data at regional level as well as a higher relevance of economic impact at regional level compared to national one.

#### 1.1.2 Responsibility of the TSA compilation

The development of the study on the implementation of the Danish TSA 2000 was carried out under the responsibility of VisitDenmark in cooperation with AKF (responsible for the

technical). The objectives of the project were to improve data quality on the demand side sources as a basis for further developments of TSA and to develop a consistent framework for the first TSA tables for Denmark. The technical implementation of the Danish TSA is carried out by the Institute of Local government studies AKF.

VisitDenmark is still providing the financial support for the Danish regional TSA projects. In the last two years, it has been carried out the project for developing municipal TSA. Denmark has 98 municipalities and 5 regions. VisitDenmark is responsible for tourism data inputs, for controlling the tourism data and publishing the official TSA tables and the other tourism economic indicators. CRT (Center for Regional and Tourism Research) has overtaken the responsibility for the LINE model since 2006.

## **1.2 The inter-institutional platform**

Concerning the production of tourism Statistics in Denmark and the information needs of the TSA, VisitDenmark has signed a contract with Statistics Denmark for the development of the Danish TSA. According to the agreement, partners took responsibility for the inclusion of questions concerning the consumption of tourism characteristic commodities in the quarterly tourism survey for 2004 as well as for additional data on same-day visitors and on some other type of tourism. Nevertheless, the country does not have an operating inter-institutional platform for tourism statistics. The Danish TSA project has always been under a close co-operation among the national accounts' division and tourism statistical division of Statistics Denmark, VisitDenmark and a research institute (now it is CRT).

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

AKF published on its website the preliminary results of the Danish TSA for 2000 and also a methodological note, by the end of 2004 with amended version in March 2005. A full publication of the Danish TSA for 2000 -2004 was also published when the results of the 2004 data were available. Later, in 2006, VisitDenmark published regional tourism satellite accounts for 2000-2004 (in Danish language). Since then VisitDenmark publishes (in Danish) its official reports on tourism data, regional TSA, and tourism economic impact on the Danish regions, mainly on its home page on a yearly basis. The document - Documentation on regional Tourism Satellite Accounts in Denmark, version December 2004 and March 2005 - is available on the AKF website on a free basis.

In May 2009 the Danish TSA with reference year 2006 was disseminated by VisitDenmark on their homepage in Danish. An English summary will be produced at a later date.

### **1.3.2 Responsibility for the dissemination**

The dissemination is under the responsibility of VisitDenmark.

### **1.3.3 Content of the publication**

The document on Danish TSA for 2006 includes a research note describing the methodology and the results for tables 1, 2, 4, 5 and 6. The document for the regional TSA results for 2006, "Turismens økonomiske betydning i Danmark 2006", includes references on the

methodological issues, the main results and some comments of the main results concerning also the relationship with some main economic aggregates for tourism.

#### **1.3.4 Level of detail of the publication**

The methodological procedures of estimating tourism consumption and tourism supply are described, presenting more detailed information on the correspondent classification tables. The basic concepts of TSA are presented in a general point of view leaving out any additional specification of operational application of the TSA concepts. The main component of this section concerns the specific issues of the development of the Regional Danish TSA. The central second section comprises information about data inputs and the methodology applied on compiling the Danish regional TSA as well as main results in the form of the TSA tables (1, 2, 4, 5, 6) with short analysis.

#### **1.3.5 Publications**

Zhang, Jie (2005): Documentation on Regional Tourism Satellite Accounts in Denmark. Publisher: AKF forlaget, Page 88, Copenhagen.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

Classification of products (TCP) is derived from the products classification which is used in the Danish NA S-U tables (NRNR). It corresponds roughly to TSA/CPA classification at the detailed level (32 specific and 13 tourism related and non-specific products). At the aggregate level the comparability TSA/CPA is not direct. A bridge table transforms the TOBBE classification into the models and then into the TSA. Some differences: there is a consumption item holiday cottage rental which includes rented summer cottages, owned summer cottages and borrowed summer cottages. Transport supporting services and some cultural activities are considered as non-specific. Miscellaneous, connected and non-specific products are aggregated only miscellaneous congress, fair and exhibitions activities are considered characteristic. Package holidays become other private services and then non-specific. Concerning transport activities, these are split between local and long distance.

### **2.2 Measurement of domestic tourism expenditure**

The measurement of domestic tourism expenditure considers a combination of estimations from both tourism demand and supply side. Three different approaches are used depending on data availability. When the appropriate data from the tourism demand survey is available, domestic expenditure is measured by using this information (data on daily consumption for 13 consumption groups and on accommodation, for 16 different types, is available). In the case that tourism demand survey data is not consistent with the national use tables (data on private consumption), the tourism demand survey data is adequately adjusted (e.g. hotels). Third, for some tourism product categories where there is no tourism demand data available, data for these products from supply and use tables are used for estimating the tourism demand. Data

on national private consumption is used for estimates of expenditure for inland water transport, tourist bureaus and entertainment. Expenditures on car rentals and ticket booking services are estimated by supply side data from national SU tables. In order to bring closer the existing classifications to TSA requirements, bridge tables are built. The number of domestic tourists is identified through statistics in overnights, whereas same day visitors are identified through a specific survey conducted every five years.

## **2.3 The handling of the definition of "visitors" in empirical practice**

### **2.3.1 Leaving one's usual environment**

According to methodological recommendations the main purpose of introducing the concept usual environment is to exclude from the concept of visitor persons commuting frequently between their home and place of work, study or some other place. Usual environment is based on criteria of minimum distance, frequency of travel and minimum change between localities or administrative territories. Documentation of Danish TSA cites this conception of usual environment when explaining the definitions applied, but no satisfactory information in terms of operational definitions was found. Implicitly, all tourists with overnight stays are considered outside their usual environment. Also implicit is that those special surveys carried out every 5 or 6 years to identify same-day visitors, apply the international recommended criteria for usual environment.

### **2.3.2 Business visitors and the fact of being remunerated**

Available information on the methodology of the compilation of the Danish TSA does not provide explicit information about the treatment of business visitors. In operational terms, in tourism demand surveys an attempt is made to exclude foreigners employed in Denmark when interviewing tourists. Nevertheless, for the tourism supply side there is no consideration of this issue, since statistics in nights spent, which are used for measuring the volume of tourists, do not systematically exclude people remunerated in the country.

## **2.4 The scope of tourism consumption expenditure**

According to the classification of components of tourism expenditures used in the tourism demand survey for domestic and inbound tourism, data of expenditure for tourism single purpose and multipurpose consumer durables goods are included into tourism expenditure data (e.g. audio-visual, photo and data equipment jewellery, watches, toys textile and clothing industry etc). Domestic expenses made previously and after outbound trips are not considered in the DTSA yet.

## **2.5 Implementation of SNA93 based National Accounts results**

National Accounts (NA) data represent an indispensable input for building national and regional Danish TSA. National supply and use tables (SUT) are used intensively as data source for estimating the supply and demand side of the Danish TSA. NA variables (production, intermediate consumption, household private consumption, public consumption etc.) are classified by 132 industries, by 2800 commodities and are available for 1988 - 2004 in current and constant prices. Regional TSA are based on national accounting data for production, intermediate consumption, GDP at factor costs, employment and other related variables at local level (for 276 municipalities). Consistency with NA is also one of the

leading guidelines as well as control for the Danish TSA. NA basic identity, total supply should equal total demand - at product level - is also taken into account when balancing supply and use of tourism specific products.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

Balance of Payments credit side of the travel account is compiled by VisitDenmark. So there is a direct link between the TSA and the balance of payment.

## **2.7 The measurement of timeshare tourism**

Timeshare tourism is not considered a special issue in Danish TSA since non residents are not allowed to own a holiday home/cottage in Denmark. By this, all timeshare tourism is attributable to the Danish resident households. The measurement of this component should be based on the available information on the use of owned second homes for tourism purposes by the residents (data on Danish residents vacating in their own holiday cottages).

## **2.8 Availability of new surveys in the near future**

The demand side survey from Statistics Denmark is annually used to update data on visits to friends and family plus own and borrowed holiday houses.

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

The methodology of TSA-RMF requires that all components of a package tour, including the value of service of travel agencies and tour operators are considered as directly purchased by the visitors. This requirement is respected if the services of travel agencies and tour operators are net valued. This valuation principle has impacts on the structure of domestic and outbound tourism consumption as well as domestic supply of tourism products and industries. The methodological reference of the Danish TSA does not present any relevant information regarding the valuation principles used. Tables 4, 5 and 6 refer to the net valuation, which can mean that net valuation is considered either as the values of tables 1, 2 and 4 regarding internal tourism consumption for tour operators being equal or the values of table 4 and 6. Assuming that Danish NA follow the SNA93 accounting rules, it is expected that at least travel agencies are registered with a net valuation and tour operators with a gross valuation method. At least the same treatment is expected for the TSA.

## **3.2 Consideration of the distribution margins**

The breakdown of the value of goods purchased by visitors in the distribution margins and the basic value is one of the basic principles of TSA. Application of this principle requires that the value of goods purchased is divided into the distribution margins and the rest of the value of goods (basic value and the net taxes on the product). No special references are made to the treatment of distribution margins in the Danish TSA. Only table 6 considers the treatment of the distribution margins, by identifying the value of wholesale and retail margins for domestic

production. Total domestic supply at purchaser prices is derived by the sum of the value of taxes less subsidies and VAT with the domestic production at basic prices and the distribution margins by products. As far as internal tourism consumption concerns no specific treatment is explicit the tables show the value of the products at purchaser prices (without identifying margins). Nevertheless, a SUT has the amount (and an implicit percentage) of margins by product for household final consumption it can be assumed that the Danish TSA could use this data to separate the margins from the rest of the goods value.

### **3.3 The Treatment of “second homes”**

The measurement of the output of second homes generated by personal use is based on the NA methodology for the valuation of the housing services which is compliant with the stratification method set out in the Commission Regulation 1722/2005. The method considers the imputation of an average annual actual rent to the stock of dwellings that are actually used as holiday homes, by applying a stratification of the housing stock based on its characteristics. Housing services of second homes in Danish TSA estimations are based on the Register on buildings and dwellings to access volume and from sample survey of rental to access price. Because of its in kind nature, second home services are separately treated in TSA CPA and tourism activities classification. With this regard and according to TSA CPA classifications they should appear in table 4, 5 and 6 as a tourism characteristic service and not as non specific (under heading second homes). In fact, for industries classification, second homes are considered in tables 5 and 6 as a characteristic industry. For the Danish TSA tourism ratio on second homes is around 1 percent however, which challenges this placement.

### **3.4 The measurement of tourism business expenses**

For domestic tourism consumption, table 2 covers the expenditures made by resident visitors, which is considered as household final consumption. It also includes the consumption of domestic business same-day visitors. Estimations for inbound tourism business expenses are based on the tourism demand survey and registered in table 1 since they are considered IC of non resident companies.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

Table 1 is compiled according to TSA recommendations. The table shows inbound tourism consumption by products in rows and categories of visitors (same-day visitors and tourists) in columns. Tourism products are classified as tourism specific products (eight major headings which are not directly comparable with TSA-CPA classification - see 2.1). Non-specific tourism products are broken into six categories, some of them petroleum, food, drinks and tobacco, clothes and footwear, consumer electronics etc. are identified as tourism connected products. Corresponding to TSA-RMF connected products should be classified as tourism specific products. The treatment of distribution margins (split of the value of products between distribution margins and basic value of goods) is not explicit. The main data source for table 1 is the tourism demand survey, TOBBE, supplemented with data from use tables for certain products (transport services, tourist bureaus services) and supply tables (ticket booking, car rental). Data on number of trips and overnights are missing in the table.

## **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Table 2 includes domestic tourism consumption for household final consumption and consumption of domestic business visitors. Domestic tourism expenditure of resident visitors travelling abroad is not recorded in this table. The comparability of the classification of products within the international standard classification is not direct (see 4.1 and 2.1). Table 2 was compiled using data from the tourism demand survey and also from supply use tables. It is noted in the Danish methodological documentation that consumption of accommodation services from TOBBE was corrected (scaled down) by data from use tables. Data on number of overnights are missing in table 2.

## **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 was not compiled for the Danish TSA 2000. In the methodological documentation of Danish TSA (version March, 2005) outbound tourism is described as one of the recommended areas for future work and some general statements are given about measurement of outbound tourism, but no information is given on the measures taken to obtain the needed data.

## **4.4 Estimating same-day visitors expenditures**

The Danish TSA 2006 includes data for same day visitors in case of inbound and domestic tourism (table 1). Data for estimating expenditure of other categories of same day visitors (outbound) were not available.

## **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Table 4 sums up total inbound consumption (table 1) and total domestic tourism (final) consumption (table 2), showing the internal tourism consumption within the final consumption expenditure in Denmark. This part of the table is harmonised with the recommended structure of table 4, certainly having in mind the indirect comparability of tourism products classification and other methodological deficiencies (already discussed in 4.1. and 4.2).

# **5 The TSA tables for production and supply and use**

## **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The production accounts of tourism industries and other industries are compiled in table 5 showing the relationship between an industry and the products (tourism specific and non-specific) produced within this industry. The structure of the table respects the TSA recommendations, with industries presented in columns (eight tourism industries and at aggregated level for tourism connected and non tourism industries). The rows are represented by products, broken in the same symmetrical way as the industries. The upper part compiles the output by industry and products and includes a summary row for the total output and for the total intermediate consumption at basic prices by industries. The lower part of the table

includes total gross value added at basic prices by industry and the structure of the components of value added (mixed income comes together with gross operating surplus). In the last row, tourism share is calculated as a ratio of tourism specific products to total output of an industry. Data from Danish NA supply tables were applied as a key data source for table 5: these tables are available at a detailed level of 132 industries and about 2800 products. In order to transform industry data to classification of tourism industries some adaptations were carried out based on detailed data for 820 industrial sectors. However, there are two remaining questions. Like in the demand tables, no reference to the travel agency and tour operator valuation method is done and there is only indirect comparability of product and activities classifications (see 4.1, 4.2 and 4.4).

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The main role of table 6 is to conciliate internal domestic consumption (table 4) and total output (table 5) by tourism products in a way that computation of the main aggregates of TSA, tourism value added and tourism GDP, will be feasible. Compared to scheme of table 6 in TSA-RMF, Danish table 6 is a simplified version, containing - together with data from table 5 - elements for estimating tourism value added and tourism GDP. The output in columns is not broken by type of industries, but shown only as total value of domestic production (at basic prices) broken down by tourism specific and non-tourism specific products. In order to achieve conceptual and valuation consistency with internal tourism consumption, data on imports (negligible in case of services) and on taxes less subsidies (and margins) are added in two other columns. The sum is total domestic supply at purchaser prices. The last column compiles tourism ratios by products based on the weight of internal tourism consumption on domestic tourism supply, both at purchaser prices. The first part of the table classifies output by tourism specific products properly. The second part relates to connected and non specific tourism products. Margins are not explicit in the table concerning the tourism demand column they are explicit for the supply of domestic produced goods. Compared to the proposed structure of the table, rows of intermediate consumption and gross value added at basic prices by its components are not given here but in table 5.

### **5.2.2 General characteristic of the data**

Key data inputs for Table 6 are data from the tourism demand survey (TOBBE), the main source for estimating the internal tourism consumption, and SUT for estimating the supply side. Both data sources rely on entirely different classification systems regarding the criteria and level of detail. Consequently, the implementation of the leading principle of TSA that tourism supply and demand should be balanced at the level of tourism products requires identifying the correspondences between the classification of tourism products and related industries to the adopted national classifications.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

VisitDenmark provided data for 2006: tourism value added was estimated and amounted to 35 billion DKK.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

Table 7 of the Danish TSA for 2006 provides elementary information on employment in tourism industries. It contains number of employed persons broken down into gender, for tourism industries. These data were obtained from statistical register of employment (RAS).

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table for tourism gross fixed capital formation was not created for the Danish TSA 2006. The compilation of this table was not feasible because of lack of appropriate data.

### **6.3 TSA-table 9: Tourism collective consumption**

Table 9 for tourism collective consumption was not created for the Danish TSA 2006.

### **6.4 TSA-table 10: Non monetary indicators**

According to methodological recommendations Table 10 should contain the following data blocks: number of trips and overnights by type of tourism, categories of visitors and duration of the stay, forms of accommodation by capacities and occupancy rate, means of transport used by residents (for travelling abroad and in the country) number and the size of the enterprises belonging to tourism industries. None of these blocks has been prepared for the Danish TSA 2006. These data is already published in other publication concerning tourism statistics.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

Other than that mentioned regionalisation of the Danish TSA is the integration of the regional TSA into the interregional macroeconomic model LINE that distinguish the Danish TSA from the RMF-TSA. After the TSA compilation, tourism statistics were merged into the interregional modelling system. The advantages of merging the TSA accounting system and the modelling system into one system are the following. First, the interregional macroeconomic modelling can function as a forecasting model which can be also used for TSA updating. Second, being the interregional model with the spatial dimension, the possibility is also given to design regional TSA as one system. Third, the model can also be used for estimating direct and indirect effects of tourism on main economic variables (gross output, value added, governmental taxes, employment etc.).

### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The compilation of Danish TSA 2006 improves the knowledge of some aspects of tourism in Denmark and provided an information tool for decision makers. The compilation of Danish TSA 2006 heavily relies on NA data, in particular on supply and use tables, a dominant source for supply side and also important for the compilation of the demand side of the TSA. Reliance on NA statistics provides general methodological transparency. It also facilitated the

development of regional TSA and of the interregional model LINE, the two unique features of the Danish TSA. However, the limited number of data sources is not capable to cope with some specific methodological requirements of TSA compilation. The compilation of the Danish TSA revealed some of the data lacunas of Danish tourism statistics or the under usage of existing data sources, preventing full harmonization with the standard TSA and thus influencing the quality of TSA in terms of international comparability and relevance: TSA is a reconciliation tool between supply and demand data sources. The main problems of the compilation of the TSA concern limited data sources for tourism domestic consumption, the exclusion of outbound tourism consumption, the reconciliation between classifications and the non calculation of tourism GVA and tourism GDP.

## **7 TSA country results**

### **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

Monetary consumption of inbound tourists and same-day visitors sums up to 4.9 bn Euro (or 36.4 bn DKK) in Denmark in 2006 (conversion from DKK to Euro is based on the annual average exchange rate 745.91 DKK per 100 euro for 2006). 24 percent thereof was on the account of same-day visitors and 76 percent came from tourists. Non resident visitors spent 39.9 percent on tourism characteristic products, mainly on restaurants and other catering services (14.4 percent).

### **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Total monetary domestic tourism consumption in Denmark in 2000 was 4.9 bn Euro (36.3 bn DKK). This figure does include domestic same-day visitors.

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 is not compiled.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Total internal tourism consumption reached 9.7 bn Euro (72.7 bn DKK) in Denmark in 2006. The structure of total internal domestic consumption exposes a relative balance of tourism characteristics products (56.6 percent) and tourism connected and non-specific products (43.4 percent) in Denmark.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

Tourism specific industries added up to 26.6 bn Euro, tourism connected industries to 127.0 bn. Euro and non specific industries to 230.0 bn Euro. The comparison of internal tourism consumption with total supply of all industries provides information on the share of total supply consumed by tourists (e.g. tourism ratios). The total tourism ratio is 1.9 percent of the supply of all industries. Tourism ratios range from 0.4 percent (for non-specific tourism products) to 90 percent for accommodation. The average share of tourist consumption for tourism characteristic products is 23.6 percent and for connected and non specific products is only 1.4 and 0.4 percent of the total supply.

## 7.6 TSA-table 7: Employment in the tourism industries

The total number of employed persons in the tourism industries was 153774 in Denmark in 2006, composed of 67954 female and 85820 male employed. This accounts for 5.5 percent of total employment. The share of female employment exceeds the male employment only in accommodation services and restaurants and similar, while in all other industries the participation of male is considerably higher. The employment data represent the average number of employed persons in a tourism industry. It implies that these numbers include also persons engaged in production used for non-tourist consumption. These figures do not take into account the number of jobs and part time employments as recommended.

## 7.7 Country specific TSA data sheet

|   |                |                           |               |
|---|----------------|---------------------------|---------------|
| Reference year of following TSA-Tables  | 2006           |                           |               |
|   |                | in mn Euro                |               |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                |                           |               |
| Total inbound tourism consumption   |                |                           |               |
| same-day visitors   | 1161           |                           |               |
| tourists  | 3721           |                           |               |
| all visitors  | <b>4882</b>    |                           |               |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                |                           |               |
| Total domestic tourism consumption  |                |                           |               |
| same-day visitors   | 1650           |                           |               |
| tourists  | 3213           |                           |               |
| all resident visitors   | <b>4863</b>    |                           |               |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                |                           |               |
| Total outbound tourism consumption  |                |                           |               |
| same-day visitors   | 0              |                           |               |
| tourists  | 0              |                           |               |
| all visitors  | <b>0</b>       |                           |               |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                |                           |               |
| Total internal tourism consumption (T1 & T2)  | 9745           |                           |               |
| Total internal tourism consumption (in cash and in kind)  |                |                           |               |
| including tourism business expenses   | 9745           |                           |               |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 0              |                           |               |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                |                           |               |
| <b>Internal tourism consumption by products</b>   | <b>9745</b>    |                           | T-ratios in % |
| A.1 Characteristic products   | 5515           |                           |               |
| 1 Accommodation services  | 1608           |                           | 90            |
| 2 Food and beverage serving services  | 1204           |                           | 25            |
| 3 Passenger transport services  | 1507           |                           | 19            |
| 4 Travel agency, tour operator and tourist guide service  | 763            |                           | 57            |
| 5 Cultural services   | 433            |                           | 6             |
| 6 Recreation and other entertainment services   | .              |                           | .             |
| 7 Miscellaneous tourism services  | .              |                           | .             |
| A.2 Connected products & B. Non specific products   | 4229           |                           | 1             |
| <b>Total final consumptions by private households (national)</b>                                  | <b>162934</b>  |                           |               |
| <b>Total Output (national)</b>  | <b>383594</b>  |                           |               |
| <b>Total Output of activities</b>   | <b>383594</b>  | GVA                       | T-shares in % |
| 1 Hotels and similar  | 1488           | 682                       | 88            |
| 2 Second home ownership (imputed)   | 197            | 88                        | 96            |
| 3 Restaurants and similar   | 4544           | 2026                      | 25            |
| 4 Railways passenger transport  | 1404           | 784                       | 17            |
| 5 Road passenger transport  | 2715           | 1388                      | 5             |
| 6 Water passenger transport   | 1357           | 232                       | 25            |
| 7 Air passenger transport   | 2000           | 534                       | 29            |
| 8 Passenger transport supporting services   | .              | .                         | .             |
| 9 Passenger transport equipment rental  | 2464           | 889                       | 13            |
| 10 Travel agencies and similar  | 5664           | 2835                      | 50            |
| 11 Cultural services  |                |                           |               |
| 12 Sporting and other recreational services   | 6826           | 214                       | 6             |
| Tourism connected & non specific industries   | 354935         | 1212                      | 0             |
| <b>Total Value Added (national)</b>   | <b>186258</b>  |                           |               |
| <b>Tourism Valued Added</b>   | <b>4649</b>    |                           |               |
| TSA-table 7: Employment in the tourism industries (in number of persons)                          |                |                           |               |
|   |                | employed employees female | employed      |
| <b>Total employment in the tourism industries</b>   | <b>153774</b>  | <b>0</b>                  | <b>67954</b>  |
| 1 Hotels and similar  | 22122          | 0                         | 13146         |
| 2 Second home ownership (imputed)   | .              | 0                         | .             |
| 3 Restaurants and similar   | 67697          | 0                         | 36837         |
| 4 Railways passenger transport  | 8275           | 0                         | 2436          |
| 5 Road passenger transport  | 26812          | 0                         | 3699          |
| 6 Water passenger transport   | 2997           | 0                         | 625           |
| 7 Air passenger transport   | 4505           | 0                         | 1850          |
| 8 Passenger transport supporting services   | 391            | 0                         | 140           |
| 9 Passenger transport equipment rental  | 1301           | 0                         | 372           |
| 10 Travel agencies and similar  | 5794           | 0                         | 2075          |
| 11 Cultural services  | .              | 0                         | .             |
| 12 Sporting and other recreational services   | 13880          | 0                         | 6774          |
| <b>Total Employment (national)</b>  | <b>2821641</b> |                           |               |

DK

EE

## Country report for Estonia



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

A few years ago Statistics Estonia started with the project aiming to develop the TSA in Estonia. In the range of this project the main aggregates of the TSA for the years 2000-2002 (internal tourism consumption, tourism output by product and industry, tourism gross value added by industry, tourism GDP) have been estimated. The direct and indirect effects on the economy (contribution of tourism to GDP in the economy of Estonia) have been compiled as well. All the results of this project were published in the Statistical Database. A very short description on methodology and data sources is available both in Estonian and English language. The full set of the TSA has not yet implemented in Estonia. There is no exact plan to implement the full set of the TSA tables in the near future.

#### 1.1.2 Experience in TSA compilation

Presently, there is a series for 2000 - 2004 of TSA tables 1, 2, 4, 5 and 6 that have been implemented (partly) up to now. Table 6 represents balance between demand and supply side and in that sense it can be considered that Estonia compiles a full-fledged TSA. The rest of the tables (3, 7 to 10) has been neither implemented nor compiled in accordance with the TSA-RMF yet.

#### 1.1.3 Responsibility of the TSA compilation

Economic Statistics Department of Statistics Estonia is the responsible authority for the TSA compilation. The TSA results are carried out by Input-Output Tables Service within this department. Enterprise Statistics Department is responsible for tourism statistics, i.e. Accommodation and Travel Agencies and Tour Operators Statistics; Population and Social Statistics Department is in charge for the Border Crossings and Travelling of Estonian residents' surveys.

### 1.2 The inter-institutional platform

There are no agreements or contracts to form an inter-institutional platform for the TSA in Estonia. The main responsible is Statistics Estonia that only uses the Balance of Payment statistics compiled by the Bank of Estonia. But no further cooperation is being developed. Regarding tourism statistics, as far as the international field is concerned, Statistics Estonia attends Eurostat meetings.

### 1.3 The dissemination of the TSA exercise

#### 1.3.1 Availability of the country TSA

The results of the tourism compilations are regularly presented on the website of Statistics Estonia both as tables and papers with supplementary methodology. Data on the TSA can be extracted from Statistical Database and downloaded in different formats (e.g. Excel, HTML, etc.). The use of the database is free of charge. The address is as follows: [http://pub.stat.ee/px-web.2001/I\\_Databas/Economy/23National\\_accounts/07Satellite\\_accounting/10Tourism\\_accounts/10Tourism\\_accounts.asp](http://pub.stat.ee/px-web.2001/I_Databas/Economy/23National_accounts/07Satellite_accounting/10Tourism_accounts/10Tourism_accounts.asp)The TSA results for 2000 - 2002 were disseminated in 2007. The TSA results for 2003 - 2004 were disseminated in March 2008.

#### 1.3.2 Responsibility for the dissemination

The dissemination is performed by the Economic Statistics Department of Statistics Estonia, the same Department that compiles the TSA.

#### 1.3.3 Content of the publication

The tables within the database are only disseminated on the web. There are four main types of results available:

- Internal tourism consumption,
- Tourism output by product and industry,
- Tourism gross value added by industry,
- Main indicators of tourism satellite accounts.

Results have been produced annually (reference years 2000 - 2004) and the first TSA data were published in 2007. No forecast is being done. Figures are calculated only at national level, there is no regional breakdown. Free-time activities are not considered either. Direct and indirect effects of tourism consumption are estimated.

#### 1.3.4 Level of detail of the publication

Besides some TSA definitions and a summarized methodology published on the internet together with the results, there are no papers concerning methodology and compiling procedures.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The Estonian TSA use standard statistical classifications which ensure that data are comparable in accordance with international standards. Estonian classification of economic activities, EMTAK 2003, corresponds to the NACE Rev. 1.1 which classifies all business economic activities. The first four levels of EMTAK are identical to the first four levels of NACE Rev.1.1. The Statistical Classification of Products is the CPA. The detail level of the classification of products in inbound tourism is 4-digit-level CPA expenditures collected via survey are broken down by Accommodation, Eating out, Transport, Entertainment and free time, Health care, Clothes and footwear, Alcohol, Tobacco, Food, Other. Domestic tourism

expenditures, collected via a household survey, are broken down by Accommodation, Food and Drinks, Transport, Recreation, cultural and sporting activities, Shopping and Other. Estonian TSA products and activities classification are identical to the TSA-RMF.

## 2.2 Measurement of domestic tourism expenditure

Since 2007 information on domestic tourism has been collected via a household survey (General Household Survey (GHS)) focusing on tourism behaviour of the households. One part of the survey is linked to tourism expenditures which are collected in the following detail:

- Accommodation
- Food and Drinks
- Transport
- Recreation, cultural and sporting activities
- Shopping
- Other

## 2.3 The handling of the definition of "visitors" in empirical practice

### 2.3.1 Leaving one's usual environment

Visitor is defined as a person travelling to a place other than that of his/her usual environment for less than 12 consecutive months and whose main purpose of visit is other than professional i.e. he/she is not remunerated from within the place visited. The definition of usual environment bases on a combination of several criteria: It is left to the judgment of the person completing the questionnaire except for same-day domestic visitors that are not surveyed. The criterion of frequency is also used for all kinds of visitors, except for same-day domestic visitors. Crossing administrative borders is a criterion used only for inbound and outbound visitors. No criterion of distance is used.

### 2.3.2 Business visitors and the fact of being remunerated

Activities which are remunerated from within the place visited are excluded from the concept of tourism. Statistics Estonia follows the guidelines of SNA93 in measuring tourism business expenses. The source for receiving information is mainly supply related information as: NA-statistics and business statistics related intermediate consumption, SBS and PMK surveys, financial statistics, administrative sources and survey of non-profit institutions. Estonian TSA tries to exclude those remunerated from the country visited in the case of domestic tourism with regard to overnight visitors.

## 2.4 The scope of tourism consumption expenditure

Although the relevant tourism surveys ask for pre-trip expenses and high value items as well as for tourism single-purpose and tourism multipurpose consumer durables purchased during the trip, these types of goods seem not to be considered in the TSA estimates.

## 2.5 Implementation of SNA93 based National Accounts results

The Estonian National Accounts (NA) are compiled in accordance with the European System of National and Regional Accounts (ESA95). The Estonian TSA uses data of the NA for compiling the tourism supply. The basis is the input-output framework which is an integrated part of the ESA95 and includes the supply and use tables (SUT) as well as symmetric input-output tables. The SUT are matrices broken down by products and industries describing the domestic production process in detail (the structure of production costs and the income generated in the production process) and the flows of goods and services (output, imports, exports, intermediate and final consumption, investments) by product groups. The supply table is compiled at basic prices and the use table at purchaser prices. The symmetric input-output table is broken down by products (or industries) in columns and by products (or industries) in rows describing the domestic production processes and the transactions in products of the Estonian economy in very detail. SUT are aggregated at the level of 60 industries and 60 product groups. Symmetric input-output tables are aggregated at the level of 60 products. Due to confidentiality reasons, some industries (i.e. 10 and 11) are aggregated together in industry 'mining of coal, oil shale and peat'. The same aggregation is used with respect to the corresponding products. Within this framework characteristic, connected and non-specific industries and products have been selected. Recommendations of the TSA-RMF as well as specific conditions of the Estonian tourism market have been taken into consideration.

## 2.6 Measurement of the "travel" item in the Balance of Payments

The Bank of Estonia is compiling BoP data. The hybrid (survey based) system is used for the estimation of the "travel" item. The sources used are inbound and outbound border survey, accommodation statistics or passenger transport survey. Furthermore administrative records from central authorities and other sources are used mainly for adjustment and validation of the BoP results. Travel item is specified under the item of export/import of services.

## 2.7 The measurement of timeshare tourism

This kind of tourism activity is not significant in Estonia, hence not measured in the Estonian TSA.

## 2.8 Availability of new surveys in the near future

No new surveys or research are planned in the near future. Estonia does not have any concrete plans to implement a full-fledged (at least pilot) TSA and there are problems with financial support of tourism surveys as well.

# 3 The handling of TSA specific problems

## 3.1 Consideration of the services of travel agencies and tour operators "net"

The services of travel agencies and tour operators are valued in the Estonian TSA net by using existing information based on IO-statistics and SUT.

### 3.2 Consideration of the distribution margins

The distribution margins for goods are valued separately by using SUT and IO-information.

### 3.3 The Treatment of “second homes”

Dwellings are considered as second homes, if it is a vacation home visited for recreation, vacation or other activities which are not remunerated within this place. The data sources for imputed rent of second homes are: estimates, NA and other. About 6 percent of imputed rent services constitute summer cottages and 80 percent of output value of cottages is considered as domestic tourism.

### 3.4 The measurement of tourism business expenses

Estonia follows the guidelines of SNA93 in measuring tourism business expenses. Tourism business expenses are surveyed for non-financial corporations (SBS and PMK surveys), for financial corporations (financial statistics), for government units (administrative sources) and for NPISH (survey of non-profit institutions). Supply related information (NA-statistics, and/or business statistics related intermediate consumption) is also used as data source.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Inbound tourism concerns the activities and consumption of non-resident visitors travelling to and staying in Estonia and outside their usual environment. Tourists are distinguished from same-day visitors. There is also the basic differentiation between specific and non-specific products and characteristic and connected products. Fundamental prerequisite for the compilation of TSA table 1 is a high level of detail as well as quality of the data from Balance of Payments (compiling Bank of Estonia). Inbound tourism consumption using the following BoP statistics: travel expenditures incl. business and personal, passenger transportation (sea, air, rail, road), supporting transport (airport, harbours) and government services (e.g. visa issuing services abroad). The additional source for the construction of the TSA table 1 is the inbound border survey, which main purpose is to collect information about visitors to Estonia and the Estonians who are about to visit other countries. It has been continuously conducted in cooperation with the Population and Social Statistics Department of the Statistics Estonia. The Estonian Border Survey is carried out quarterly at North, East and South borders, at 16 border points altogether. As one border zone is used by many border crossers, who might be physically separated, a new term check point has been exploited. Together this survey has covered 23 check points. The Border Survey is a sample survey, which allows collecting information about a certain part of the border crossers. Check periods were selected randomly at each border point and the interviewer had to count all border crossers and interview every n-thousand of them during this period. Structure of expenditures is surveyed broken down by only 11 basic categories (aggregations).

## 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

The domestic tourism consumption corresponds to the consumption expenditures made by the resident visitors when travelling within Estonia. There is no distinction between tourists and same-day visitors. There is the basic differentiation between specific and non-specific products and between characteristic and connected products. The main source for it is the tourism survey of the Estonian population. In 2006 the tourism of Estonian residents was studied in the Estonian Labour Force Survey (LFS). Since 2007 it has been included in the General Household Survey (GHS). In the Estonian Labour Force Survey questions were asked about the trips that ended during the month preceding the reference moment. The trip could have started several weeks, several months, or up to a year earlier. However, only the trips that ended within the calendar month preceding the reference moment were taken into account. The reference weeks had been uniformly divided throughout the whole year, interviews were conducted during the five weeks following the reference week. The interviews of the General Household Survey are conducted during the first month of every quarter, and questions are asked about the trips that ended within the previous quarter, i.e. within the period of the previous three months. In the Estonian Labour Force Survey sampling was based on the 15-74 year-olds. In the General Household Survey sampling is based on the population aged 15 or older. It embraces only the permanent residents of Estonia with the exclusion of persons staying in institutions on a long-term basis (at least a year). In the General Household Survey telephone interviewing has been partially used. Every quarterly sample is divided into two parts: the ordinary interview (face-to-face) sample and the telephone interview sample. All the data received through the expansion of the sample on the surveyed population are the estimates of actual parameters. Total domestic tourism consumption is the number of domestic trips combined with the average expenditure on a trip per person.

## 4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

The TSA-table T3 about outbound tourism consumption is not compiled.

## 4.4 Estimating same-day visitors expenditures

Statistics Estonia collects data on inbound and outbound same-day visitors. Information on expenditures and destination is surveyed. No information about purpose and mode of transport is available.

## 4.5 TSA-table 4: Internal tourism consumption by products and types of tourism

Internal tourism consumption comprises the consumption of both resident and non-resident visitors within the economic territory of Estonia. It represents all financial resources from tourism allocated in the national economy. In Estonia the internal tourism consumption is the sum of inbound tourism consumption, domestic tourism consumption and other components of visitor consumption. Other components of visitor consumption refer to the business tourism expenses (item 3.4.), imputed rents for second homes (item 3.3.) and final consumption in kind (i.e. private use of business cars free of charge or at a preferential price for activities not related to the employers business). About 30 percent of income in kind is considered as tourism. NA estimates are based on administrative data from the Tax and Customs Board (i.e. declaration on fringe benefits granted to employees).

## 5 The TSA tables for production and supply and use

### 5.1 TSA-table 5: Production accounts of tourism industries and other industries

The TSA tables for production accounts of tourism industries use the information from the NA (NA) estimates. Fundamental prerequisite for the compilation of the TSA table 5 is the detail quality of the NA data. The SUT are being reconciled at 2 digit level of NACE and CPA classification (more accurately at level of 60 industries and 60 products). The matrices are available at NA unit as non-official (not disseminated) version broken-down by 198 different industries according to NACE classification and by 400 product groups according to CPA classification. Nevertheless, such level of detail is still insufficient in some cases for tourism analysis and needs of TSA. For example, NA tables do not provide detail information about supply within the miscellaneous tourism services (part of CPA 65, 66, 714, 752111, 9304) and so only estimates are available. Hotel services (CPA 5521) are partly included in the estimates as well. Final data of the SUT are then sorted by the characteristic and connected industries and products which are chosen following the recommendation in the TSA-RMF manual and specific conditions in Estonia. The table 5 is compiled in common recommended way but without intermediate consumption in the same table. The tourism connected products are divided into distribution margins (sale of automotive fuel) and services the non-specific products are divided into distribution margins (wholesale and retail trade) and other products.

### 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

#### 5.2.1 The general structure of the table

The TSA table 6 is not fully in line with the format proposed by TSA-RMF. There are only output, intermediate consumption, value added, tourism ratio and tourism value added. Taxes less subsidies on products of domestic output and imports and the internal tourism consumption by products are not available in the same table.

#### 5.2.2 General characteristic of the data

According to the TSA-RMF all products and activities are classified into tourism characteristic, connected and non-specific industries/products. Connected as well as non-specific industries/products are put together to separate columns and rows. Then, a calculation of the tourism ratio is done for each industry or for their groups (e.g. connected and non-specific industries). The TSA table 6 suffers from the same weaknesses as table 5 (e.g. intermediate consumption is not split into the components). Business travel expenses for accommodation and transportation services are excluded from the intermediate consumption; they are included in value added.

### 5.2.3 Calculation of Tourism Value Added (TVA)

The contribution of tourism consumption to GDP is calculated on the basis of the SUT. Main aggregates of TSA such as tourism output and tourism value added are estimated from the demand side. Internal tourism consumption expenditures broken down by products and valued at purchasers' prices are first transformed into basic prices. The goods and services imported into the country are separated from the tourism consumption. Tourism ratio in the domestic supply of the relevant tourism characteristic products is calculated by dividing the internal tourism consumption expenditures by the domestic supply valued at the basic prices, which is then applied to the output by industries. The tourism value added by industry is calculated using the tourism outputs ratio assumption. It is assumed that the value added ratio is the same as the output ratio, regardless of whether output is purchased by visitors or non-visitors. Tourism GDP is estimated by adding tourism value added of all industries and tourism taxes less subsidies on products. The contribution of tourism industry to GDP for 2000 to 2004 is calculated on the basis of the SUT for the corresponding years. In 2000 to 2004, the symmetric product by product input-output table for 2000 was used to measure total direct and indirect effects on the national economy of changes in tourism demand.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

The TSA table T7 about employment in the tourism industries is not compiled.

### 6.2 TSA-table 8: Tourism gross fixed capital formation

The TSA table T8 about gross fixed capital formation is not compiled. However, for 2000 to 2004 the following data have been provided: tourism gross fixed capital formation (in mn EEK) and share of tourism in gross fixed capital formation (in percent). Both represented direct effect of tourism consumption.

### 6.3 TSA-table 9: Tourism collective consumption

The TSA table T9 about tourism collective consumption is not compiled.

### 6.4 TSA-table 10: Non monetary indicators

The TSA table T10 about non monetary indicators is not compiled.

### 6.5 Other tables beyond the 10 RMF-TSA-tables

The indirect effects of tourism consumption are estimated by using Leontief inverse coefficients.

### 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

Besides some problems regarding same-day visitors like sampling in general, comprehensiveness of data, reliability of data and reminding problems of respondents are the

main deficits. Furthermore, no additional information is available neither about problems nor advantages of compiling the TSA.

## 7 TSA country results

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Inbound tourism consumption has a dominant importance for the tourism consumption in Estonia. It totalled 920 mn Euro in 2004 (the original values shown in kroons were converted into Euro with the average annual exchange rate of 2004: 1 EUR = 15.6466 EEK). The growth rate was 26 percent in the period 2000 to 2004. The breakdown of consumption by products and categories of visitors is not compiled. 1.94 mn foreign tourists stayed overnight in Estonia in 2006. Among them, 1.43 mn stayed at accommodation establishments, and about 0.5 mn stayed with friends or relatives or at their own apartments.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Domestic tourism consumption of resident visitors represents 134 mn Euro. The number of domestic tourists has increased fast during last years. In 2006 almost 832 th domestic tourists stayed at the accommodation establishments of Estonia. Compared to 2005 it increased by 34 percent. Both private and business trips increased considerably.

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

TSA table 3 is not produced in Estonia.

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

Other components (i.e. tourism business expenses, income in kind and second homes services) comprised the more important segment because they totalled 63 percent of domestic tourism consumption (cf. TSA-table 2). The internal tourism consumption consists of inbound and domestic tourism and its value totalled about 1.05 bn Euro in 2004. It went up by 30 percent since 2000. The share of inbound tourism consumption was 87 percent in 2004 and it decreased by 3 p.p. in comparison with 2000. It is an opposite trend compared to that of domestic tourism consumption, which percentage increased from 10 to 13 percent within five years. Very important is the structure of internal tourism consumption by products. Unfortunately, the Estonian TSA does not offer detailed results with the product breakdown.

### 7.5 TSA-table 6: Domestic supply and internal tourism consumption by products

Tourism ratio on gross value added was 4 percent in 2004 and tourism ratio on gross domestic product was 4.8 percent in 2004. It is important to note that the Estonian economy is developing and the total output and gross value added increased in the last years, whilst the share of tourism decreased. A decrease since 2000 was by 0.8 p.p. in value of GVA and by 1.0 p.p. in value of GDP. The TGVA totalled 341.8 mn Euro. The TGDP reached 769.2 mn

Euro including direct and indirect effects of tourism consumption or 467.5 mn Euro considering only direct effects. Structure of the TGVA by industries was: 223.6 mn Euro in tourism characteristic industries (65 percent), 18.4 mn Euro in tourism connected industries (5 percent) and 99.8 mn Euro in non-specific industries (29 percent). All indicators show tourism direct effects and economic impact. Nevertheless, the Estonian TSA calculates the direct and indirect effects of tourism consumption as well (7.5 percent on GVA and 8 percent on GDP).

#### **7.6 TSA-table 7: Employment in the tourism industries**

TSA table 7 is not produced in Estonia.

## 7.7 Country specific TSA data sheet

| Reference year of following TSA-Tables   | 2004         |           |                  |
|--|--------------|-----------|------------------|
|  | in mn Euro   |           |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors  |              |           |                  |
| Total inbound tourism consumption  |              |           |                  |
| same-day visitors  | 0            |           |                  |
| tourists   | 0            |           |                  |
| all visitors   | <b>920</b>   |           |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors |              |           |                  |
| Total domestic tourism consumption   |              |           |                  |
| same-day visitors  | 0            |           |                  |
| tourists   | 0            |           |                  |
| all resident visitors  | <b>134</b>   |           |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors |              |           |                  |
| Total outbound tourism consumption   |              |           |                  |
| same-day visitors  | 0            |           |                  |
| tourists   | 0            |           |                  |
| all visitors   | <b>0</b>     |           |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism       |              |           |                  |
| Total internal tourism consumption (T1 & T2)                                     | 1054         |           |                  |
| Total internal tourism consumption (in cash and in kind)                         |              |           |                  |
| including tourism business expenses  | 1054         |           |                  |
| including other components of visitors consumption in kind                       |              |           |                  |
| (without tourism business expenses)  | 0            |           |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products        |              |           |                  |
| <b>Internal tourism consumption by products</b>                                  | <b>1054</b>  |           | T-ratios in %    |
| A.1 Characteristic products  | 0            |           | 0                |
| 1 Accommodation services   | 0            |           | 0                |
| 2 Food and beverage serving services   | 0            |           | 0                |
| 3 Passenger transport services   | 0            |           | 0                |
| 4 Travel agency, tour operator and tourist guide service                         | 0            |           | 0                |
| 5 Cultural services  | 0            |           | 0                |
| 6 Recreation and other entertainment services                                    | 0            |           | 0                |
| 7 Miscellaneous tourism services   | 0            |           | 0                |
| A.2 Connected products & B. Non specific products                                | 0            |           | 0                |
| <b>Total final consumptions by private households (national)</b>                 | <b>5714</b>  |           |                  |
| <b>Total Output (national)</b>   | <b>20949</b> |           |                  |
| <b>Total Output of activities</b>  | <b>20949</b> | GVA       | T-shares in %    |
| 1 Hotels and similar   | 148          | 64        | 82               |
| 2 Second home ownership (imputed)  | 760          | 650       | 5                |
| 3 Restaurants and similar  | 219          | 75        | 35               |
| 4 Railways passenger transport   | 144          | 71        | 5                |
| 5 Road passenger transport   | 158          | 85        | 33               |
| 6 Water passenger transport  | 279          | 46        | 25               |
| 7 Air passenger transport  | 100          | 15        | 72               |
| 8 Passenger transport supporting services  | 406          | 236       | 5                |
| 9 Passenger transport equipment rental   | 149          | 78        | 5                |
| 10 Travel agencies and similar   | 53           | 29        | 95               |
| 11 Cultural services   | 0            | 0         | 0                |
| 12 Sporting and other recreational services                                      | 306          | 159       | 9                |
| Tourism connected & non specific industries                                      | 18226        | 7111      | 2                |
| <b>Total Value Added (national)</b>  | <b>8533</b>  |           |                  |
| <b>Tourism Valued Added</b>  | <b>342</b>   |           |                  |
| TSA-table 7: Employment in the tourism industries                                |              |           |                  |
|  | employed     | employees | female employees |
| <b>Total employment in the tourism industries</b>                                | <b>0</b>     | <b>0</b>  | <b>0</b>         |
| 1 Hotels and similar   | 0            | 0         | 0                |
| 2 Second home ownership (imputed)  | 0            | 0         | 0                |
| 3 Restaurants and similar  | 0            | 0         | 0                |
| 4 Railways passenger transport   | 0            | 0         | 0                |
| 5 Road passenger transport   | 0            | 0         | 0                |
| 6 Water passenger transport  | 0            | 0         | 0                |
| 7 Air passenger transport  | 0            | 0         | 0                |
| 8 Passenger transport supporting services  | 0            | 0         | 0                |
| 9 Passenger transport equipment rental   | 0            | 0         | 0                |
| 10 Travel agencies and similar   | 0            | 0         | 0                |
| 11 Cultural services   | 0            | 0         | 0                |
| 12 Sporting and other recreational services                                      | 0            | 0         | 0                |
| <b>Total Employment (national)</b>   | <b>0</b>     |           |                  |

EE



**FI**

## Country report for Finland



## 1 General Introduction

Mr. Olli Pirinen [mailto:Olli.Pirinen@stat.fi] (former: Mrs. Ritva Marin) from Statistics Finland is responsible for the Finnish TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

In Finland, a preliminary version of TSA was introduced for the year 1999. In 2004, the Finnish TSA project developed methods for the current calculation of the satellite account and produced final tables for the TSA for the years 1995 - 2001 as well as preliminary tables for the year 2002 (Final report of the TSA project). Since then, the annual data are updated continuously. The regional TSA were developed in 2005 and 2006 for the reference year 2002 at NUTS 3 level (Juha-Pekka Kontinen, 46th Congress of ERSA, 2006).

#### 1.1.2 Experience in TSA compilation

The pilot TSA were compiled for the year 1999, drawn up by the Travel Development Finland Ltd. Statistics Finland prepared the TSA tables and also made major contributions to the text of the report. At that time product specific supply and use tables, a key tool for balancing tourism demand with the supply of tourism characteristic products at detailed product level, were not available. In 2004 Statistics Finland initiated a project on TSA, which was financed by the Ministry of Trade and Industry (70 percent) and by the EU (30 percent). During the project a full time researcher was appointed to Statistics Finland, Economic Statistics unit, and a steering group was set up. Representatives from the Ministry of Trade and Industry, the Finnish Tourism Board, the Finnish Hotel and Restaurant Association, the Helsinki School of Economics and Statistics Finland participated in the steering group. The project manager came from the National Accounts section. As a result of the project the TSA-RMF tables 1, 2, 4, 5, 6, 7 and 10 were compiled. 2001 was chosen as reference year, because at that time this was the latest year for which the final national accounts figures were available. On this basis the tables for the period 1995 - 2000 have also been compiled and a preliminary version for 2002 was prepared. Since then Statistics Finland compile the TSA-tables annually.

#### 1.1.3 Responsibility of the TSA compilation

With regard to the Finnish Tourism Satellite Accounts 2004 Statistics Finland (Transport and tourism section) was responsible for the collection of data on tourism demand and for the basic editing of the data needed for compilation of Tables 1 - 4. The final compilation of the demand tables and their reconciliation with the supply data were made by Statistics Finland National Accounts section. The required revisions were carried out by National Accounts section, too. A considerable part of the time was devoted to define the products and industry headings in the national accounts that should be included in the TSA and harmonized with standard TSA classifications.

## 1.2 The inter-institutional platform

The steering group involved experts from data providers, potential users and from the research area into the project of development of Finnish TSA. In June 2004 a workshop was organised with 35 attendants giving fruitful directions for future TSA development in Finland.

## 1.3 The dissemination of the TSA exercise

### 1.3.1 Availability of the country TSA

The final report of the Tourism Satellite Accounts project in 2004 was published by Statistics Finland and available also in English. The RMF tables T1, T2, T4, T5, T6 are also available on the website of Statistics Finland in the form of predefined tables. Table 7 and 10 are not public available, but can be obtained from Statistics Finland on request. The TSA tables are disseminated on an annual basis. The latest year available is 2007. The next reference year will be 2008.

### 1.3.2 Responsibility for the dissemination

Statistics Finland (unit for NA) is responsible for TSA dissemination. Key dissemination channel is the Statistics website National Accounts-Tourism Accounts ([http://www.stat.fi/til/matp/index\\_en.html](http://www.stat.fi/til/matp/index_en.html)). It is of great value that the dissemination format of TSA is integrated into the general dissemination scheme of Statistics Finland in addition to predefined tables it contains also information on future releases, actual releases, data description and concepts and definitions of tourism accounts. However, the dissemination would be even more effective if tables 7 and 10 were published on this webpage, too.

### 1.3.3 Content of the publication

Short information (3 pages) in English of the 1999 project is available. The key publication "Final report of the TSA project" (2004) is written on 50 pages in English. The publication includes detailed methodological notes, explanations of the estimates and also a profound analysis of the results for the period 1995 to 2002. Since that time the compilation methodology has not been changed. Presently, the latest final figures are available for the year 2005. The data for 2006 and 2007 have not been finalised, because product specific supply use tables for these years are not yet available.

### 1.3.4 Level of detail of the publication

The Final report is well organised, transparent and comprehensive clear and detailed methodological explanations are presented for each table separately. Review of the reliability of TSA statistics by data sources used and by tables is also given. The main drawback of the report (in English) is omission of the presentation of the results in the form of standard TSA tables. Key results are presented in graphic form only.

### 1.3.5 Publications

Statistic Finland (2004): Final report of the Tourism Satellite Account project.  
[http://ktm.elinar.fi/ktm\\_jur/ktmjur.nsf/All/4A4961275CDE38B6C2256F6D0026AEE1/\\$file/englanninkielinen\\_ratu8mos\\_2004.pdf](http://ktm.elinar.fi/ktm_jur/ktmjur.nsf/All/4A4961275CDE38B6C2256F6D0026AEE1/$file/englanninkielinen_ratu8mos_2004.pdf)

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The Finnish TSA applies a detailed classification for tourism products and for industries. It distinguishes 19 characteristic products and 2 connected products wholesale and retail trade services are treated as non-specific product. As industries are concerned, tourism industries are classified in 12 classes. Sales of fuel for automobiles and local transport are defined as connected industries. Both classifications fully comply with recommended respective TSA classification schemes. Finnish tourism product and activities classifications are based on national versions of NACE Rev. 1.1 and CPA. In case that the national accounts classifications do not correspond at a sufficient accuracy to the need of the TSA, some additional specifications and transformations are made.

### 2.2 Measurement of domestic tourism expenditure

The Finnish Travel Survey is the main source for the estimation of domestic tourism consumption. It is a monthly conducted sample based telephone survey covering travel of permanent residents of Finland aged 15 to 74. The questions refer to domestic and outbound trips; domestic same-day trips are not covered. The survey started in 1991 as a quarterly survey, since 2000 it is carried out once a month. Excluded from the survey are the personnel of transport companies and other professionally travelling people. The surveyed trips are grouped into leisure and business (professional) trips, into overnight and same-day trips (same-day domestic trips are excluded), into trips to own second homes, and into visiting relatives and friends. Consumption of domestic trips is specified by broad expenditure groups. The specification depends on the purpose of the trip. Expenditure is specified in most detail for domestic leisure trips using paid accommodation (accommodation services, catering services, transport services, shopping of food, other shopping, admission fees, ski-lift tickets, equipment renting, other expenses). The reference data for accommodation services are the data on the number of overnights and average prices of accommodation reported by the accommodation statistics. The same is true in the case of inbound trips (accommodation statistics is used as a reference). Passenger Transport Survey is used as data source for domestic same-day tourism.

### 2.3 The handling of the definition of "visitors" in empirical practice

#### 2.3.1 Leaving one's usual environment

In the case of inbound and outbound trips visitors are defined as persons crossing the country border. In the case of domestic tourism, as same-day trips are not surveyed, the distance from residence to destination and crossing the administrative border are combined. This is the reason why the use of second homes in the same locality is not included in tourism consumption. The passenger survey supplies data for same-day visitors, travelling more than 100 km in Finland. In Finland cruises are an important type of tourism. Cruises are defined as

return or single trip by boat outside Finnish territorial waters including overnight stay on board. It may include a day visit in the destination country.

### **2.3.2 Business visitors and the fact of being remunerated**

The Finnish Travel Survey does not cover the expenditure of the personnel of transport companies during their travel. In the case of inbound trips the definitions of the BoP travel balances are applied. BoP defines traveller more broadly than TSA. The travel balances take account of consumption of seasonal and border workers, consumption of students and those receiving medical treatment. Because of lack of information these groups of travellers cannot be separated. So the tourism revenue of the BoP travel balance is used as such for total consumption of foreign travellers in the TSA.

## **2.4 The scope of tourism consumption expenditure**

Data on inbound tourism are derived from the Border Interview Survey. The questions refer to the spending of visitors in Finland. Originally the expenditure items were grouped into three groups only: accommodation and restaurant services, shopping, other expenditure. Since 2002 the product specification has been extended: restaurant services have been separated from accommodation services. Since 2003 buying fuels for vehicles and the use of taxis has been also inquired. Pre-trip expenses of outbound visitors are presently estimated by the number of trips abroad in the Finnish Travel Survey. It contains mainly fees paid to resident travel agencies and domestic overnights staying in Finland before or after the trip abroad. Expenditure on international transport carried out by resident transport companies is estimated as a share of sales revenue of resident transport companies. The distribution of this revenue between leisure and business trips is based on an estimate from the Travel Survey. Valuable and durable goods are included into inbound consumption to the extent they can be taken along when leaving Finland.

## **2.5 Implementation of SNA93 based National Accounts results**

The Finnish TSA mainly base on the national accounts, in particular on supply and use tables (SUT). Final tables are available from 1995 onwards. The industrial classification of the SUT in manufacturing corresponds to the 3-digit level industrial classification (TOL/2002), in other industries the classification follows mainly the 2-digit level. Altogether 182 industries are involved in the compilation of SUT. When TSA is compiled the original classification is transformed to make tourism industries more specific. It concerns transport, accommodation in second homes and recreational, cultural and sporting activities. The Finnish product classification used in SUT (KTTL) is derived from CPA. The tables are balanced for 952 products. For the purpose of TSA some product groups are rearranged, for instance the separation of interurban and local road transports services. Cultural services are separated in two parts: a major share of the services is not tourism characteristic (such as radio and TV activities, news agencies, gambling). In other cases, like programme services, due to lack of data sources, this is not yet done. Programme services may be provided by four different industries, but their output share is not known. A significant part of the output of travel services, tour operators may come from programme services, which should belong to the product group cultural services or to sporting and other recreational services.

## 2.6 Measurement of the “travel” item in the Balance of Payments

Since 1999 the border inquiry is the main source for the revenue side of the BoP travel item. Non-resident persons entering Finland fall in the category travel if the travel is related to work, they are students, want to do shopping or need medical treatment. Their expenditure in Finland is accounted here regardless the broader definition in comparison to that used in tourism statistics. Because no more detailed information is available on consumption of these groups of non-visitors, they are not separated, but the travel balance is used as such for total consumption of foreign travellers in the tourism account. In the BoP transport expenses of travellers are recorded in a separate item. The revenue side includes the fees of Finnish transport companies received for transporting non-residents. The expenditure on transport products in inbound tourism corresponds to this item.

## 2.7 The measurement of timeshare tourism

The use of and the expenditure on time-share accommodations is not recorded separately within the TSA. The author of Finnish TSA provided additional explanation that the information on time share tourism is based on the accommodation establishment register of Statistics Finland. This register contains more detailed information on the character of the accommodation establishments. In Finland, time share lodging is usually offered together with ordinary tourism accommodation in the same blocks.

## 2.8 Availability of new surveys in the near future

According to the information which was additionally submitted by compilers of the Finnish TSA, the introduction of new surveys will follow the EU regulation. As regards the renovation of EU-legislation on tourism statistics domestic same-day trips were considered to be included in the Finnish Travel survey which provides the demand side data for tourism statistics. These plans are likely to be deferred as the inclusion of same-day visits in the EU-legislation has not yet been accepted by the majority of the MS'. The new regulation is due to be implemented either in 2010 or 2011.

# 3 The handling of TSA specific problems

## 3.1 Consideration of the services of travel agencies and tour operators "net"

The output of travel agencies and tour operators is obtained from the national accounts calculation tables. In the national accounts the services are recorded gross to balance supply and household consumption, also accounted gross. For the TSA the output in the national accounts is adjusted, the purchase of transport, accommodation and similar services of the package are deducted. By these means the output of travel agencies is netted.

### 3.2 Consideration of the distribution margins

Trade margin related to tourism consists of two items: trade margin on fuels considered as connected product and trade margins of other tourism nonspecific goods. Data on the sales of fuels and on trade margins are obtained from the detailed national accounts calculation.

### 3.3 The Treatment of “second homes”

The use of second homes is accounted as tourism consumption only if the owner does not have the principal dwelling in the same municipality. The use of second homes for tourism is split in two categories: second homes actually rented out for market rate are included in the product group hotels and other lodging services. The imputed rent of the owner occupied second homes forms a separate product. Data are obtained from the national accounts. The number of own free time residences comes from free time residence statistics. The estimate can be considered uncertain (Final report, page 48).

### 3.4 The measurement of tourism business expenses

Estimates on domestic business tourism are made on the basis of the Finnish Travel Survey. The expenditure of the traveller spent during the trip (shopping etc.) is accounted as household consumption expenditure and consequently accounted for in table 2 in TSA. The share of expenditure that is financed by the employer is considered as business expenditure, accounted in the national accounts as intermediate consumption and included in table 4 of TSA as a part of consumption in kind.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Table 1 presents consumption expenditures of inbound visitors by products and type of visitors (same-day visitors and tourists are distinguished). Predefined table Inbound Tourism Consumption at Finland Statistics website allows the construction of Table 1 as required by TSA standards. Data on total expenditure are derived from the Balance of Payment (BoP) it is the sum of travel and international passenger transport revenue in the BoP. The Border Interview Survey provides data on the composition of the expenditure by products. The Border Interview Survey is regularly conducted since 1998. It is not exhaustive as the archipelago Aland is excluded. Aland tourism revenue is estimated on the basis of the accommodation statistics. Since 2002 the products specification has been extended: restaurant services have been separated from accommodation services, since 2003 buying fuels for vehicles and the use of taxis are also inquired. Data on international passenger transport by air and by boat are coming from the transport companies. They are considered to be fairly reliable. Every second year questions are asked about one-way trips over 100 km made in Finland and the transport means used for them. From this sources the expenditure on transport services, renting of cars and buying fuels are estimated. The interview also inquires the outdoor activities taken by foreign visitors in Finland. This information is used to estimate the expenditure on recreational and sporting services. The expenditure on accommodation derived from the survey is controlled by the accommodation statistics. The use of accommodation by foreign visitors is reported separately. It is likely that the total expenditure of inbound visitors

is slightly overestimated, as the BoP includes also the expenditure of other groups of travellers.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Table 2 presents the consumption expenditure of domestic visitors by tourism products. The domestic consumption of residents travelling within Finland is distinguished from that of travelling abroad. The consumption of same-day visitors and overnight tourist are also presented separately. The structure of the table thus suits to the recommendations (see predefined tables). In the case of leisure tourism the total amount of spending was accounted. In the case of business tourism only the money paid by the traveller himself/ herself was recorded (shopping etc.). The major data source is the Finnish Travel Survey. In the case of leisure trips with paid accommodation 9 groups of products are distinguished. For business trips the expenditure is divided into three product groups only (accommodation, transport, other expenses including restaurant services). Consumption expenditure on trips with non-paid accommodations (visiting relatives or own second homes) is divided in three product groups only. Pre-and post-trip expenses of outbound trips are estimated on the basis of number of trips abroad. The Finnish Travel Survey provides information only on whether the foreign trip or cruise included an overnight stay before or after the trip in Finland in a paid accommodation. The level and composition of such expenditures is based on experienced estimates: accommodation, transport services (resident transport company provides services to residents), commissions paid to travel agencies, buying of food or consuming the services of restaurants may belong to the usual pre- or post trip expenses. The distribution of pre- or post trip expenditure between leisure and business trips is based on the Travel Survey. The Passenger Transport Survey is used for estimating the expenditure of domestic same-day visitors. As stated in Final report (p. 48) the worst shortcomings of table 2 concern domestic same-day travel and domestic consumption in connection with outbound trips due to the lack of appropriate data sources. The reliability of the data on domestic consumption has been improved by estimating the consumption of persons younger than 15 and older than 74 as these age groups are excluded from the Finnish Travel Survey.

#### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 is not compiled. It may be worth to examine whether the Balance of payment data could be used as a rough data source for estimating expenditure on outbound tourism in a similar way as it is exploited in the case of inbound tourism. In Finland data on outbound and domestic tourism expenditure are also collected in a household survey. This source could also be investigated.

#### **4.4 Estimating same-day visitors expenditures**

TSA methodology recognises three categories of same-day visitors: foreign (inbound) same-day visitors with transit visitors as a separate subcategory, domestic same-day visitors and domestic outbound same-day visitors. As table 3 that covers outbound same-day visitors has not been developed, Finnish TSA deal only with inbound and domestic same-day visitors. For inbound visitors the Border Survey includes same-day visitors. For domestic same-day

visitors estimates of the number of trips are based on the Passenger Transport Survey, while estimates of expenditure are based on regional ad-hoc studies providing information on consumption during same-day trips. The Passenger Transport Survey is a telephone interview carried out continuously during 12 months. When starting compiling the TSA the last survey conducted in 1998-1999 was used. In this survey the sample size was around 18 thousand calls, with 64 percent response rate. The survey covers all kinds of travels by persons aged 6 and older in physical indicators. From these data a part was separated to be used in the TSA containing domestic same-day trips by persons aged 18 and older where the distance between the place of departure and destination was at least 100 km, and the return takes place within 24 hours. From this survey a special run of estimates was done for the volume of same-day visits in the TSA using data from the Road Administrations data on annual total kilometres of domestic passenger car transport. A new Passenger Transport survey was conducted from 2004 to 2005 and will be used to update the number of same-day visits for the TSA in the near future.

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Table 4 is summing up total inbound consumption from table 1 and total domestic private consumption from table 2, showing thus the internal tourism consumption within the final consumption expenditure in Finland. This part of the table is harmonised with the recommended structure of table 4, certainly having in mind methodological characteristics of constituent tables (already discussed in 4.1. and 4.2). In order to obtain complete coverage of actual internal tourist consumption (in cash and in kind) TSA-RMF recommends adding a column of other components of visitor consumption. In case of the Finnish TSA this column consists of the expenditure on business trips paid by the employers (in the NA accounted as intermediate consumption). An additional component is the imputed rent of second homes used by the owner (if the second home is located in a different municipality than the owners actual dwelling). Collective consumption connected to tourism financed by the government is not yet accounted. (Holiday granted as social benefits are reported in the Finnish Travel Survey and included in the expenditure on domestic leisure trips).

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

Table 5 is the production account of tourism industries. The upper block is a supply matrix, which distributes the output of tourism industries by type of products. Output is valued at basic prices. The lower block split the output into intermediate consumption of tourism industries (valued at purchase prices) and value added. Value added is divided into compensation of employees, other taxes less subsidies on production and gross operating surplus. The structure of the table 5 published at Statistics Finland (as predefined table in electronic form) mainly corresponds to TSA-RMF and EIM recommendations however it has to be observed that this table is not presented separately, but combined with Table 6 (also in predefined tables form). Supply and use tables (SUT) are used as a dominant data source for table 5. In SUT industries are classified by the Finnish Standard Industrial Classification 2002 (TOL 2002) derived from NACE Rev. 2. In manufacturing it corresponds to its 3-digit level in other industries the classification mainly follows its 2-digit level, altogether 182 industries. The product classification in SUT is the product classification of national accounts (KTTL),

derived from the EU CPA classification of products, containing in all 952 products. In order to transform national accounts data to TSA classification, some adaptations were carried out. For instance local and interurban road transports are separated the same is done in the case of renting second homes at market rate or used by the owner. Maintenance and repair services of passenger transport equipment are moved to the group of non-specific products. These adaptations are well documented in Final report (p. 16-22 and 33-37) and no apparent problems could be discerned on this basis. Generally, SUT can be considered as a reliable framework for Finnish TSA.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

Table 6 brings together data on tourism supply (production (table 5) and tourism consumption (table 4) being thus the kernel of TSA. The structure of table 6 was evaluated indirectly, via studying the optional scheme of predefined tables. The columns on the left side of the table show the output of tourism industries by products, the tourism shares for each industry are presented in a separate column. 12 tourism industries are defined, supplemented by tourism connected industries and tourism non-specific industries at aggregated level. Imports of tourism characteristic services and taxes minus subsidies on products are added to domestic production and thus aggregate of domestic supply at purchase prices is obtained. On the right hand side internal tourism consumption as accounted on Table 4 is presented. Comparison of internal tourism consumption with tourism supply gives tourism ratio on supply by tourism products. Rows in table 6 are organised according to the required structure, by tourism characteristic products and with separate data on distribution margin and services for tourism connected and non-specific products. The sum of the rows gives value of the output at basic prices, which is further broken down to intermediate consumption and gross value added. Intermediate consumption in each industry is calculated on the basis of SUT data for 8 intermediate product headings. Gross value added is not classified by main components. It must be noted that table 6 fully harmonised with TSA standards could be obtained from Statistics Finland upon request.

### **5.2.2 General characteristic of the data**

The output of tourism industries can be characterised as follows: Hotels and similar provide mainly accommodation and catering services. To some extent recreational services are also produced. The services of second homes are spilt up in two parts: actual rents and imputed rents if the owner uses the lodging. Restaurants and similar is mainly composed of serving food and beverages. On the other hand food and beverages are supplied by various other industries. Railway passenger transport is divided into local and interurban transport. Among road transport services interurban bus, coach and taxi transport belongs to characteristic products, local bus and underground services are connected products. In the water passenger transport the share of secondary activities is significant (restaurant services and shopping). The airport shopping is classified into air passenger transport supporting services. Output of travel agencies and tour operators are measured on net basis. Cultural services and sporting

and recreational services are separated from the respective NACE industry, as a large part of this industry provides non-tourism specific services.

### 5.2.3 Calculation of Tourism Value Added (TVA)

Tourism value added is calculated in several stages. First, the output of tourism products generated by tourism is calculated applying the tourism share to data on supply of industries. Second, the output generated by tourism is derived by adding up the value of output generated by tourism for tourism products produced within the industry. Third, the value added produced by tourism is calculated in each industry by deducting the share of the intermediate consumption generated by tourism from the output generated by tourism (as calculated in previous two stages). It is assumed in the calculations that in each industry the share due to tourism intermediate consumption is equal to its share of output. Tourism value added is calculated as a sum of tourism generated value added by industries.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

Tourism employment is measured by the employment in tourism characteristic industries. Only the share of tourism demand in employment is not assessed. Data on employees and self-employed are estimated separately. Beside this, hours are also estimated. Employment data is neither differentiated by gender nor is the number of full time equivalents assessed as required by TSA-RMF and EIM recommendations. The employment effect of tourism is estimated by taking the shares of all industries output to tourism use, and multiplying total employment by these shares. In this case it is assumed that the employment effect generated by tourism demand per output unit is equal to the employment effect by non-tourism demand. This may not always be the case (for instance employment rate in passenger boat transport compared to freight boat transport). In Finland the share of rented labour force is significant (e.g. in hotels and restaurants), but their figures are not included in the tourism industries (because it is accounted in the industry labour recruitment and provision of personnel). The data on employment in tourism industries are obtained from national accounts. The multiplicative, induced effects of tourism on the employment at national economy level are not taken into consideration. Table 7 is not published on the website but it can be obtained on request. A note is given in Final report (p. 12) that information on labour force is not very reliable due to data deficiencies.

### 6.2 TSA-table 8: Tourism gross fixed capital formation

Data on tourism gross fixed capital formation are not published. It is considered that first some measurement problems have to be solved concerning the selection of the asset types used for providing mainly tourism services. The Finnish TSA report considers the following types of fixed assets should be classified to tourism GFCF: free-time residences, other buildings and constructions (hotels, restaurants, sports and recreational constructions, transport terminals), machinery and equipment e.g. for preparing food, or acquired for renting by visitors, transport equipments, land improvement enabling use of area for tourism.

### 6.3 TSA-table 9: Tourism collective consumption

Table 9 has not been compiled.

### 6.4 TSA-table 10: Non monetary indicators

Table 10 consists of four blocks of non-monetary indicators. These data are not published on the website of Finland statistics, but could be obtained on request. The following data are available: Number of trips and number of overnights for inbound domestic and outbound tourism. Same-day trips and tourist trips are presented separately. Data on inbound trips by broad categories of transport (air, water, railway, other means of land transport) are also given, but data on overnights by means of transport are missing. Data on number of establishments and capacity are structured in compliance with Table 10 only for collective establishments, but not for private ones, where only total number of second homes is given. Data on establishment is given by tourism characteristic industries in total and not broken by size of establishments.

### 6.5 Other tables beyond the 10 RMF-TSA-tables

In Finland regional TSA have been developed recently. The TSA were partially regionalised in May 2005 on data from 2002 and one year later an attempt was made to fully regionalise TSA for the same year at NUTS level 3 for 21 Finnish regions. Several data sources were used in RTSA compilation: Regional Accounts, various surveys on tourism statistics, Industry survey, Labour Force Survey, Personal tax register and others. A special survey for tourism characteristic industries was also carried out during the project (See: Juha-Pekka Konttinen, RTSA in Finland: data, concepts, methods and key results, 2006, p.26).

### 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

The notable feature of Finnish TSA is high level of compliance with TSA-RMF and EIM recommendations in terms of concepts, classifications schemes, data sources and compilation methods. This achievement is not a straight process and the authors of TSA expose as the key problem the balancing between the supply and use data. They admit that at the same time the balancing process has been valuable from the point of view of quality improvement. Three quality dimensions should be underlined: first, relevance of data as TSA improves possibilities to examine the impacts of tourism as a part of the total economy which was not possible before the conducting of the TSA. Second, international comparability which makes assessment of tourism in Finland at international level rather smooth and transparent. Third, accessibility and clarity of data and meta data due to integration of TSA dissemination scheme into general dissemination format of Statistics Finland. Certainly some deficiencies identified indicate the need of further development: scope of consumption of foreign visitors (see 4.1), full coverage of Finnish travel survey with inclusion of persons younger than 15 and older than 74, improved statistics on domestic same day travel, development of missing tables, in particular table 3 and amendment of employment module.

## 7 TSA country results

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

In 2001 total inbound tourism consumption summed up to 2.3 bn Euro which is 29 percent of total tourism demand. 225 mn Euro were generated by same-day visitors and 2.1 bn Euro by tourists respectively. The major expenditure items are: passenger transport (698 mn Euros), goods (food and other purchases, 523 mn Euros), accommodation (338 mn Euros), food and beverage serving services (326 mn Euros).

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Total expenditure of domestic visitors (business expenditure paid by employer excluded) was 4 bn Euro of that 1.1 bn Euro was spent by resident visitors travelling to another country. The remaining 2.9 bn Euro spent by residents travelling within Finland divided into 2 bn Euro concerning tourists and 806 mn Euro referring to same-day travellers. Overall, total domestic tourism consumption consisted of 3.1 bn Euro spent by overnight tourists and 0.9 bn Euro in the case of same-day tourists. The highest expenses in this context were made for passenger transport (855 mn Euros), food and beverage serving services (794 mn Euros), automotive fuel (585 mn Euros) and purchases from shops (food and other purchases, 567 mn Euros).

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

Estimates on outbound tourism consumption were not compiled within the Finnish TSA project.

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

Internal tourism consumption generated 6.3 bn Euro in 2001. The biggest part of 63 percent was contributed by domestic tourism. Including business expenses and consumption in kind the value added up to nearly 8 bn Euros.

### 7.5 TSA-table 6: Domestic supply and internal tourism consumption by products

Tourists and same-day visitors staying in Finland in 2001 consumed characteristic products to the amount of 5.4 bn Euro and connected products to the amount of 0.7 bn Euro which stands for shares of 89 percent and 11 percent respectively. Main parts of expenditures on characteristic products were spent on passenger transport services (43 percent), accommodation services (22 percent) and food and beverage serving services (21 percent). Their tourism ratios were 77 percent, 89 percent and 24 percent.

The domestic tourism industries produced 2.6 Euros' worth of goods and services in 2001. Tourism gross value added totalled 2.2 bn Euros. The largest shares of tourism were assigned to water passenger transport (99 percent), travel agencies and similar (99 percent), passenger transport supporting services (98 percent) and air passenger services (97 percent). The highest gross values added in characteristic industries were generated by restaurant and similar (1.3 bn Euros), road passenger transport (0.9 bn Euros) and air passenger transport (0.6 bn Euros).

## 7.6 TSA-table 7: Employment in the tourism industries

In 2001 about 126 th people were employed in tourism industries, 84 percent of them having the status of employees. Compared to total employment in Finland this means a share of 5.4 percent. Most people worked in restaurants and similar (46 percent), for road passenger transport (17 percent) and in hotels and similar (14 percent).

## 7.7 Country specific TSA data sheet

| Reference year of following TSA-Tables   | 2001           |                            |                  |
|--|----------------|----------------------------|------------------|
|  | in mn Euro     |                            |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                |                |                            |                  |
| Total inbound tourism consumption  |                |                            |                  |
| same-day visitors  |                | 225                        |                  |
| tourists   |                | 2085                       |                  |
| all visitors   |                | <b>2310</b>                |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors               |                |                            |                  |
| Total domestic tourism consumption   |                |                            |                  |
| same-day visitors  |                | 894                        |                  |
| tourists   |                | 3061                       |                  |
| all resident visitors  |                | <b>3955</b>                |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors               |                |                            |                  |
| Total outbound tourism consumption   |                |                            |                  |
| same-day visitors  |                | 0                          |                  |
| tourists   |                | 0                          |                  |
| all visitors   |                | <b>0</b>                   |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                     |                |                            |                  |
| Total internal tourism consumption (T1 & T2)   |                | 6265                       |                  |
| Total internal tourism consumption (in cash and in kind)                                       |                |                            |                  |
| including tourism business expenses  |                | 7974                       |                  |
| including other components of visitors consumption in kind (without tourism business expenses) |                | 6549                       |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                      |                |                            |                  |
| <b>Internal tourism consumption by products</b>  | <b>6048</b>    | <b>T-ratios (in %)</b>     |                  |
| A.1 Characteristic products  | 5363           | 45                         |                  |
| 1 Accommodation services   | 1192           | 89                         |                  |
| 2 Food and beverage serving services   | 1120           | 24                         |                  |
| 3 Passenger transport services   | 2288           | 77                         |                  |
| 4 Travel agency, tour operator and tourist guide service                                       | 339            | 99                         |                  |
| 5 Cultural services  | 111            | 28                         |                  |
| 6 Recreation and other entertainment services  | 190            | 39                         |                  |
| 7 Miscellaneous tourism services   | 123            | 8                          |                  |
| A.2 Connected products & B. Non specific products  | 684            | 0                          |                  |
| <b>Total final consumptions by private households (national)</b>                               | <b>68971</b>   |                            |                  |
| <b>Total Output (national)</b>   | <b>256391</b>  |                            |                  |
| <b>Total Output of activities</b>  | <b>256391</b>  | <b>GVA T-shares (in %)</b> |                  |
| 1 Hotels and similar   | 1239           | 518                        | 87               |
| 2 Second home ownership (imputed)  | 544            | 313                        | 74               |
| 3 Restaurants and similar  | 3203           | 1254                       | 18               |
| 4 Railways passenger transport   | 283            | 177                        | 57               |
| 5 Road passenger transport   | 1417           | 944                        | 37               |
| 6 Water passenger transport  | 614            | 276                        | 99               |
| 7 Air passenger transport  | 1363           | 608                        | 97               |
| 8 Passenger transport supporting services  | 41             | 27                         | 98               |
| 9 Passenger transport equipment rental   | 165            | 85                         | 26               |
| 10 Travel agencies and similar   | 330            | 239                        | 99               |
| 11 Cultural services   | 260            | 145                        | 27               |
| 12 Sporting and other recreational services  | 438            | 245                        | 26               |
| Tourism connected & non specific industries  | 246494         | 117659                     | 0                |
| <b>Total Value Added (national)</b>  | <b>122489</b>  |                            |                  |
| <b>Tourism Valued Added</b>  | <b>2236</b>    |                            |                  |
| TSA-table 7: Employment in the tourism industries (in number of persons)                       |                |                            |                  |
|  |                | employed employees         | female employees |
| <b>Total employment in the tourism industries</b>  | <b>125600</b>  | <b>106100</b>              | <b>0</b>         |
| 1 Hotels and similar   | 17100          | 15200                      | 0                |
| 2 Second home ownership (imputed)  | 0              | 0                          | 0                |
| 3 Restaurants and similar  | 58100          | 47700                      | 0                |
| 4 Railways passenger transport   | 3800           | 3800                       | 0                |
| 5 Road passenger transport   | 21900          | 15600                      | 0                |
| 6 Water passenger transport  | 4200           | 4100                       | 0                |
| 7 Air passenger transport  | 5100           | 5100                       | 0                |
| 8 Passenger transport supporting services  | 700            | 700                        | 0                |
| 9 Passenger transport equipment rental   | 700            | 600                        | 0                |
| 10 Travel agencies and similar   | 4800           | 4600                       | 0                |
| 11 Cultural services   | 3400           | 3200                       | 0                |
| 12 Sporting and other recreational services  | 5800           | 5500                       | 0                |
| <b>Total Employment (national)</b>   | <b>2330400</b> |                            |                  |

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Country report for Hungary



## 1 General Introduction

Mr. Akos Probald [mailto: Akos.Probald@ksh.hu] from Hungarian Statistical Office (HCSO) is responsible for implementation of the Hungarian TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

In Hungary both, Tourism Statistics and National Accounts (NA), including the compilation of Input-Output (IO) Tables and Supply-Use-Tables (SUT) are well developed which is a prerequisite for compiling Tourism Satellite Account (TSA). Within the "Hungarian Central Statistical Office" (HCSO) the Service Statistics Department and the National Accounts Department provided a major contribution to the development of TSA. Research on demand side data provision was funded by the "National Bank of Hungary" (NBH). Additional professional and financial assistance were ensured by different government, financial and professional organizations (e.g. the Ministry of Local Government, the Ministry of Finance, the Prime Minister's Office and the Hungarian Tourist Authority). Based on the TSA-Manuals (TSA-RMF, EIM) it became clear, that by starting the compilation of TSA tables it is necessary to verify the possible data sources and to analyse the methodology of the NA taking into account the particular recommendations of the TSA-Manuals. The Hungarian statistics implemented the requirements of ESA95 gradually starting from the middle of 1990s and reached a fairly good compliance with ESA95 by the reference year 2000. The first official report on TSA Hungary was published with 2004 data. TSA is methodologically based on ESA95. TSA requires usually more detailed data than in NA published but the compilation level of the Hungarian NA is certainly more detailed than the data published. So, in addition to the officially published NA data, there has been a lot of additional background information available for the TSA. As mentioned in the EIM, compilation of TSA tables will provide not only better understanding and knowledge about tourism and its impact on the economy, but finding specific data sources and organising specially targeted surveys in particular fields can help to validate or improve estimations in certain fields of the Hungarian NA.

#### 1.1.2 Experience in TSA compilation

Preparations for TSA compilation started already in 1999. A multi-annual program was set up by "Hungarian Central Statistical Office" (HCSO) in co-operation with the "Ministry of Economy and Transport" (MET at that time responsible for tourism policy). Within this frame in 2003 a project was launched supported by the "European Commission" (EC) through a contract between DG Enterprise and HCSO. The project served as a kind of "feasibility study" for the implementation of the TSA in Hungary furthermore, it also contributed to the introduction of various surveys on tourism demand. For the year 2004 pilot TSA versions have been compiled. The regular implementation was suspended mainly due to the lack of staff in HCSO devoted exclusively to this job, but envisaged for the reference period 2009 as the starting year. The pilot version for 2004 includes TSA-RMF tables 1 to 8. Mainly, as product and industry classifications are concerned, not all details are available. Disregarding

conceptual problems, as sources of government finance statistics in Hungary is fairly detailed, the access to basic data may not impede to produce estimates on tourism collective consumption as suggested by TSA-RMF table 9. Most of the non monetary indicators, as listed in table 10, could also be compiled from the available survey data. The latest TSA version was published with 2006 data. The tables remain unchanged.

### **1.1.3 Responsibility of the TSA compilation**

The "Service Statistics Department" of HCSO is responsible for the compilation of TSA. In the case of the pilot version 2004 the actual work was done in working groups and staff members of other HCSO departments and other government institutions (i.e. MET) were also participating. Since 2005 work has done in the Service Statistics Department with the cooperation of other HCSO departments.

## **1.2 The inter-institutional platform**

There is no permanent inter-institutional platform for tourism statistics nevertheless, doing the compilation of the pilot TSA 2004 close cooperation between MET, the "National Bank of Hungary" (NBH) and the HCSO, and within the statistical office (in particular NA-department and the "Service Statistics Department") occurred (informal agreements). Furthermore, interested stakeholders (major international organisations, tourism stakeholders) were involved into development. A three years-long working plan was formulated to facilitate the implementation.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

The results of TSA for 2004-2006 are available on the homepage of the HCSO ([www.ksh.hu](http://www.ksh.hu) - "Számokban utazunk"/"Turizmus Szatellit Számla" [http://portal.ksh.hu/portal/page?\\_pageid=178,365344&\\_dad=portal&\\_schema=PORTAL](http://portal.ksh.hu/portal/page?_pageid=178,365344&_dad=portal&_schema=PORTAL))

For the reference year 2004 a printed version was also distributed in Hungarian to the main users for this year there is an English version available as well ("Tourism Satellite Accounts of Hungary, 2004", unofficial translation by HCSO).

### **1.3.2 Responsibility for the dissemination**

As the compiler of TSA the HCSO has the main responsibility related to the dissemination of the results.

### **1.3.3 Content of the publication**

The publication contains an analysis of the results, emphasising that the additional analytical information may be obtained through TSA (i.e. "Tourism Value Added" (TVA)). It also provides some methodological notes mainly to inform the users. Detailed methodological documents on the compilation of TSA are publicly not available. A more profound description of the sources and methods can be found in the progress report and in the final reports provided to the DG Enterprise in 2004. With the exception of the pilot TSA version 2004 HCSO published only tables and key results without explanations.

### 1.3.4 Level of detail of the publication

The publication "Tourism Satellite Accounts of Hungary 2004" (see homepage of HCSO) includes, after an introduction, a methodological part and few explanations related to the data sources used, an overview of international experiences concerning TSA and tables and the key results (see also 1.3.3 above). Referring to the further period HCSO published only TSA tables and key results without explanations.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

Hungarian tourism statistics applies fairly detailed classifications on products and activities. But it is not planned that the classifications in basic statistics should correspond perfectly to the classification of tourism characteristic products as defined in TSA-RMF. Rather, approved international standards (ESA 95), economic nomenclatures, classifications (ISIC, NACE) and the related classification (TEAOR) do not regard tourism as a separate sector. When TSA is compiled, the original classifications in the surveys are transformed to the standard TSA-RMF classification. For accommodation services the tables could be compiled in the 5-digit CPC breakdown. For other types of tourism characteristic products, presently, there are no data sources for a sufficiently detailed classification. The composition of transport services was estimated relying on SUT.

### 2.2 Measurement of domestic tourism expenditure

There is a quarterly household survey dealing with the travel behaviour of the Hungarians, covering more than 10000 households. The survey distinguishes domestic and outbound trips, same-day visits (since 2006 Hungary does not have information referring to the same-day visits from this survey) and overnight stays. This allows separating the expenses by type and by destination of the trip. The questions refer to 17 expenditure items, similar to TCP/ CPA 2-digit level classification. Based on the survey on travel behaviour data are collected for domestic and for outbound visitor consumption expenditure. In addition there is a (quarterly published, but the data collection is continuously) border survey on residents returning to Hungary, which provides information on motivation and expenses as well. Concerning outbound tourism, on the basis of "mirror statistics" and other sources the results of the two surveys are reconciled. In particular, with respect to outbound and inbound tourism the reconciliation process between the various data sources (i.e. border surveys, mirror statistics) is still under way.

### 2.3 The handling of the definition of "visitors" in empirical practice

#### 2.3.1 Leaving one's usual environment

The usual environment is understood as the country/ settlement of residence therefore, leaving the usual environment means crossing the administrative border. In the domestic context the administrative border is the local settlement. The same criterion is used for domestic, outbound and inbound visitors, for overnight and for same-day visitors. Basically, a distance

and frequency of the trips are not taken into consideration nevertheless, if suitable, a minimum distance criterion is taken into account.

### **2.3.2 Business visitors and the fact of being remunerated**

All surveys on visitors inquire the motivation of the trip, and motivation "to work" is considered as remunerated from the place visited. (To participate in a conference or exhibitions is also listed as a different motivation.)

## **2.4 The scope of tourism consumption expenditure**

The concept of visitor consumption expenditure includes internal (called domestic in NA) consumption expenditure. Pre-trip expenses are relevant in domestic and outbound tourism only. In the household survey the expenses concept cover pre- and post-trip expenses, at total the level pre- and post-trip expenses are separately requested. In the questionnaires high value items are not separately specified, according to the sense that luggage or tents purchased just before the trip are probably included. But the purchase of a car is usually not understood as part of visitor consumption. In TSA corrections are not done to extend the scope of visitor consumption expenditure in order to include a part of consumer durables.

## **2.5 Implementation of SNA93 based National Accounts results**

The Hungarian NA publishes output and "Value Added" (VA) on a NACE 2-digit-level though NA-results are compiled at 4-digit level. Productive activities are classified mainly by institutional units establishments are identified only in exceptional cases. Enterprises are classified according to their principal activity. The latest detailed core SUT is available for the year 2000. Each year an aggregated version is extrapolated, reconciled with the main NA figures. The NA estimates "Final Household Consumption Expenditure" (FHCE) according to domestic concept (purchases on the territory of the Hungarian economy). The published data are available at COICOP 2-digit-level, in the working tables the estimates are done at 3-digit-level. Basic statistics are collected by "Local kind of activity units" (LKAU). Accommodation, catering services and the services of tour operators and travel agencies are observed by a sample of LKAUs.

## **2.6 Measurement of the "travel" item in the Balance of Payments**

The travel item of the "Balance of Payments" (BoP) relies mainly on HCSO figures, since there has been a change from a pure bank settlement system to an adjusted one. Nevertheless, data on the level of inbound tourism receipts (exports credits) and outbound tourism expenditures (imports debits) are mainly compiled by the "National Bank of Hungary" (NBH) reports of banks and other exchange units still serve as one of the main data sources for the "financial accounts". In BoP "international passenger transport" is recorded as a separate item.

## **2.7 The measurement of timeshare tourism**

In the demand side surveys the use of timeshare accommodations are included in the item "accommodations free of charge". The cost of maintaining a timeshare accommodation are neglected, at least as visitor consumption expenditure is concerned. The survey on travel behaviour of resident households includes a question referring to the processing of holiday cottages, timeshare recreation homes, but timeshare properties are not indicated separately.

## 2.8 Availability of new surveys in the near future

It is planned that on the main roads an electronic observation system will be implemented, able to read the registration number of the cars. By these means the number of travellers (average number of passengers per cars) and their nationality can be identified. In the future this may also serve as a basis for the population frame with regard to inbound and outbound survey.

## 3 The handling of TSA specific problems

### 3.1 Consideration of the services of travel agencies and tour operators "net"

Based on the NA-requirements, the estimates related to "package tours" are made on a gross basis. Data derive from the tourism statistics on organised tourism, namely the sales revenue of the travel agencies on package tours is recorded as household expenditure. Organised tours include several elements such as accommodation and/ or passenger transport services and complementary services (i.e. entrance tickets, same-day visit tours). The data suppliers are travel agencies registered by the "Hungarian Chamber of Commerce" having a license for such activity. For TSA purposes the output of travel agencies is valued on a "net" basis the main information on this derives from surveys, receiving data on the composition of the package, on the intermediate consumption within the production process and by using existing information based on the most recent IOT and SUT. In addition, the "household travel survey" provides information on the list of items within the packages. The composition of expenditure is based on expert estimation.

### 3.2 Consideration of the distribution margins

Information on the distribution margin mainly derives from the most recent SUT and IOT related TSA-Tables 1 and 2 the "trade margin" is estimated by experts (as the composition of shopping is not known, some average "trade margin" was used, which is estimated from business statistics on retail traders).

### 3.3 The Treatment of "second homes"

For the time being a separate estimation for "second homes" has not been done in the NA department of the HCSO. Nevertheless, during the work of establishing TSA a research work was done in order to find relevant basic information. The 2001 population census surveyed the stock of "second homes". This survey was carried out in summer 2000 due to the fact that the owners or tenants use the second homes during the summer season. However, the respective data are not used for NA and TSA reasons. According to additional sources of information the share of non-residents owned secondary home seems to be low. Looking at the total stock of dwellings data it is clear that the share of non-residents owned dwellings is 0.7 percent of the total dwelling stock, which also seems to be too low. The HCSO is aware of this problem (and not knowing about the tourism use of second homes), which needs further investigation. However, it is assumed that there are some dwellings recorded as empty during the census.

### 3.4 The measurement of tourism business expenses

BoP provided an estimate on the amount spent by residents on business trips abroad for TSA 2005 such an estimate was not available any more. Expenses on business trips are covered by the surveys (even the household survey), but the coverage seems to be not sufficient. Presently there is no data source for the amount spent on domestic business trip. In the government book-keeping system this item is separately recorded. There is no direct source for the amount spent by private businesses on business travel. Taking the residual between total outbound business travel and the government expenditure, it seems that the majority of international business expenses is spent by private enterprises. In the case of domestic expenditure, a similar share could be estimated. However, related to TSA-Table 2 expenses on business trips are included although they should be excluded since they are defined as intermediate consumption within the NA-context. From the production account point of view, business expenses are considered as intermediate consumption such figures are reported separately only by government institutions.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

In the rows the basic distinction is done between characteristic and non-characteristic products, but connected and non-specific products are not separated. The level of breakdown corresponds with TCP/CPA 2-digit level, with the following exceptions:

- no imputed rent is recorded for second homes (if or not suitable for permanent dwellings)
- no expenditure is accounted for repair and maintenance of transport means mainly personal cars)
- data for product groups 4-6 (travel agencies, tour operators etc, cultural services, recreation and other entertainment services) are available at 1-digit level only
- no miscellaneous tourism characteristic services are recorded

The relevant data source is the border survey on non-residents. It does not differentiate between expenses spent on connected and non-specific products. But the inquiry differentiates between expenditure on other (non-characteristic) services and on goods trade margin could be estimated based on experts opinion. The data sources allow a distinction between holiday and business trips, the kind of accommodation and the means of transport. Travellers with other than tourism motivations can be identified. The following expenditure related items are listed: accommodation including meals, accommodation without meal, meal-serving services, food and beverages purchased, international passenger transport, interurban passenger transport in Hungary, urban and suburban passenger transport, car rental services, purchase of fuels, cultural services and same-day visits.

### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

For domestic tourism, the relevant data source is the special quarterly household survey on travel behaviour. In the case of overnight stays the expenses on domestic trips and pre- and post-trip expenses on outbound trips are inquired separately. Since 2006 Hungary does not have information referring to same-day visits from this survey. Concerning outbound same-day excursions the pre- and post-trip expenses are estimated by experts. The inquiry does not

differentiate between expenses spent on connected and non-specific products, and there is not any other reliable source available to make this distinction. But it differentiates between expenditure on other (non-characteristic) services and on goods, so trade margin could be estimated based on experts' opinion. The data sources differentiate between holiday and business trips, the kind of accommodation used and the means of transport. Travellers with other than tourism motivations can be identified. The following expenditure items are listed: accommodation including meals, accommodation without meal, meal-serving services, food and beverages purchased, international passenger transport, interurban passenger transport in Hungary, urban and suburban passenger transport, purchase of fuels, cultural services, fitness services, medical services, various entertainment services, sports, insurance, purchase of souvenirs, purchase of other goods, other services. The content of table 2 deviates from TSA-RMF and from the concept in NA in the sense, that expenses on business trips are also included in the expenditure of resident households, although it should be excluded according to NA-requirements (= intermediate consumption).

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

For outbound tourism, data from the following two surveys are combined: the special quarterly household survey on travel behaviour and the border survey on Hungarian residents returning home. The household survey provides detailed data on the composition of the expenditure, but the level seems to be underestimated. The border survey provides more reliable figures on the level of total expenditure, but the details are not requested. With regard to business expenses affected in the domestic territory (before leaving the country) the same is valid as for table 2 (see 4.2 above).

### **4.4 Estimating same-day visitors expenditures**

All the demand related surveys cover same-day visitors as well. Based on the existing data sources within same-day visitors, in-transit visitors could be identified. Grossing up surveys on same-day visitors were supported by having information on the complete population. In the past the population frame for the border surveys derived from administrative sources: the National Border Authority provided a full-range list of non-residents by nationality crossing the Hungarian border, and also the number of Hungarian residents crossing the border was followed. For domestic tourism the results of the population census is used as the sampling frame.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

In the pilot version of the Hungarian TSA table 4 is simply an aggregation of table 1 and table 2. Within table 1 the expenditure of inbound visitors is included under the item "inbound visitors final consumption expenditure", while table 2 covers domestic tourism consumption of resident households as well. The value of domestic business tourism expenditure is not separately recorded, due to the lack of availability of respective data. As already mentioned, in accordance with NA the total amount of business tourism expenses paid by resident enterprises should be accounted as intermediate consumption no part of it is allocated to

compensation of employees in kind or in cash. The figures on table 4 do not include any form of social transfers in kind provided by government or by NPISH.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The Hungarian NA records output and "Value Added" (VA) on NACE 2-digit-level. Productive activities are classified mainly by institutional units establishments are identified only in exceptional cases. Enterprises are classified according to their principal activity (i.e. 55 "Hotels and restaurants" include all institutional units, having accommodation or catering as main activities). These enterprises may have secondary activities as well; these are accounted also as accommodation or catering. On the other hand, accommodation and catering may be provided as secondary activities by enterprises classified under other industries. The same holds also for passenger transport and travel agencies. The columns of the use tables represent also institutional units. That means that the structure of intermediate consumption is estimated for enterprises, but not for homogeneous kind of activity units. The "Local kind of activity unit" (LKAU) is the basic unit. Accommodation, catering and the services of tour operators and travel agencies are observed by a sample of LKAUs. Providers of accommodation and restaurants, bars have to be registered by local governments travel agencies (TA) and tour operators (TO) must be licensed these registers are used for the sampling. Estimating the impact of tourism on the national economy by homogeneous units, tourism-specific industries have to be rearranged. Three branches of establishments were created: Accommodation services, catering services, services of TA/ TO. The structure of intermediate consumption is estimated, based on a small sample.

### **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

#### **5.2.1 The general structure of the table**

Table 5 and table 6 are compiled and published in a combined version this means, that the left upper block represents domestic supply: in rows tourism characteristic products, in columns activities (establishments). Concerning products in all set of tables the same classification is applied. Imports of tourism characteristic services are added in a separate column (characteristic mainly in rail and in air passenger transport). As the present pilot TSA does not differentiate between connected and non-specific goods and services, the estimates on supply of imported goods and their share in the consumption of domestic and inbound visitors are not properly elaborated, yet.

#### **5.2.2 General characteristic of the data**

Hungarian statistics do not separate establishments within enterprises, so the set of tourism industries correspond to enterprises, whose main activity is to provide tourism characteristic services. In some cases additional data sources help to specify tourism characteristic products i.e. separating passenger transport within total rail transport, or to leave out accommodation units used by non-visitors. Data for the secondary activities of tourism enterprises derive from the survey on the composition of sales by enterprises, as included in "Structural Business

Statistics" (SBS). In the case of commercial accommodation services, the special survey provides data on secondary accommodation services. The block representing the composition of intermediate consumption of tourism industries derives from the SUT 2000, extrapolated for 2005. "Taxes minus subsidies" are not recorded.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

"Gross Value Added" (GVA) of tourism industries is the difference of output at basic prices and intermediate consumption at purchaser prices. The "composition of value added" is not available, as the income shares of tourism industries are not the same as in the standard NACE 4-digit of NA (the income composition of value added in passenger transport and freight transport may differ). The pilot TSA provides some very preliminary estimates on "indirect tourism value added", by doing IO analysis nevertheless, the results are considered as not sufficiently reliable, yet. Tourism related statistics are not yet thoroughly reconciled within the NA framework. Calculating TVA by considering the aggregate "internal tourism consumption" has not been realised, yet.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

Figures for tourism employment are presented in the format of table 7. The number of employed persons is separated into two parts: employees and all other kinds of employed (self employed, family members etc.) Actually not the number of employed, but the number of full-time-equivalent (FTE) jobs is estimated by experts (best estimate). Male and female workers are presented separately. The employment in tourism characteristic industries is compared to national economy totals. The main data source is the "Labour Force Survey" (LFS) it is assumed that in the survey a considerable part of non-registered jobs is not reported furthermore, SBS serves as an additional data basis.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

A simplified version of Table 8 is compiled. "Gross fixed capital formation" (GFCF) in tourism industries /enterprises is presented, but without identifying the types of capital goods. Tangible fixed assets are included, only. Data for table 8 are mainly based on the "Investment Survey 2000" (conducted each year, including intangible assets also and the sale or purchase of used assets) and NA 2000. Corrections and adjustment were done in order to fulfil the concept of GFCF of the tourism sector (considered in a broader sense), which were done by the HCSO related to the estimation on the level of the national economy. Related to the GFCF, only the net increase has to be taken into account therefore, the selling of investment goods has to be subtracted. When this net increase is calculated, only the inter-industrial transactions should be taken into account, i.e. the goods, which come from outside into the tourism sector and those leaving it. It was assumed that the missing amount is of less importance, thus the presented table 8 indicates approximately the weight of tourism in the national GFCF. According to the results it is about 10.5 percent. It has to be noted that all the selected industries have been considered as if they were fully tourism-related.

### 6.3 TSA-table 9: Tourism collective consumption

No estimates have been done related to tourism collective consumption though some investigations were done in this respect. The report of the budget institutions provide some data on government final consumption expenditure related to tourism. Two kinds of tourism expenditure are recorded: the operating costs of tourist bureaus, financed mainly by the government, and the operating costs of recreation homes for government employees. In the NA the costs of maintaining recreation homes for government employees are recorded as wages in kind, and on the use side accounted as purchase of accommodation services at market prices. This item is probably not reported in the household survey and so excluded from the TSA. But it should be part of household consumption expenditure. The same should be done with the use of holiday homes of private enterprises.

### 6.4 TSA-table 10: Non monetary indicators

In the text and in the additional documentations of the pilot TSA several tables are published on non-monetary tourism indicators. These are the number of trips, number of nights spent, number of visitors by main/primary motivation. Data on tourism industries are published regularly, like the capacity or the services provided by commercial accommodation enterprises grouped according to the number of employees, number of guests by country of origin, etc. However, further investigations are envisaged.

### 6.5 Other tables beyond the 10 RMF-TSA-tables

Preliminary results related to "indirect tourism value added" are available (see 5.2.3 below).

### 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

The general benefit may be summarised as follows:

- Getting more detailed information on the economic impact of the tourism industry and the respective monetary flows, in particular concerning its structure (same-day visitors, tourists) and motivation (holiday, business, etc.).
- Having a data base for the travel item of the BOP statistics, in particular after changing from the bank reporting system to a survey-based system.

Further discussion is needed related the following topics:

- Further reconciliation of TSA data with BoP figures, border statistics, household surveys and mirror statistics, mainly related to the credit side (but also related debit data).
- Estimates related to the "Hidden Economy" are of particular interest.
- For correction/revision of data the respective mirror statistics of partner countries should be taken into account.
- Considering the border surveys particular problems related to sampling-procedure and -plan (related to total population), interviews, stratification, persons other than visitors (i.e. commuters are included) occur.
- Problems related to the level of detail of tables, the net valuation of TA/TO, the reconciliation of supply and demand related information and the timelines of results are evident.

## 7 TSA country results

Due to the fact that the data set for the year 2005 is more complete, the attached table (par. 7.7) contains the results for this year.

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

In 2006 inbound visitors (including business tourism) spent 677 bn HUF (about 2.6 bn Euro converted at yearly exchange rate 264.27 HUF = 1 Euro for 2006) in Hungary. 91 percent of this amount was spent by tourists and only 9 percent by same-day visitors. For 69 percent of the expenditure tourism characteristic products were purchased. Tourists spent 27 percent of the total consumption on accommodation services, 16 percent on food and beverage serving services. Among connected and non-specific products the share of goods is significant, 24 percent of the total expenditure.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Since 2006 Hungary does not have information referring to the same-day visits from the household survey. Therefore in 2006 the total of domestic tourism consumption amounted to 400 bn HUF (about 1.5 bn Euro), including business and holiday tourism. About 28 percent of the total domestic expenditure was spent by outbound visitors as pre-trip expenses, mainly on rail and air passenger transport. Tourist spent 24 percent of their consumption expenditure on accommodation and 13 percent on food and beverages serving services. The share of the purchase of non-specific goods is 46 percent of the total expenditure.

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

In 2006 Hungarian outbound tourism expenditure abroad (including business and leisure tourism) went up to 481 bn HUF (nearly 2 bn Euro). 84 percent of the amount was spent by tourists, 16 percent by same-day visitors. About 6 million overnight trips were recorded, the average per trip expenditure is about 67000 HUF (251 Euro estimated at official exchange rate). Hungarian tourists purchased mainly tourism characteristic products, 51 percent was spent on connected and non-specific products. About 20 percent of the total expenditure went on accommodation.

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

This table is the simple aggregation of table 1 and 2. In 2006 the total internal consumption expenditure accounted for 1078 bn HUF (about 4.08 bn Euro).

### 7.5 TSA-table 6: Domestic supply and internal tourism consumption by products

According to table 6 as compiled in the pilot version the share of tourism consumption was 1.4 percent in the total domestic supply. But this figure may be overestimated, as tourism consumption is recorded at purchaser prices, and supply at basic prices. Taxes on products are

not split up by type of products. Concerning tourism characteristic products, the share of tourism consumption was about 27.2 percent. The share of tourism demand is the highest in the accommodation services 98.6 percent of the output value was purchased by inbound and domestic tourists (without accounting taxes on products in the output value). The value added of tourism industries was 1086 bn HUF (about 4.1 bn Euro), that is 5.3 percent of total value added at basic prices.

### **7.6 TSA-table 7: Employment in the tourism industries**

In 2006 about 355000 persons were employed in the tourism characteristic industries, estimated in "full-time-equivalent" (FTE). That is 9.2 percent of the total number of employed in the Hungarian national economy. The majority of jobs were recorded in food and beverage serving industries and in passenger transport. 83 percent of the persons had an employment status, and 17 percent of them were self-employed (or family member).

## 7.7 Country specific TSA data sheet

|  |                |                    |                  |
|--|----------------|--------------------|------------------|
| Reference year of following TSA-Tables   | 2005           |                    |                  |
|  |                | in mn Euro         |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors  |                |                    |                  |
| Total inbound tourism consumption  |                |                    |                  |
| same-day visitors  | 186            |                    |                  |
| tourists   | 2378           |                    |                  |
| all visitors   | <b>2564</b>    |                    |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors |                |                    |                  |
| Total domestic tourism consumption   |                |                    |                  |
| same-day visitors  | 1210           |                    |                  |
| tourists   | 1316           |                    |                  |
| all resident visitors  | <b>2526</b>    |                    |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors |                |                    |                  |
| Total outbound tourism consumption   |                |                    |                  |
| same-day visitors  | 486            |                    |                  |
| tourists   | 1486           |                    |                  |
| all visitors   | <b>1972</b>    |                    |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism       |                |                    |                  |
| Total internal tourism consumption (T1 & T2)                                     | 5090           |                    |                  |
| Total internal tourism consumption (in cash and in kind)                         |                |                    |                  |
| including tourism business expenses  | 5090           |                    |                  |
| including other components of visitors consumption in kind                       |                |                    |                  |
| (without tourism business expenses)  | 5090           |                    |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products        |                |                    |                  |
| <b>Internal tourism consumption by products</b>                                  | <b>5090</b>    |                    | T-ratios (in %)  |
| A.1 Characteristic products  | 2724           |                    | 36               |
| 1 Accommodation services   | 934            |                    | 84               |
| 2 Food and beverage serving services   | 687            |                    | 48               |
| 3 Passenger transport services   | 568            |                    | 14               |
| 4 Travel agency, tour operator and tourist guide service                         | 84             |                    | 34               |
| 5 Cultural services  | 97             |                    | 19               |
| 6 Recreation and other entertainment services                                    | 355            |                    | 88               |
| 7 Miscellaneous tourism services   | 0              |                    | 0                |
| A.2 Connected products & B. Non specific products                                | 2366           |                    | 1                |
| <b>Total final consumptions by private households (national)</b>                 | <b>48942</b>   |                    |                  |
| <b>Total Output (national)</b>   | <b>183446</b>  |                    |                  |
| <b>Total Output of activities</b>  | <b>183446</b>  | GVA                | T-shares (in %)  |
| 1 Hotels and similar   | 992            | 483                | 0                |
| 2 Second home ownership (imputed)  | 0              | 0                  | 0                |
| 3 Restaurants and similar  | 1413           | 560                | 0                |
| 4 Railways passenger transport   | 915            | 443                | 0                |
| 5 Road passenger transport   | 1202           | 620                | 0                |
| 6 Water passenger transport  | 54             | 19                 | 0                |
| 7 Air passenger transport  | 642            | 61                 | 0                |
| 8 Passenger transport supporting services  | 572            | 323                | 0                |
| 9 Passenger transport equipment rental   | 266            | 197                | 0                |
| 10 Travel agencies and similar   | 201            | 84                 | 0                |
| 11 Cultural services   | 1850           | 805                | 0                |
| 12 Sporting and other recreational services                                      | 905            | 348                | 0                |
| Tourism connected & non specific industries                                      | 174435         | 72219              | 0                |
| <b>Total Value Added (national)</b>  | <b>76162</b>   |                    |                  |
| <b>Tourism Valued Added</b>  | <b>0</b>       |                    |                  |
| TSA-table 7: Employment in the tourism industries (in FTE)                       |                |                    |                  |
|  |                | employed employees | female employees |
| <b>Total employment in the tourism industries</b>                                | <b>303252</b>  | <b>254369</b>      | <b>103309</b>    |
| 1 Hotels and similar   | 33411          | 31858              | 16480            |
| 2 Second home ownership (imputed)  | 0              | 0                  | 0                |
| 3 Restaurants and similar  | 105829         | 84181              | 47100            |
| 4 Railways passenger transport   | 19803          | 19803              | 5679             |
| 5 Road passenger transport   | 76206          | 61279              | 7063             |
| 6 Water passenger transport  | 1323           | 1323               | 26               |
| 7 Air passenger transport  | 10014          | 9839               | 2575             |
| 8 Passenger transport supporting services  | 6196           | 5754               | 1309             |
| 9 Passenger transport equipment rental   | 198            | 162                | 0                |
| 10 Travel agencies and similar   | 6723           | 5410               | 3531             |
| 11 Cultural services   | 33739          | 26756              | 15222            |
| 12 Sporting and other recreational services                                      | 9810           | 8004               | 4324             |
| <b>Total Employment (national)</b>   | <b>3815653</b> |                    |                  |

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**LT**

## Country report for Lithuania



## 1 General Introduction

Zita Serafiniėne [mailto:Zita.Serafiniėne@stat.gov.lt] from Statistics Lithuania (<http://www.stat.gov.lt/en/>) is responsible for the Lithuanian TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

During 2006 Lithuania started a first implementation phase emanating from screening activities that resulted in a preliminary aggregate TSA. It stated the economic importance of the tourism industries and pushed work toward full pilot TSA. In the course of the implementation of the pilot TSA a visitor survey was conducted to improve the data quality regarding product structure of tourism expenditure categories. The project was co-financed within an EU grant programme; the Lithuanian experts were supported by international ones. For the future a full-fledged TSA is planned that should be implemented in 2012.

#### 1.1.2 Experience in TSA compilation

The Lithuanian pilot TSA considers all tables except of T8 and T9. The main empirical information for compiling the pilot TSA was only on an aggregated level and as short-time series available. The reference year is 2003. The TSA is not compiled every year so far.

#### 1.1.3 Responsibility of the TSA compilation

Statistics Lithuania is responsible for the compilation of the TSA.

### 1.2 The inter-institutional platform

Lithuania has neither an operating inter-institutional platform for tourism statistics nor does it cooperate with international organisations. During the compilation of the pilot study international experts supported the screening activities and the estimation and implementation phase.

### 1.3 The dissemination of the TSA exercise

#### 1.3.1 Availability of the country TSA

The monetary core tables of the Lithuanian TSA are available in the internet (<http://www.stat.gov.lt/lt/catalog/viewfree/?id=1296>) and the annual publications "Tourism in Lithuania 2007".

#### 1.3.2 Responsibility for the dissemination

The unit in charge of transport and service statistics within Statistics Lithuania is responsible for the dissemination.

### **1.3.3 Content of the publication**

The demand-side oriented TSA tables are published without distinguishing the different types of tourism. This is only done within TSA-table 4 for total internal tourism consumption in cash. The tourism-specific supply and internal tourism-table T6 is published in full detail.

### **1.3.4 Level of detail of the publication**

See 1.3.3

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

The Lithuanian TSA use classification standards that are consistent with TCP in RMF. This is not valid in the case of domestic transportation which therefore does probably not penetrate the final TSA compilation. With regard to transportation passenger transport activities are directly shown.

### **2.2 Measurement of domestic tourism expenditure**

The main data sources to measure domestic tourism derive from the recurrent Survey on Domestic Tourism. Complementary estimates using the results of the pilot visitor survey were added. Additional information on package tours was derived by consultation of domestic travel organisations within a separate survey. The values follow the net valuation principle and are classified according to same-day and overnight tourists. Data problems occur with the expenses of residents when travelling abroad. Business tourism expenditures are included in the domestic ones as they are recorded within the Domestic Tourism Survey. The breakdown of the expenditures goes along with the standard RMF product classification.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

The question of being visitor by leaving ones usual environment is on the one hand left to the judgment of the person completing the questionnaire. On the other hand it depends on the crossing of the administrative border and the frequency. Both criteria apply to domestic same-day and overnight tourists as well as outbound and inbound tourists. The administrative border is defined by administrative law. In case of frequency travellers were taken as visitors if the trip is not a daily routine.

#### **2.3.2 Business visitors and the fact of being remunerated**

Lithuania attempts to exclude business visitors that are remunerated from the country visited for all kinds of visitors.

## **2.4 The scope of tourism consumption expenditure**

The relevant surveys do not ask for expenses of high value items. Consumer durable goods that are purchased during the trip are not at all included in the TSA. This is valid for single-purpose as well as for multi-purpose consumer durable goods.

## **2.5 Implementation of SNA93 based National Accounts results**

In the Lithuanian National Accounts (NA) a supply-use table (SUT) is integrated that follows the CPA and NACE classification. 59 different products and just as much industries are displayed in the official version. Thus it is a complete set of detailed, mutually consistent production accounts. It is supplemented by an unpublished make-matrix and commodity flow accounts for the year 2002 that even shows 188 products and 108 activities. The SUT is yearly calculated whereas the actual reference year is 2004. National Accounts provide also detailed insight in the expenditure structure of final household consumption as 133 products are differentiated. Especially package tours used by residents are separately listed. This is not valid for the differentiation of consumption use as there is no valuable information on tourism covered.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

Travel is not measured by a banking settlement system but results from border surveys for inbound and outbound travellers, mirror statistics of main partner countries for tourism imports, accommodation statistics, national population sample surveys carried out in respondents homes, the passenger transport survey (e.g. with business statistics) and sample surveys of visitors in visitor destinations.

## **2.7 The measurement of timeshare tourism**

Using short term statistics the Lithuanian TSA is able to recover timeshare tourism.

## **2.8 Availability of new surveys in the near future**

Statistics Lithuania does not plan any new surveys or investigations in the near future.

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

Lithuania does consider the net value of the services of travel agencies and tour operators by using existing information based on IO-statistics and Supply-Use tables (SUT). Additional information was gathered from a survey at Travel Agencies and Tour Operators that delivers data on the composition of the package.

### 3.2 Consideration of the distribution margins

Distribution margins are not separately considered as the data base gives no detailed information on composition by commodity type and outlet. This would make a breakdown difficult.

### 3.3 The Treatment of “second homes”

Dwellings are considered second homes when they are not the primary residence of a household. Data is available from National Accounts. Due to missing detail information and empirical complexity rents are not imputed.

### 3.4 The measurement of tourism business expenses

Lithuania follows the guidelines of SNA93 in order to measure tourism business expenses. Information is recorded on the demand side within the Domestic Tourism Survey as well as on the supply side (NA-statistics and business statistics). As the Domestic Tourism Survey only implicitly contains the information on tourism business expenditures those are automatically included in table 2. Thus, they cannot be shown separately in table 4.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

The Lithuanian TSA measure inbound tourism and distinguish between same-day visitors and overnight tourists. The information about consumption also considers holiday and business trips, used accommodation and different means of transportation. The products are differentiated between characteristic and connected/non specific products. With regard to their classification they follow the TCP/CPA 2-digit level. The primary statistical source of this table is the Survey on Inbound Tourism (quarterly since 1994). It is complemented by additional breakdown, as suitable (mostly based on estimates in terms of the product of average prices multiplied with physical indicators). In particular the receipts from packages organized in the country of origin could be figured out that way. Thus the survey provides a framework of data either immediately useful or serving as benchmarks assuming further detail. Thanks to the favourable situation on the part of sources the quality of the resulting Table 1 may be assessed relatively high, on the whole. Additional information was used from accommodation statistics.

### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Table 2 for domestic tourism consumption distinguishes between overnight tourists and same-day visitors. Expenditures of residents being on the way to a destination abroad are implemented as well. Due to data problems the domestic consumption part of outbound trips was not separately shown in T2 of the pilot TSA for 2003 but implicitly included in the remaining component. From 2007 on additional information will be collected in sample surveys at international arrival and departure points making an estimation of the domestic part of outbound trips possible. Furthermore, the total domestic consumption can be shown separately by holiday and business trips as well as used accommodation. Products are again differentiated between characteristic and connected/ non-specific products. The

aforementioned TCP/CPA classification is also applied (see 4.1). The central data source is the Survey on Domestic Tourism complemented by estimates that derive from the results of a pilot visitor survey. The latter one was necessary in order to receive information on product and expenditure structure of tourism. Additional data was available from accommodation statistics. With regard to the unbundling of package tours domestic tour operators were asked for specific information. It has to be mentioned that business travel activities are included in this table as business tourism expenditure is recorded within the Domestic Tourism Survey and can not be extracted.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Details concerning visitors and consumptions are as valid as in the aforementioned sections 4.1 and 4.2. Besides TBoP information the survey at international arrival and departure points are the data sources for the estimation of outbound tourism activities. Information about the used classification and differentiation of products are not given though. Table 3 was initially not compiled in TSA for 2003.

### **4.4 Estimating same-day visitors expenditures**

Same-day visitor expenditures are estimated using a specific sample surveys carried out in respondent's homes and a border surveys. The resulting information is available on TCP/CPA 2-digit level.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

The Lithuanian TSA include table 4 combining T1 and T2 with the other components of tourism consumption being social benefits received from the public (e.g. for spas, museums). The expenses of business travellers due to business trips are included in T2. Due to missing detail information on tourism business trips expenses by companies (regarded as intermediate demand of the company: transportation and accommodation costs, e.g) it was not possible to show them as expenditure in kind.

A separation of domestically produced from imported products and distribution margins is not considered within this table. The latter are considered in TSA table 6 within the transformation from the production oriented concept of basic prices to the consumption oriented concept of purchaser prices.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The Lithuanian table 5 portrays the production accounts of the industries involved in tourism. It differentiates between tourism characteristic and non characteristic products as well as industries and base mainly on SUT. Products and industries/ activities are broken down to CPA/ TCP and NACE 2-digit or 3-digit-level. Thus, it conforms to ESA standards regarding classification and NA concepts and is able to show the product specific intermediate input

structure by industry. The components of tourism value added however were not estimated. Furthermore, distribution margins and domestically produced and imported products were not separated either. Overall, TSA table 5 and SUT relate in such a way that T5 is a simple reclassification of products and activities.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The Lithuanian TSA establish TSA-table 6 as recommended in the TSA-RMF but does not strictly apply the proposed framework by showing fewer products/ activities and leaving out distribution margins. To be more specific, travel agencies, tour operators and tourist guide services are not separately displayed. Cultural services are combined with recreational and other entertainment services. The same applies in case of connected and non specific products and miscellaneous tourism services are not considered at all. Overall, T4 and T5 are combined and supplemented by additional information on imports and taxes. Accordingly it results T6 showing tourism specific as well as tourism connected/ non specific industries and products summing up to total output in basic prices. Concerning the use side total intermediate consumption at basic prices and purchasers prices, VAT and Total Gross Value Added at basic prices is added. With regard to supply imports, taxes less subsidies, domestic supply at purchasers' prices, internal tourism consumption and tourism ration on supply is calculated.

### **5.2.2 General characteristic of the data**

The main statistical source of TSA-table 6 is the Lithuanian Supply and Use Table.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

TSA table 6 is primarily used to establish TVA and tourism GDP. For that purpose the share of tourism use that relates to the supply of tourism specific and tourism non-specific products was estimated. The ratios are then applied to Gross Value Added of the tourism industries. The product specific tourism shares are also used without modification for the calculation of tourism shares by industries. The shares are finally established in the TSA in such a way that the share in value added is the same as the share in output i.e. if follows the recommendations inside TSA-RMF. Concerning business expenses only that part is included which is not paid by the company (= final demand).

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

Table 7 showing the employment in the tourism industries according to the TSA-RMF framework is restricted to total employment in tourism industries applying tourism shares exclusively to tourism industries. These shares are similar to the tourism shares in TSA-Table 6. Total employment is distinguished between number of jobs, status in employment and number of employed. The results are also differentiated by gender. The Labour Force Survey, Accommodation Statistics and Structural Business Statistics form the necessary data basis.

## **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 is not compiled.

## **6.3 TSA-table 9: Tourism collective consumption**

Table 9 is not compiled.

## **6.4 TSA-table 10: Non monetary indicators**

Table 10 is compiled within the Lithuanian TSA showing all of the indicators proposed of the RMF. This includes the number of trips and overnights by types of tourism and categories of visitors, the number of inbound tourism arrivals and overnights by means of transport, the number of establishments and capacity by forms of accommodation and the number of establishments in tourism characteristic and tourism connected activities classified according to the number of employed persons. Furthermore, the TSA systematically relate tourism consumption to the number of trips and overnights. Reference is also made to the average expenditure by trips and overnights.

## **6.5 Other tables beyond the 10 RMF-TSA-tables**

There are no other tables than those already mentioned. Additional tables are not planned either.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

Benefits in compiling the TSA - besides uncovering the economic significance of tourism - are perceived in the possibility to reconcile the statistics used in the implementation process. Problems occur concerning the level of detail of TSA-Tables, the timeliness of the results, the net valuation of travel agencies/tour operator services, the reconciliation of supply and demand related information as well as data on inbound tourism consumption. Need for further work was identified in the separation of business travel, the identification of domestic consumption of residents travelling abroad, a higher detail of the products structure (durable goods purchased on the trip, expenses for fuel etc.), trade margins and second home ownership.

# **7 TSA country results**

## **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In 2006, the consumption of all non-resident visitors reached 466 mn Euro (in current prices of 2006 and an average annual exchange rate of 1 EUR = 3.4528 LTL).

## **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Total domestic tourism consumption of all resident visitors amounted to 603 mn Euro in Lithuania in 2006.

## **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

854 mn Euro were spent on visits abroad.

## **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Total internal tourism consumption (including tourism business consumption) reached 1068 mn Euro in 2006. About 80 percent accounted for overnight tourists (854 mn Euro) and 20 percent can be assigned to same-day visitors (214 mn Euro).

## **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

In 2006 characteristic products represented 76 percent of internal tourism consumption and their share in supply was 17 percent. Travel agencies/ tour operators/ tourist guide services, accommodation services and passenger transport services contributed with 30 percent, 23 percent and 19 percent respectively the biggest part of the characteristic products. The tourism ratios of supply of those three amounted to 92 percent, 85 percent and 4 percent. Total output of tourism industries amounted to 1648 mn Euro. Direct tourism activities in 2006 lead to 574 mn Euro TVA. The share of TVA accounted for 2.7 percent.

## **7.6 TSA-table 7: Employment in the tourism industries**

According to the results of the TSA table 7 for the reference year 2003 122461 persons were employed in the tourism characteristic industries, whereas employees only took a share of 4 percent. Thus, tourism contributes 8.5 percent to the overall employment (total Lithuanian employment: 1438000). The most labour-intensive tourism industries were road transport (44728 people), restaurants and similar (23782 people) and the railway passenger transport (15125 people). 48 percent of the employed in the tourism sector were women. Especially in the industries hotels (and similar), restaurants (and similar), travel agencies (and similar) and cultural services the share of female employees is considerably higher (more than 70 percent) and amount to nearly 90 percent in the hotel sector.

## 7.7 Country specific TSA data sheet

|  |              |                    |                  |
|--|--------------|--------------------|------------------|
| Reference year of following TSA-Tables   | 2006         |                    |                  |
|  | in mn Euro   |                    |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors  |              |                    |                  |
| Total inbound tourism consumption  |              |                    |                  |
| same-day visitors  |              |                    |                  |
| tourists   |              |                    |                  |
| all visitors   | 466          |                    |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors |              |                    |                  |
| Total domestic tourism consumption   |              |                    |                  |
| same-day visitors  |              |                    |                  |
| tourists   |              |                    |                  |
| all resident visitors  | 603          |                    |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors |              |                    |                  |
| Total outbound tourism consumption   |              |                    |                  |
| same-day visitors  |              |                    |                  |
| tourists   |              |                    |                  |
| all visitors   | 854          |                    |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism       |              |                    |                  |
| Total internal tourism consumption (T1 & T2)                                     | 1068         |                    |                  |
| Total internal tourism consumption (in cash and in kind)                         |              |                    |                  |
| including tourism business expenses  | 1068         |                    |                  |
| including other components of visitors consumption in kind                       |              |                    |                  |
| (without tourism business expenses)  | 0            |                    |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products        |              |                    |                  |
| <b>Internal tourism consumption by products</b>                                  | <b>1068</b>  |                    | T-ratios (in %)  |
| A.1 Characteristic products  | 813          |                    | 17               |
| 1 Accommodation services   | 183          |                    | 85               |
| 2 Food and beverage serving services   | 128          |                    | 39               |
| 3 Passenger transport services   | 155          |                    | 4                |
| 4 Travel agency, tour operator and tourist guide service                         | 241          |                    | 92               |
| 5 Cultural services  | 106          |                    | 20               |
| 6 Recreation and other entertainment services                                    | .            |                    | .                |
| 7 Miscellaneous tourism services   | .            |                    | .                |
| A.2 Connected products & B. Non specific products                                | 256          |                    | 1                |
| <b>Total final consumptions by private households (national)</b>                 |              |                    |                  |
| <b>Total Output (national)</b>   | <b>41358</b> |                    |                  |
| <b>Total Output of activities</b>  |              | GVA                | T-shares (in %)  |
| 1 Hotels and similar   | 135          | 89                 | 19               |
| 2 Second home ownership (imputed)  | n.a          | n.a                | n.a              |
| 3 Restaurants and similar  | 299          | 150                | 14               |
| 4 Railways passenger transport   | 21           | 1                  | 2                |
| 5 Road passenger transport   | 241          | 7                  | 1                |
| 6 Water passenger transport  | 11           | 0                  | 0                |
| 7 Air passenger transport  | 92           | 73                 | 23               |
| 8 Passenger transport supporting services  | 120          | 17                 | 4                |
| 9 Passenger transport equipment rental   | 24           | 4                  | 5                |
| 10 Travel agencies and similar   | 168          | 151                | 26               |
| 11 Cultural services   | 537          | 102                | 5                |
| 12 Sporting and other recreational services                                      | .            | .                  | .                |
| Tourism connected & non specific industries                                      | 39684        | 475                | 0                |
| <b>Total Value Added (national)</b>  | <b>21378</b> |                    |                  |
| <b>Tourism Valued Added</b>  | <b>574</b>   |                    |                  |
| TSA-table 7: Employment in the tourism industries                                |              |                    |                  |
| <b>Total employment in the tourism industries</b>                                | <b>0</b>     | employed employees | female employees |
| 1 Hotels and similar   | 0            | 0                  | 0                |
| 2 Second home ownership (imputed)  | 0            | 0                  | 0                |
| 3 Restaurants and similar  | 0            | 0                  | 0                |
| 4 Railways passenger transport   | 0            | 0                  | 0                |
| 5 Road passenger transport   | 0            | 0                  | 0                |
| 6 Water passenger transport  | 0            | 0                  | 0                |
| 7 Air passenger transport  | 0            | 0                  | 0                |
| 8 Passenger transport supporting services  | 0            | 0                  | 0                |
| 9 Passenger transport equipment rental   | 0            | 0                  | 0                |
| 10 Travel agencies and similar   | 0            | 0                  | 0                |
| 11 Cultural services   | 0            | 0                  | 0                |
| 12 Sporting and other recreational services                                      | 0            | 0                  | 0                |
| <b>Total Employment (national)</b>   | <b>0</b>     |                    |                  |

LT



**NL**

**Country report for Netherlands**



## 1 General Introduction

Mr. Rob van der Holst [mailto: [mailto:rhlt@cbs.nl]] from Statistics Netherlands (CBS) is responsible for the compilation of the Netherlands TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

The acknowledgment of the advantages of using TSA RMF for comparing tourism with the rest of the Dutch economy and with the economies from other countries influenced the development of the Dutch TSA. During 2002 to 2003 Statistics Netherlands CBS conducted a pilot project including a feasibility study for Dutch TSA. The reference year was 1999, since the most recent definitive data of NA including an input-output table referred to 1999 and data for some tourism statistics were available for this year (Survey in Inbound Tourism, SIT). The main objective was to check data availability and requirements that allowed developing the TSA for the Netherlands. Data sources were identified and analysed in order to check if the needs of information of TSA were satisfied. A first pilot version of the core RMF tables (1 to 6 and 7) was compiled. This pilot project was financially supported by the European Commission and by the Ministry of Economic Affairs. The results of the feasibility study demonstrated that it was possible to estimate TSA on a regular basis: there are enough data sources available that ensure statistical reliability of TSA. The methodology adopted should be in line with the methods and procedures of NA. The pilot was updated for the year 2002. After this first experiences, Dutch TSA are part of the regular work of CBS, developing TSA tables 1 to 4 for characteristic and non characteristic products and providing estimates on tourism GDP and GVA and on employment, since the reference year 2001 (for the basis year of NA 2002). The most recent data refers to 2007.

#### 1.1.2 Experience in TSA compilation

For the pilot TSA with reference year 1999 the first 6 tables of RMF were compiled. Only tourism characteristic products (excluding other tourism services) and activities were included. The limited version of table 7, based only on the labour accounts (supply side), gave some contribution to know the impact of tourism on employment. Other issues, such as consumption of tourism characteristic and connected consumer goods and the use of second homes were not considered. Business Tourism only considers the final consumption of business visitors. The inventory of TSA data sources considered about 20 data sources partly coming from surveys conducted by CBS and partly coming from external sources. The crucial stage of the project was the reconciliation. It was done by entering the data in the RMF tables. In the integration step, data sources were compared, in order to decide about its reliability and adherence. A number of core tables were actually filled in with data from NA as well as various other household, service and production statistics. This was all updated for the year 2002. Since that time, key TSA indicators are carried forward to the actual years, for which the NA and the results of the regular tourism surveys are available. The first year of the full-fledged Dutch TSA is 2001 for which the results of the year 2002 were carried backwards. The first 1 to 4 RMF tables are compiled for every year, for characteristic and non

characteristic products. The latest publication disseminated at the beginning of this year includes a time series of TSA main results for 2001-2007, 2001 being the base year of NA. Tourism supply and consumption are presented in current and in constant prices. Volume indices are also available. Employment figures for tourism jobs, employed persons and full time equivalents are also included for the same period.

### **1.1.3 Responsibility of the TSA compilation**

The Central Bureau of Statistics is responsible for the TSA compilation.

## **1.2 The inter-institutional platform**

The Netherlands neither have any operating inter-institutional platform for tourism statistics nor for TSA compilation.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

At the present, TSA results are part of different types of publications: they can be found within a specific document for TSA dissemination, a current publication on tourism statistics and on national accounts. When new data is available, some press releases are postponed at the CBS website. Data are publicly available and freely distributed at the CBS website.

### **1.3.2 Responsibility for the dissemination**

CBS, the unit in charge of NA is responsible for the dissemination.

### **1.3.3 Content of the publication**

The first document (A Tourism Satellite Accounts for the Netherlands: approach and results) refers to the main results of the feasibility study for the reference year 1999 (base year of NA 1995) and the pilot estimates. Since 2001, the main key indicators (benchmark year 2001) are disseminated in a specific annual publication on tourism statistics (Tourism and Recreation in figures) and in the annual publication of Dutch National Accounts (since 2007, for NA publication for the reference year 2006). Other types of dissemination formats are press releases when new TSA data is available (web magazine). This year, a specific publication on the TSA data series for 2001-2006 has been disseminated. "Toerism in macro-economisch perspectief 2001-2006" presents TSA data under a similar format of TSA-RMF standard tables and methodological framework. Data are at current and constant prices (in 2006, a similar document was published for TSA results for 2002, current prices). Main aggregates of tourism employment are also presented.

### **1.3.4 Level of detail of the publication**

TSA dissemination considers the dissemination of annual data and of time series for the main TSA aggregates. Analysis of trends and determinants of the results are made, taking into account the importance of tourism within the Dutch economy (see 1.3.3.). To what concerns the web releases, the most recent figures are presented and commented. The use of text, tables

and graphs, comments on the main results and relations to NA data are common practice in the different publications.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

The data sources of the Dutch TSA are classified according to the TCP:RMF list for the main characteristic items. The TSA distinguishes 6 tourism characteristic activities (TCA): hotels and similar, restaurants and similar, transport services, travel agencies and similar, cultural services and sporting and recreational services. Other tourism services (e.g. travel insurance of car rental) and Second Homes are excluded. An additional column includes non characteristic industries. TCA classifications are in line with NA classifications for industries (SIC1993), based on NACE 4-digit-level. Tourism characteristic products (TCP) consider: accommodation, food and beverages, transport services, travel agencies, cultural services and sports and other recreational services. Second homes are also excluded from characteristic products. Since 2001 non characteristic products have been recorded. TCP are in line with NA classifications on products, CPA at 6-digit-level.

### **2.2 Measurement of domestic tourism expenditure**

Data on domestic/internal tourism derive from two kinds of sources: tourism demand surveys (visitor approach) and (tourism) supply data sources (service approach). From the demand side on domestic tourism (the same way as for outbound tourism) data are supplied by the Continuous Holiday Survey, which collects the total expenditure of same day visitors and tourists (for domestic and outbound). The estimation of the expenditure by different category groups, equivalent to TCP, is based on data from this survey and from production statistics, allowing the compilation of these data at TCP/CPA 2 and 3-digit-level in TSA. Data from NA S-U tables are also one of the main data sources of the domestic tourism expenditure. These NA data are available for 800 products, for CPA 5 and 6-digit-level. The need of correspondence between classifications of TSA and national classifications justifies the construction of additional bridge tables in order to identify the correspondence of these groups to Dutch products classifications (CPA) and to TCP list, at 2 and 3-digit-level of TCP/CPA. Data on household final consumption expenditure is available at COICOP, 1-digit-level. Data on expenditure on durable recreational goods from domestic visitors is estimated by Dutch TSA but not compiled as a specific component of domestic tourism consumption in table 2. This item is part of table 4.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

Concerning the criterion "leaving the usual environment" in the pilot project only the motive and the duration of the trip were taken into account. If a person has a tourist motive in travelling and the duration of the trip exceeds two hours, then the person is considered to be a

visitor. This was done mainly for practical reasons, although that the data sources do not always contain information about the duration of the trip. "

### **2.3.2 Business visitors and the fact of being remunerated**

Business tourists belong to the tourism concept according to the international methodology and are covered in the Dutch TSA. Not being remunerated within the place visited is the main criterion. Business tourists are persons who go on trips for the purpose of business or work outside the usual environment which means regular places of e.g. congresses, conferences, fairs, exhibitions, business missions, training etc. Data from demand surveys (for inbound, outbound and domestic tourism) try to exclude those visitors who are remunerated in the country visited, identifying same-day visitors and tourists by purpose of the visit. Concerning TSA estimates, for 1999 only business expenditures supported by business visitors (considered as final consumption) were collected and compiled in the respective tables (T1, T2 and T3). At the present, business tourism expenditure supported by corporations are included in the Dutch TSA (part of intermediate consumption in NA).

### **2.4 The scope of tourism consumption expenditure**

Internal tourism consumption consists of inbound tourism and domestic tourism expenditures and includes spending on durables recreational goods (of residents) and transfers in kind. Durable recreational goods are single purpose and multipurpose consumer durable goods used mainly for purposes of recreation (e.g. caravans). Transfers in kind as government subsidies on cultural and recreational services (e.g. museums) and tourism expenditure by NPI households are also included. Dutch TSA includes also domestic expenditure with respect to resident travelling abroad. Business tourism expenditures considered as intermediate consumption of the production units (e.g. corporations) and the purchase of high value items or other goods used also for tourism purposes were not accounted. In the Dutch TSA data for tourism consumption is based on data from demand side surveys but also from supply and use tables (SUT) from NA. Tourism single purpose consumer durable goods are based on the analysis of supply of goods.

### **2.5 Implementation of SNA93 based National Accounts results**

The different indicators of Dutch TSA are compiled within National Accounts framework (supply and use). One of the main criteria for compiling the pilot TSA for 1999 was the fact that the latest definitive data of NA, including an input-output table, referred to 1999 and most of the pilot tables were compiled with that kind of data. The current TSA exercises remain fully in line with the Dutch NA that in turn is fully in line with ESA95 and SNA93. SUT are disseminated by 25 industries and 45 products. Nevertheless, these tables are internally available for 250 industries and 800 products, what facilitates the work of cross classifying the TSA classifications of products and activities with the NA classifications. SUT are used for the supply side of TSA but also for tourism consumption. Data of Household final consumption is also available for 800 products but is disseminated at COICOP, 1-digit-level.

### **2.6 Measurement of the “travel” item in the Balance of Payments**

The Dutch Central Bank is responsible for the compilation of Balance of Payments. As far as the compilation of the Travel item is concerned, the cash registration system became outmoded since the 1980s. From the date the household surveys on Domestic and Outbound

Tourism are used to cover imports. The surveys on inbound tourism and on tourist accommodation statistics are used to cover exports.

## **2.7 The measurement of timeshare tourism**

Timeshare tourism is not included yet.

## **2.8 Availability of new surveys in the near future**

No major changes were made since the pilot studies. Some of the proposals were aimed at the development of a more detailed survey on outbound tourism in order to monitor visits to family and friends and the activities of foreign airlines more closely. Some revisions of the Dutch TSA will take place simultaneously with the next overall National Accounts revision (probably the year 2010 or 2011).

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

Data of the Dutch TSA considers the net valuation of the services of travel agencies and tour operators. The treatment of the travel agencies is fully in line with the NA methodology. Concerning the net valuation of package tours, data from SUT is taken into account. For package tours some proposals were made during the pilot study in order to define a better model for the underlying components of package tours (it was not possible to find any additional English reference on the subject).

## **3.2 Consideration of the distribution margins**

The value of distribution margins is shown only on the table for TSA table 4. In this table an additional column for margins is presented in order to provide margins by products. The main data source is SUT. Data on consumption includes margins (valued at purchasers prices) and do not consider the separation of the value of goods at purchasers prices between margins and the value of goods at basic prices.

## **3.3 The Treatment of "second homes"**

The pilot TSA did not consider the treatment of the imputed rents of second homes used for tourism purposes. At the present, second homes are not included yet.

## **3.4 The measurement of tourism business expenses**

In Dutch TSA, Business Tourism Expenditures supported by the corporations (intermediate consumption in NA) are included since the reference year 2001 (see 2.3.2.). Estimations are based on data from the Production statistics, SUT, the survey on accommodation and from Statistics in inbound tourism.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

The Dutch TSA disseminates data for the several tables but in a different format. A complete table for internal tourism expenditures provides the main results for the TSA-RMF tables 1, 2 and 4. In table 1, expenditures of same-day visitors and tourists by purpose of the trip (business and leisure tourism) are recorded. In the most recent tables, the rows distinguish between the 6 main tourism characteristic products (see 2.1) though this is not a complete list as some other tourism characteristic products are still missing. Non-characteristic products are considered. To what concerns business tourism, only final consumption of business visitors is recorded. Margins are included in the total figure for Inbound Tourism Consumption for the total of non characteristic products, without separation of domestic produced and imported goods. Net valuation of package tours is considered. In the feasibility study, Transport services (provided by Dutch carriers to non-residents) could not be broken down by type of visitors, so only the column total visitors is shown. This table also considered a separate column for the tourism services provided by resident enterprises to visitors abroad related to the pre trip expenditures of inbound visitors (which correspond to pure exports of Dutch economy). These items included mainly the commission fees of travel agencies and some cultural services. The main data sources for the compilation of table 1 are the survey on inbound tourism and other type of data considering the supply of characteristic tourism services (e.g. accommodation statistics, international tourism movements).

### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

For domestic tourism expenditure the table structure is the same as for inbound tourism. In a separate column the domestic expenditures of outbound visitors are recorded, including transport services and net services of travel agencies and tour operators. RMF table 2 actually includes domestic tourism expenditure financed by resident households, so business tourism supported by companies on behalf of the employee that is travelling is excluded from this table. Also in table 2, margins are included in the total figure for domestic tourism consumption for the total of non characteristic products, without separation of domestic produced and imported goods. Data on domestic tourism expenditure derive from the continuous travel survey. When table 1 and 2 are compiled the Dutch TSA reconciles data from visitor approach with service approach data. It means data sources for supply of tourism characteristic products are also used.

### 4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

Figures for outbound tourism are presented in a separate table since it is not part of internal tourism consumption. This table is more aggregated than the one from TSA-RMF. The columns on table 3 are the same as for inbound and domestic tourism consumption for visitors and purpose of the visit. The product classification is less detailed: only characteristic and other services are distinguished. Margins are part of the total of outbound tourism consumption for the total of non characteristic products, without separation of domestic produced and imported goods. The methodological description emphasises that the reliability of outbound tourism data may be worse because expenditure cannot be compared and checked

by data on the supply of such services. The main data source of table 3 is the domestic and outbound tourism survey and the continuous holiday survey (CVO).

#### **4.4 Estimating same-day visitors expenditures**

The expenditures of same-day visitors are estimated the same way as for overnight tourists, meaning that data from the same data sources is considered for inbound, outbound and domestic tourism. The main data sources are the survey on movement behaviour, the international tourist movements, the Survey on inbound tourism, the Survey on day trips, the continuous holiday survey and the SUT.

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

As mentioned before in 4.1, Dutch TSA table 4 compiles data from tables 1 and 2 for the total of inbound and domestic tourism consumption. Business tourism expenses supported by the corporations (intermediate consumption in NA) are included since 2001. Two additional columns compile data on durable recreational goods and on transfers in kind (mainly for cultural and sporting services passenger transport services). The treatment of margins is considered for the total of non characteristic products and included in the total internal tourism consumption, without separation of domestic produced and imported goods.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The Dutch table 5 is not in line with the standard format of TSA RMF since intermediate consumption and GVA are not compiled. Besides this, the current table considers conciliation between supply and internal tourism at basic prices (tourism internal supply). The description of the Dutch table on supply is made on chapter 5.2 of this report. The following references concern to table 5 of the feasibility study (1999). For the pilot experience, the Dutch TSA table 5 presented the supply of tourism characteristic products by a cross-classification of 6 industries (columns) and 6 groups of products (rows). In an additional row the secondary non-characteristic output of tourism industries is presented (output and trade margins separately). An additional column contains the tourism characteristic products supplied by non-tourism industries (neither for output nor margins). The main data is derived from the SUT and from production and services statistics, available for 250 industries and 800 products (see 2.1 and 2.5). Net valuation of package tours was considered.

### **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

#### **5.2.1 The general structure of the table**

Neither the pilot table nor the updated version (including the reconciliation between supply and demand) is in line with the standard format recommended by TSA-RMF. In the pilot study total supply (table 5) is compared with the total internal consumption (table 4). Tourism

consumption and domestic production are given by characteristic industry and in a total column for the other industries in the Dutch economy (other suppliers). An additional column is given for the total imports and the value of imports that is allocated to internal tourism consumption. These columns show the relation between domestic supply and internal tourism consumption at basic prices. Two other columns on subsidies net of taxes on products (for total supply and tourism consumption) allow the calculation of domestic supply and internal tourism consumption at purchaser prices and the estimation of the tourism ratio for characteristic products. Margins are given for production and are equal in table 5. For the 2001 to 2007 estimates, there are two tables:

- The first present tourism internal supply with output of the six characteristic tourism industries and of the non-characteristic industries by products and imports allocated to internal tourism expenditure, at purchasers prices (an additional column compiles net taxes on subsidies on products). The total value for tourism internal supply (production and imports) equals total internal tourism consumption by products (characteristic and non characteristic) of table 4. The main difference refers to the margins split.
- The second table presents tourism value added for the six characteristic tourism industries and for the total of non characteristic industries. Current and constant prices are compiled. The intermediate consumption and the composition of gross value added of the tourism industries are not presented in table 6.

### 5.2.2 General characteristic of the data

The main statistical source of table 6 is the SUT. Some work is done on the cross classifications between TSA and NA classifications (see 2.1 and 2.5). The Dutch TSA makes such confrontation by products and also by industries: in every characteristic industry the domestic supply that is directly allocated for tourism consumption is presented. The same happens for the reminiscent non-characteristic industry. The table is valued at purchaser prices in order to compare output and consumption.

### 5.2.3 Calculation of Tourism Value Added (TVA)

Tourism Gross Domestic Product (TGDP) and Gross Value Added (TVA) are estimated using data from the National Accounts. Tourism value added of tourism industries (TVAI) is estimated based on the proportion to their tourism ratio on production. Tourism GDP includes TVA corrected with the difference between product related subsidies and taxes. All figures are estimated at current and constant prices.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

In the pilot study, the compilation of table 7 was based only on the labour accounts (supply side) and gave some contribution to know the impact of tourism on employment. Two indicators are presented for tourism employment for the six characteristic industries: number of jobs and number of persons employed. Number of jobs is detailed by status on employment (employees and others). A distinction is made between the total employment and the total proportion that could really be allocated to tourism. This proportion was calculated by using

the tourism ratio. The new data series on TSA presents tourism employment for the six characteristic and for the total of non characteristic industries for 2000-2006 and also takes into account NA estimates on employment. Data on tourism jobs, employed persons, and full time equivalents (FTE) are available.

## **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 is not compiled.

## **6.3 TSA-table 9: Tourism collective consumption**

Table 9 is not compiled.

## **6.4 TSA-table 10: Non monetary indicators**

Non-monetary indicators are not presented in the TSA tables. This impedes to estimate per capita measures, which could be compared to other countries.

## **6.5 Other tables beyond the 10 RMF-TSA-tables**

No additional tables are presented in the Dutch TSA.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The main problems of the TSA compilation are related to the reliability of the data from the surveys: it is very difficult, for instance, to gather information on domestic and inbound for same day business visitors. Other problems have to do with the difficulty in establishing the correspondences between the definitions and classifications of TSA with those from data sources. Another question is connected with the fact that data on expenditure of outbound visitors relies on only one source, which implies a restricted level of dissemination of results. In contrast, the reliability of TSA lies much more in the total coherence of data within the system, rather than in individual data, allowing the recognition of the importance of tourism in the Dutch economy and employment.

# **7 TSA country results**

## **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In 2006 foreign visitors spent 6.4 bn Euro in the Netherlands (transfer passengers excluded), whereof same-day visitors accounted for 0.7 bn Euro and tourists for 5.7 bn Euro. About 19 percent was spent by business visitors.

## **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

In 2006, domestic visitors spent 18.4 bn Euro in the Netherlands (14.5 bn Euro by same-day and 3.9 bn Euro by overnight visitors).

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The domestic part of outbound tourism expenditure in 2006 was 3.8 bn Euro. About 16.3 percent concerned business purposes and the remaining 83.7 percent are related to leisure motives.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

In 2006 tourists spent 33.2 bn Euro in the territory of the Netherlands (internal tourism in RMF), out of it nearly 87 percent by leisure purposes. Domestic tourism (spent by households, but without the purchase of consumer durables) contributes two third of the total, inbound visitors contributes one third. Social transfers in kind contributes 5 percent, the value of consumer durables used for tourism was 8.6 percent.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

Despite of not being directly compiled in this table, Tourism GDP in 2006 made up 3 percent of the gross domestic product in the Netherlands. Tourism value added (at basic prices) was 2.9 percent of total value added at overall level.

### **7.6 TSA-table 7: Employment in the tourism industries**

In 2005 (the last published data) the number of jobs within the twelve sectors of tourism industry came up to 4.1 percent of the total number of employed persons in the Netherlands. In FTE the share of tourism in employment was about 3.7 percent.

## 7.7 Country specific TSA data sheet

Reference year of following TSA-Tables 2006  
in mn Euro

TSA-table 1: Inbound tourism consumption by products and categories of visitors

|                                   |             |
|-----------------------------------|-------------|
| Total inbound tourism consumption |             |
| same-day visitors                 | 691         |
| tourists                          | 5735        |
| all visitors                      | <b>6426</b> |

TSA-table 2: Domestic tourism consumption by products and categories of visitors

|                                    |              |
|------------------------------------|--------------|
| Total domestic tourism consumption |              |
| same-day visitors                  | 14500        |
| tourists                           | 3900         |
| all resident visitors              | <b>18400</b> |

TSA-table 3: Outbound tourism consumption by products and categories of visitors

|                                    |             |
|------------------------------------|-------------|
| Total outbound tourism consumption |             |
| same-day visitors                  | 210         |
| tourists                           | 3568        |
| all visitors                       | <b>3778</b> |

TSA-table 4: Internal tourism consumption by products and types of tourism

|   |       |
|---|-------|
| Total internal tourism consumption (T1 & T2)  | 24826 |
| Total internal tourism consumption (in cash and in kind)  |       |
| including tourism business expenses   | 33153 |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 28792 |

TSA-table 6: Domestic supply and internal tourism consumption by products

|  |                |     |                 |
|--|----------------|-----|-----------------|
| <b>Internal tourism consumption by products</b>                  | <b>33153</b>   |     | T-ratios (in %) |
| A.1 Characteristic products                                      | 22222          |     | 0               |
| 1 Accommodation services   | 2527           |     | 0               |
| 2 Food and beverage serving services                             | 9018           |     | 0               |
| 3 Passenger transport services                                   | 4837           |     | 0               |
| 4 Travel agency, tour operator and tourist guide service         | 1051           |     | 0               |
| 5 Cultural services  | 2279           |     | 0               |
| 6 Recreation and other entertainment services                    | 2510           |     | 0               |
| 7 Miscellaneous tourism services                                 | 0              |     | 0               |
| A.2 Connected products & B. Non specific products                | 8426           |     | 0               |
| <b>Total final consumptions by private households (national)</b> | <b>253482</b>  |     |                 |
| <b>Total Output (national)</b>                                   | <b>1015178</b> |     |                 |
| <b>Total Output of activities</b>                                | <b>0</b>       | GVA | T-shares (in %) |
| 1 Hotels and similar   | 3648           | 0   | 0               |
| 2 Second home ownership (imputed)                                | 0              | 0   | 0               |
| 3 Restaurants and similar  | 7285           | 0   | 0               |
| 4 Railways passenger transport                                   | 5464           | 0   | 0               |
| 5 Road passenger transport                                       | 0              | 0   | 0               |
| 6 Water passenger transport                                      | 0              | 0   | 0               |
| 7 Air passenger transport  | 0              | 0   | 0               |
| 8 Passenger transport supporting services                        | 0              | 0   | 0               |
| 9 Passenger transport equipment rental                           | 0              | 0   | 0               |
| 10 Travel agencies and similar                                   | 1033           | 0   | 0               |
| 11 Cultural services   | 2644           | 0   | 0               |
| 12 Sporting and other recreational services                      | 2710           | 0   | 0               |
| Tourism connected & non specific industries                      | 0              | 0   | 0               |
| <b>Total Value Added (national)</b>                              | <b>473610</b>  |     |                 |
| <b>Tourism Valued Added</b>                                      | <b>13596</b>   |     |                 |

TSA-table 7: Employment in the tourism industries (in number of persons)

|   |                |                    |                  |
|---|----------------|--------------------|------------------|
|   | 2005           | employed employees | female employees |
| <b>Total employment in the tourism industries</b> | <b>335000</b>  | <b>0</b>           | <b>0</b>         |
| 1 Hotels and similar                              | 45000          | 0                  | 0                |
| 2 Second home ownership (imputed)                 | 0              | 0                  | 0                |
| 3 Restaurants and similar                         | 146000         | 0                  | 0                |
| 4 Railways passenger transport                    | 36000          | 0                  | 0                |
| 5 Road passenger transport                        | 0              | 0                  | 0                |
| 6 Water passenger transport                       | 0              | 0                  | 0                |
| 7 Air passenger transport                         | 0              | 0                  | 0                |
| 8 Passenger transport supporting services         | 0              | 0                  | 0                |
| 9 Passenger transport equipment rental            | 0              | 0                  | 0                |
| 10 Travel agencies and similar                    | 26000          | 0                  | 0                |
| 11 Cultural services                              | 30000          | 0                  | 0                |
| 12 Sporting and other recreational services       | 25000          | 0                  | 0                |
| <b>Total Employment (national)</b>                | <b>8170731</b> |                    |                  |

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**PL**

**Country report for Poland**



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

The implementation of the TSA started from the compilation of the experimental TSA based on the methodology proposed by OECD. The task was completed in 1997 for the reference year 1995 and partly 1996 with financing from PHARE. The works on the TSA restarted in 2001 when the revised methodology for Poland was developed based on the revised methodological framework proposed by OECD. In 2004 the methodology for regional TSA was developed but it has not been implemented yet. The TSA for 2002 was compiled according to the improved methodology based on TSA-RMF and was co-financed by the EU grant. The next full TSA was compiled for 2005. For the years in between a simplified methodology was developed and implemented for 2003 to 2005.

#### 1.1.2 Experience in TSA compilation

The methodology developed in 2001 was used for compiling the first full-fledged TSA for the reference year 2000. After some modifications adapting it to the TSA-RMF the methodology formed also the basis for 2001, 2002 and 2005 full-fledged TSA. The output of the TSA for the years 2000 to 2002 was used for the mainly projection-based simplified version of the TSA for 2003 to 2004. The Polish TSA encompass all TSA-tables except for table 10. Tables 1 to 8 are shown with some modification as layout and data included are concerned. Generally it focuses on financial data; information on the number of trips have been skipped because of lack of the data.

#### 1.1.3 Responsibility of the TSA compilation

The Central Statistical Office was responsible for the experimental TSA. Starting from 2001 the Department of Tourism is in charge of the Polish TSA (this includes the revised methodology and TSA compilation for 2000 to 2004). This Department of Tourism worked under the Ministry of Economy until 2006, in 2007 had been rearranged under the Ministry of Sport and Tourism.

### 1.2 The inter-institutional platform

The experimental TSA was developed in the Central Statistical Office in co-operation with specialists from the Institute of Tourism in Warsaw and the Warsaw School of Economics. The department of Tourism, which was responsible for the next editions of the TSA, cooperated with the unit for tourism statistics in the Central Statistical Office (CSE), BoP unit

of the National Bank of Poland and specialists from the Institute of Tourism in Warsaw and Warsaw School of Economics. The co-operation was formalized in 2006 and included also representatives of the national accounts unit of CSE. The task force was dissolved in 2007 after the Department of Tourism had moved from the Ministry of Economy to the Ministry of Sport and Tourism.

### **1.3 The dissemination of the TSA exercise**

#### **1.3.1 Availability of the country TSA**

The TSA output and reports for 2000 to 2005 are available on the website of the Department of Tourism. Full tables in Excel are not available on the website (except for years 2000 to 2001), as they are only working documents and means of analysis. Some of them have not been published on the request of the Central Statistical Office. TSA 2000 was published in paper form by the Tourism Department; TSA 2002 was published by a private higher school (with the approval of the Tourism Department).

#### **1.3.2 Responsibility for the dissemination**

The Department of Tourism, earlier in the Ministry of Economy, at present in the Ministry of Sport and Tourism is responsible for the dissemination.

#### **1.3.3 Content of the publication**

Publication includes the basic presentation of the methodology, information on the sources and scope of statistics used for compilation as well as basic outcomes of the TSA: tourism consumption, domestic output and supply of tourism products, value added and tourism GDP, tourism employment, capital formation and non-financial assets of tourism activities, additionally tax revenues and tourism-related subsidies were estimated.

#### **1.3.4 Level of detail of the publication**

The text part of the publication focused on the basic methodological assumptions and output of the TSA. The output was discussed for the main groups of tourism characteristic products and activities and distribution margins. The TSA results were also presented in the context of the basic macroeconomic aggregates for the whole economy and when it was applicable were compared to the previous year. For 2000 to 2001 the consumption of inbound visitors was shown for the main geographic segments. The TSA tables were published in the full extent for 2000 to 2001 (in TSA-RMF format for 2001), publication for 2002 and 2005 includes only simplified tables.

#### **1.3.5 Publications**

Ministry of Sport and Tourism (2007): *Rachunek satelitarny turystyki dla Polski 2003 to 2004, wersja uproszczona*. Warsaw.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

Polish versions of NACE and CPA:

55.1 Hotels

55.2 Camping sites and other provision of short-stay accommodation

55.3 Restaurants

55.4 Bars

55.5 Canteens and catering

60.1 Transport via railways

60.2 Other land transport

61. Water transport

62. Air transport

63.23 Activities supporting air transport n.e.c.

63.3 Activities of travel agencies and tour operators, tourist assistance activities n.e.c

71.1 Renting of automobiles

92.3 Other cultural and entertainment activities/other entertainment activities

92.5 Library, archives, museums and other cultural activities

92.6 Sporting activities

92.7 Other recreational activities

93.04 Physical well-being activities

70.2 Letting of own property

50. 51. 52. [Trade activities].

### 2.2 Measurement of domestic tourism expenditure

Basic reference information on domestic tourism expenditure comes from the household module survey on tourism consumption carried out every 3 (at present 4) years. It provides data on expenditure for accommodation by type of establishment, for restaurant services and food, for transport by type, recreational and cultural services, package tours and other services of travel agents, other expenses linked to the trip and expenses on one-purpose travel durables during the reference year. The survey embraces data only on tourism trips (without same-day travel). When applicable the data were updated according to the figures provided by household budget surveys for the following items: package tours, restaurant services, recreational and cultural services, transportation services by type, expenditure on exploitation of private vehicles. The data used for updating are compiled on yearly and quarterly basis. The outcomes of the household module survey on tourism behaviour that had been carried out in 2001 provided the basic information for all TSAs for 2000 to 2004. Since TSA 2001, only expenses from private income have been recorded as tourism consumption in table 2 as far as business trip is concerned. If the expenditure constitutes costs for the firm, they are not included in domestic tourism consumption.

## **2.3 The handling of the definition of "visitors" in empirical practice**

### **2.3.1 Leaving one's usual environment**

For domestic tourism leaving the usual environment is understood as leaving the administrative borders of the place of residence (with no limit of its size) for less than 12 consecutive months. Trips to permanent places of work and education, trips of crews of transportation means are explicitly excluded. For international tourism the fact of crossing the border is understood as leaving the usual environment (only people living and working in border zone are an exception).

### **2.3.2 Business visitors and the fact of being remunerated**

Business trips (including same-day business trips) are included both in inbound tourism and domestic tourism. In the above mentioned module survey all routine trips being part of regular duties are explicitly excluded. As far as the survey for inbound visitors is concerned the questionnaire contains question that regards undertaking paid work in Poland and those trips and expenditure related to them have been excluded from the tourism statistics and consequently from the TSA.

## **2.4 The scope of tourism consumption expenditure**

As domestic visitors are concerned the tourism consumption expenditure embraces all expenses that can be linked to the particular travel (pre, during and post trip) and expenses on the listed one-purpose tourism durables that have taken place in the surveyed period. In the case of foreign visitors tourism consumption expenditure covers all expenses that can be tied with the particular trip to Poland.

## **2.5 Implementation of SNA93 based National Accounts results**

Poland implemented ESA 95 and supply side of the TSA has been fully based on data supplied by the NA unit of the CSO. They needed adoption to the necessary level of detail that has been done through the use of the primary data from business surveys and other source documents. The demand side has been compiled independently with the use of the outcomes of surveys on tourism behaviour and expenditure.

## **2.6 Measurement of the "travel" item in the Balance of Payments**

Till 2003 BoP was compiled on a cash basis that means it was based on reports from the hotels, tour operators etc. Since 2004 it has been compiled on a transaction basis. It should be added that the data used in TSA always have been rather on a transaction basis because they included also figures obtained from border surveys. The data source for goods in a balance of payments on transaction basis is SAD customs documents, whereas in a balance of payments on a cash basis data come from payments settled via the Polish banking system. Estimates of the Institute of Tourism are the basis for compiling the travel item in the balance of payments on a transaction basis. As the balance of payments on a transaction basis is a data source for calculation of some aggregates (net export) in a system of national accounts, estimation of these aggregates has been made jointly by the NBP and the Central Statistical Office.

## **2.7 The measurement of timeshare tourism**

The phenomenon is practically unknown on the Polish territory. It has not been surveyed in any way so there is no information on the subject.

## **2.8 Availability of new surveys in the near future**

Another household module survey will be carried out in 2009, there are plans to include in it questions concerning participation in same-day travel.

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

The data from demand side surveys on package tours and services of travel agents have been netted using the information on the average margins for the main kinds of their products. The margins were obtained through mini-survey of managers of travel agencies. The remaining part of the expenditure was broken down into particular services with the use of data on package content and structure of expenditure for similar travel obtained from the household module survey. The estimation was supported by information on average rates for the popular services delivered by the above mentioned mini-survey and CSO. It should be added that as international tourism is concerned only that part of the expenditure which could be supplied by resident producers was broken down.

## **3.2 Consideration of the distribution margins**

Information on distribution margins for the whole economy has been provided by NA unit of CSO and the estimations for the TSA has been made on assumption that "tourism" margins are proportional to the share of purchases of visitors in the relevant output of trade activities at basic prices.

## **3.3 The Treatment of "second homes"**

The information on ownership of second homes was provided by the household module survey carried out in 2001 and updated by data from the 2002 census. The imputed rents have been calculated as relevant percentage of imputed rents for the whole economy. Generally the applied methodology has been considered as unsatisfactory for two reasons: the definition of the second home in the above mentioned survey was subjective and the use of the uniform rent for all such establishments does not illustrate the reality. It is left to the judgment of the respondent to define what is second home. But in the question there is the phrase: "second house or home used for holiday purpose." The problem of second homes must be addressed in the possible future TSA.

## **3.4 The measurement of tourism business expenses**

The basic information on expenditure on business travel was provided by national account unit of CSO. The lump sum concerning spending on transportation and accommodation

services was adopted for the TSA. Level of product detail was obtained through use of the data on business travel patterns from the household module survey in 2001 and BoP. Expenses on business tourism are included in table 1 and table 4. The column in table 4 contains only that expenditure that is the cost for enterprises.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The basic tables of the TSA for Poland covered all groups of inbound visitors, i. e. same-day visitors and tourists (including transit). Business visitors are not separated. The data were obtained from the border surveys carried out every year. Their output was supplemented by information from the bank reporting system as far as payments of tour operators, carriers and hotels were concerned. The TSA for 2000 followed the format of tables proposed by OECD (the data on inbound tourism consumption were included in table 2) and in the TSA for 2001-2005 the tables were compatible with TSA-RMF format (table 1). The data on consumption of particular products were less detailed than their list presented earlier: all kinds of restaurant and bar services were bundled, the same for scheduled and non-scheduled transport services, all recreation and cultural services and purchase of food and tobacco, clothes and footwear. The text report on the TSA outcomes for 2000, 2001 and 2005 included also the analysis of the tourism consumption by the following segments of visitors: from Germany, from Eastern neighbouring countries, from Southern neighbouring countries and the other countries.

### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

The basic information on pattern of domestic travel was based on the outcome of the household module survey conducted in 2001 and 2005. Those data on domestic travel expenditure were updated according to the household budget survey outcomes for the particular reference year. In the TSA for 2000 and 2001 the data on domestic tourism consumption did not cover the consumption linked to same-day personal travel. In the TSA for 2002, 2005 and its simplified version for 2003-2004 the consumption was estimated on the assumption that the number and pattern of same-day travel expenditure was identical to that for short-stay travel. The level of product detail was the same as for inbound tourism consumption. The TSA for 2000 followed the format of tables proposed by OECD (the data on domestic tourism consumption were included in table 2) in the TSA for 2001 to 2005 the tables were compatible with the TSA-RMF format (domestic consumption was shown in table 2). The domestic part of the outbound trip expenses was estimated using BoP data on travel and passenger items. As those data reported only transactions that could be identified as such through banking system, travel item was practically limited to transactions of travel agencies and operators. As far as independent travel was concerned the travel patterns from household survey was used supported by judgement how much fuel, restaurant services etc. people might use travelling the particular distance. The expenses were supplemented by data on the pre-trip expenses. Expenditures are extrapolated from 2001 till 2004. The data from 2001 form the basis for comparisons with the data obtained from household budget surveys. So, the spending on package tours and accommodation services were adjusted by the rate of growth established from household budget surveys. For non tourism items (cost of car exploitation, restaurant services etc.) the rate of change in 3rd quarter of the year was used for adjustments (tourism in Poland is highly seasonal). The spending on shopping was established

proportionally to the rest of tourism expenditure that means making the assumption that this spending constituted the same part of total tourism consumption as in 2001.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The information was skipped in the TSAs for 2000 to 2001 and 2003 to 2004. In the TSA for 2002 only the total expenditure of tourists and expenditure on air transport services were presented. The TSA for 2005 provides an almost complete table 3.

### **4.4 Estimating same-day visitors expenditures**

Data on inbound same-day visitors expenditure came from border surveys carried out every year. Data on expenditure of resident (domestic and outbound) business same-day visitors formed the part of the lump sum delivered by NA unit and came from business surveys. The expenditure on same-day business travel was impossible to extract from that sum so it could not be shown separately. The consumption linked to personal same-day travel of residents was estimating according to the procedure described in 4.2.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

The TSA for 2001 to 2005 generally followed the format of the table 4 proposed in TSA-RMF. The level of product detail was the same as in tables 1 and 2. The consumption in kind may be underestimated because respondents usually cannot assess its value and it is also difficult to estimate it using data from NA.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The TSA for 2000-2002 contain the production account of tourism activities supplied by the NA unit. It was compiled for the products listed in module 2 and activities symmetrical according to NACE Rev. 1. The full table 5 for 2002 has not been published. The table has been simplified as compared to TSA-RMF because it does not contain data on intermediate consumption by industry. The simplified version of the TSA (for 2003-2004) does not provide the production account. Output and value added generated by tourism activities was calculated as the product of the respective data for particular sections and the share of tourism activities output and value added established in the TSA for 2002. The list of products and activities in consecutive versions of the TSA was slightly different because it turned out that it was impossible to obtain proper data on consumption and/or supply of some of them, for example for meetings organization and travel insurance.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The table 6 was compiled and published in the format proposed by TSA-RMF only for 2001 although the supply and demand data were matched also for 2000, 2002 and 2005. The format of table 6 was given up because it was too extensive to be readable.

### **5.2.2 General characteristic of the data**

The data on production and supply have been provided by the NA unit. The improvement of the match between supply and demand data (which comes from completely independent sources) could be noticed although the significant divergence can be still observed for data on tour operators and travel agencies supply and demand.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

The TVA has been calculated on the assumption that it is proportional to the tourism consumption ratio and the share of the primary product in the output of the relevant industry. This means that the value added of the given industry has been multiplied by the tourism ratio established in table 6 and the share of specialization (it is a share of the primary product in output of the respective industry, for example: the share of restaurant services in the output of restaurant activity is calculated using the data from the make matrix delivered by National Accounts) established in table 5. The value added per unit of tourism product estimated this way has been used for calculation of TVA linked to the supply of tourism products which are the secondary output of other activities. TGVA covers activities characteristic and connected with tourism; the latter include wholesale and retail sale of fuel, food, beverages, tobacco and clothes.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

The main source is the Business Inquiry. The data are collected at the end of the year so they do not illustrate seasonality. Micro enterprises (up to 9 employed) pose the major problem because they are surveyed on the random basis and the sample is not adjusted to the TSA classification needs. The employment in tourism industries has been presented for characteristic activities. The adequate level of activity detail was available for 2000 and 2002 because only for those years it was possible to use data from the sample surveys of micro firms. The data describe the actual number of jobs for self-employed people and FTEs for employees. The tourism employment was calculated with the use of the same ratios that were used for estimation of TVA.

## **6.2 TSA-table 8: Tourism gross fixed capital formation**

The gross fixed capital formation was compiled only for characteristic activities. For 2000 to 2002 the data were provided by the NA unit, and for 2003 to 2005 they were estimated. The TSA contain also information on net fixed assets in tourism characteristic activities.

## **6.3 TSA-table 9: Tourism collective consumption**

The compilation of tourism collective consumption was undertaken in the TSA for 2002 and 2005 but it would be useful to broaden its content.

## **6.4 TSA-table 10: Non monetary indicators**

Non-monetary indicators have not been calculated.

## **6.5 Other tables beyond the 10 RMF-TSA-tables**

The TSA for 2000-2002 contain the calculation of taxes and subsidies that can be linked to tourism.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The improvement of the data describing tourism has been probably the main advantage of the TSA compilation. As its outcomes are concerned they are too delayed to be interesting for the tourism trade and the figures produced are considered to be unimpressive especially as compared to the ones circulated by WTTC. The data are still the biggest problem; inter-institutional co-operation is practically absent so some possible sources of information (e.g. credit cards) cannot be used.

# **7 TSA country results**

## **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In 2002 total inbound consumption summed up to 3.7 bn Euro (in current prices and an annual exchange rate of 3.8574 PLN =1 Euro). Tourists consumed products to the amount of 2.2 bn Euro same-day visitors spent 1.5 bn Euro. With regard to characteristic products the expenses of same-day visitors and tourists amounted to 0.25 bn Euro and 1.7 bn Euro respectively. For characteristic and tourism connected products together (including purchases of food, clothes and fuel) consumption of same-day visitors and tourists increased to overall amounts of 0.9 bn Euro and 1.9 bn Euro.

## **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Domestic consumption added up to 2.6 bn Euro in 2002 whereof 13.4 percent was represented by same-day visitors and 86.6 percent by tourist. Overnight tourists consumed tourism characteristic products amounting to 1.3 bn Euro when travelling within Poland and 0.33 bn

Euro on their way to a foreign country. When tourism connected products are included the expenses summed up to 1.9 bn Euro and 0.34 bn Euro respectively. With regard to same-day visitors 0.29 bn Euro were spent for characteristic products (0.34 including tourism connected products).

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Outbound tourism consumption was only estimated for the year 2000 (1 Euro = 4.0082 PLN). In total Polish people spent 1.3 bn Euro abroad.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Apart from data presented in tables 1 and 2 the TSA table 4 contains information on consumption of resident business travellers and tourism consumption of government and self-government sectors as well as non-profit institutions supporting households. Thus, total inbound tourism consumption amounted to 7.8 bn Euro in 2002. 4.7 bn Euro were spent by the consumption of characteristic products. Expenditure of business travellers accounted for 1.5 bn Euro.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

In 2002 tourism consumption ratios ranged from 0.09 for cultural and recreational services to 0.97 for hotel services. Margins for food products and tobacco, textiles and footwear as well as refined petroleum products were 0.02, 0.02 and 0.12. With regard to the domestic supply total output amounted to 40.5 bn. Euro leading to 3.4 bn Euro direct TVA.

### **7.6 TSA-table 7: Employment in the tourism industries**

Tourism employment has been calculated by the application of tourism consumption ratio and share of tourist products to total employment in characteristic industries. In 2002, 286 th men and 248 th women were employed in tourism characteristic industries. The number of owners, co-owners and contributing family workers added up to 80 th people, 51 percent of them being male. Overall, 614 th persons were employed in tourism. However, actual employment related to tourist traffic, estimated on the basis of the TVA ratio, appeared to be much lower - only 141190 employed persons. The amount of 614 th persons shows total employment in tourism characteristic industries whereas 141190 is strictly tourism employment i.e. calculated with the use of tourism ratio on supply and tourism specialization ratio.

## 7.7 Country specific TSA data sheet

|   |                 |               |                  |
|---|-----------------|---------------|------------------|
| Reference year of following TSA-Tables  | 2002            |               |                  |
|   | in mn euro      |               |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                 |               |                  |
| Total inbound tourism consumption   |                 |               |                  |
| same-day visitors   | 1530            |               |                  |
| tourists  | 2192            |               |                  |
| all visitors  | <b>3722</b>     |               |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                 |               |                  |
| Total domestic tourism consumption  |                 |               |                  |
| same-day visitors   | 346             |               |                  |
| tourists  | 2239            |               |                  |
| all resident visitors   | <b>2585</b>     |               |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                 |               |                  |
| Total outbound tourism consumption  |                 |               |                  |
| same-day visitors   | 0               |               |                  |
| tourists  | 1341            |               |                  |
| all visitors  | <b>1341</b>     |               |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                 |               |                  |
| Total internal tourism consumption (T1 & T2)  | 6306            |               |                  |
| Total internal tourism consumption (in cash and in kind)  |                 |               |                  |
| including tourism business expenses   | 7802            |               |                  |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 6307            |               |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                 |               |                  |
| <b>Internal tourism consumption by products</b>   | <b>7802</b>     |               | T-ratios (in %)  |
| A.1 Characteristic products   | 4748            |               | 15               |
| 1 Accommodation services  | 1349            |               | 95               |
| 2 Food and beverage serving services  | 1055            |               | 31               |
| 3 Passenger transport services  | 1660            |               | 34               |
| 4 Travel agency, tour operator and tourist guide service  | 217             |               | 40               |
| 5 Cultural services   | 0               |               | 9                |
| 6 Recreation and other entertainment services   | 467             |               | 9                |
| 7 Miscellaneous tourism services  | 0               |               | 0                |
| A.2 Connected products & B. Non specific products   | 3054            |               | 1                |
| <b>Total final consumptions by private households (national)</b>                                  | <b>138591</b>   |               |                  |
| <b>Total Output (national)</b>  | <b>405178</b>   |               |                  |
| <b>Total Output of activities</b>   | <b>405178</b>   | GVA           | T-shares (%)     |
| 1 Hotels and similar  | 1385            | 742           | 53               |
| 2 Second home ownership (imputed)   | 0               | 0             | 0                |
| 3 Restaurants and similar   | 3208            | 1506          | 24               |
| 4 Railways passenger transport  | 804             | 998           | 21               |
| 5 Road passenger transport  | 3341            | 5058          | 4                |
| 6 Water passenger transport   | 23              | 61            | 3                |
| 7 Air passenger transport   | 730             | 152           | 75               |
| 8 Passenger transport supporting services   | 292             | 214           | 0                |
| 9 Passenger transport equipment rental  | 546             | 168           | 0                |
| 10 Travel agencies and similar  | 1437            | 684           | 30               |
| 11 Cultural services  | 1732            | 890           | 9                |
| 12 Sporting and other recreational services   | 2976            | 954           | 9                |
| Tourism connected & non specific industries   | 374378          | 222271        | 1                |
| <b>Total Value Added (national)</b>   | <b>185189</b>   |               |                  |
| <b>Tourism Valued Added</b>   | <b>3424</b>     |               |                  |
| TSA-table 7: Employment in the tourism industries (in number of persons)                          |                 |               |                  |
|   | employed        | employees     | female employees |
| <b>Total employment in the tourism industries</b>   | <b>141190</b>   | <b>121625</b> | <b>62832</b>     |
| 1 Hotels and similar  | 41414           | 36628         | 24694            |
| 2 Second home ownership (imputed)   | 0               | 0             | 0                |
| 3 Restaurants and similar   | 35373           | 23913         | 17022            |
| 4 Railways passenger transport  | 27686           | 27609         | 8026             |
| 5 Road passenger transport  | 15938           | 15027         | 2348             |
| 6 Water passenger transport   | 107             | 94            | 20               |
| 7 Air passenger transport   | 3737            | 3716          | 1814             |
| 8 Passenger transport supporting services   | 0               | 0             | 0                |
| 9 Passenger transport equipment rental  | 0               | 0             | 0                |
| 10 Travel agencies and similar  | 5206            | 4055          | 2295             |
| 11 Cultural services  | 8258            | 7711          | 4995             |
| 12 Sporting and other recreational services   | 3470            | 2873          | 1616             |
| <b>Total Employment (national)</b>  | <b>12803300</b> |               |                  |

PL



**PT**

**Country report for Portugal**



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Portugal started its knowledge about TSA in 2003 with a feasibility study. An acknowledgment of the availability of data sources was made. Then in 2004 the European Commission and the National Tourism Administration from Portugal financed the implementation of a pilot TSA for 2000, 2000 also being the reference year, the same as for the National Accounts (NA). That pilot exercise took a year and it was finished in 2005, with a full-fledged TSA as result.

#### 1.1.2 Experience in TSA compilation

Portugal compiled a full-fledged TSA for the reference years 2000-2004, with compatibility of demand and supply, as definitive versions. 2005 is the last year compiled by the Portuguese NA and a TSA for 2005 is about to become public. Whenever it is possible, aggregates are estimated as they were in the benchmark year. Otherwise, indicators are used. In the preliminary versions the classification of products and activities are less detailed. The compiled tables are:

- Table 1-Inbound Tourism Consumption by products and category of visitors
- Table 2-Domestic tourism consumption by products and main destination (country or abroad)
- Table 4-Internal tourism consumption by products and type of tourism
- Table 5-Production Accounts of tourism industries and other industries
- Table 6-Domestic supply and internal tourism consumption by products

Employment is also compiled, but not as TSA-RMF table 7. 12 from the 15 employment tables from the OECD employment manual (2000) on TSA are compiled.

#### 1.1.3 Responsibility of the TSA compilation

Statistics Portugal, more precisely the Satellite Account Unit within the NA Department, is responsible for the compilation. This responsibility is stated on a protocol arranged between Statistic Portugal and the National Tourism Administration that comprises a plan and calendar of activities. The compilation of the PTSA is scheduled until 2009.

### 1.2 The inter-institutional platform

The institutional evolvement of the National Tourism Administration (Turismo de Portugal, TdP) in the Portuguese TSA confirms the necessity to analyze the economic importance of tourism. Since the pilot experience in 2005, TdP has been cooperating with Statistics Portugal (SP) in the PTSA. Besides, there exist several working groups concerning tourism. The

working group for tourism statistics is composed of SP (Tourism Statistics Unit and Satellite Accounts Unit), TdP and the National Central Bank (Banco de Portugal) and is engaged in border and international spending surveys. Since 2004 the members are working on the definition and implementation of these surveys. SP and Banco de Portugal are also part of a working group on NA and Balance of Payments (BoP), where methodological questions related to TSA are discussed. Furthermore, there is a shared responsibility between SP and TdP to what concerns occupancy statistics (rural accommodation establishments compiled by TdP).

### **1.3 The dissemination of the TSA exercise**

#### **1.3.1 Availability of the country TSA**

The tables concerning the results of the PTSA can be found online at [www.ine.pt](http://www.ine.pt) for different years and versions. The main results of the PTSA are disseminated via Statistics Portugal website ([www.ine.pt](http://www.ine.pt)) on a specific news release usually the estimates are updated on a regular basis. In this short document the main results are presented. Some additional information, identified as of interest, is given, regarding the different levels of disaggregation of the tables of results (by types of tourism, categories of visitors or type of products). There are also other types of initiatives, such as oral presentations made on seminars, international committees and forums.

#### **1.3.2 Responsibility for the dissemination**

The responsibility of disseminating new TSA data belongs to Statistics Portugal, as it is the compiler of the TSA.

#### **1.3.3 Content of the publication**

The main results for demand, supply and employment of the PTSA are highlighted. On the website it is possible to download the main aggregates of the TSA. TSA tables are also available for users under specific requests of information. Additionally, provisional data for 2005, preliminary data for 2006 and a first estimate for 2007 were disseminated for the main TSA aggregates. The results are annually available.

#### **1.3.4 Level of detail of the publication**

The dissemination usually encompasses a summary including text and tables. Some basic tables are published as a file annexed to the news release. Annual data is subdivided by types of tourism, types of products and activities, and, for non-residents, by type of visitor. For some aggregates, like for instance tourism production, value added and employment variables, a comparison with the economy is made. Methodological issues are also referred to.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The classifications for products and activities are that of the WTO for the TSA. For the benchmark year, a correspondence between the WTO classifications (ISIC and CPC) and NACE and CPA and then the national classifications for products and activities was made.

### 2.2 Measurement of domestic tourism expenditure

Presently there exists no statistical source or data for the direct distinction between domestic tourists and same-day visitors. The differentiation refers to expenses made on a trip inside of Portugal (domestic tourism) and pre and post trip expenses of internal and outbound tourism, indirectly estimated. The disaggregation by products meets the classification of characteristic, connected and non-specific products according to the TSA-RMF/EIM. Some extra adjustments related to business travels and the unbundling of package tours are also taken into account. As for the estimation of domestic tourism consumption a reliable and complete reference is missing, tourism weights are estimated and applied to total consumption (at a NA level). This is done for each of the NA product classification (which includes 149 products) within each characteristic product of the PTSA. The main sources used to estimate those weights are the household budget survey (HBS), the survey on domestic tourism demand (percentage of tourist final and business travel consumption), the time-use survey (sport, visits to museums etc.), structural business statistics (SBS), tourism statistics as well as direct sources like account/financial data. Nevertheless, some major products as "accommodation services" and "travel agencies and tour operators services" have an thorough treatment. The PTSA team plans a module on same-day visits within the survey on domestic tourism demand.

### 2.3 The handling of the definition of "visitors" in empirical practice

#### 2.3.1 Leaving one's usual environment

Whenever a specific data source is not explicitly directed to visitors, the "usual environment" criterion is used to define if it is tourism expense/consumption or not, whereas the frequency of a certain activity is the elected criteria. For instance, visitor surveys in practice define usual environment if someone goes to a second home more than one time in less than two weeks. For the benchmark year, a "use of time" survey was implemented in the TSA that asked (resident) people about the frequency of certain activities like going to the theatre, the restaurant or the museum. According to their answers benchmarks regarding activity frequencies in the "usual environment" could be determined. The interval of frequency for the museum was less restrictive than the frequency of the restaurant, for instance. Criteria such as minimum distance travelled or crossing administrative border (except for non-residents) are not considered.

### **2.3.2 Business visitors and the fact of being remunerated**

With respect to the residents and non-residents visitors surveys, the surveys are instructed not to include/ask visitors who are remunerated in the place visited. This is consistent with the international recommendations for tourism statistics and used within the TSA.

### **2.4 The scope of tourism consumption expenditure**

There are no specific questions regarding consumer durable or single or multi purpose consumer durables on tourism expenses, neither for residents nor non-residents. This type of expenses is expected to be in the total amount of expenses, included in the category of "other expenses". Nevertheless, for extrapolation purposes of the surveys they have a special treatment.

### **2.5 Implementation of SNA93 based NA results**

Since the TSA is a subsystem of the NA it is a corollary that the TSA is compliant with the SNA93 of the United Nations and ESA95, which is the European version of the SNA93. With regard to employment the methodologies obey, again, to the NA rules (ESA95). The comparability of the results across countries is taken into account when using the main international methodological references for compiling TSA. The adopted classifications on activities and products are consistent with those classifications presented on the main methodological references on TSA (at the most detailed level of the UNWTO questionnaire). The detailed classifications adopted by the sources of information are also consistent with those adopted by the PTSA for tourism characteristic products and activities. Comparability in the national system of accounts was inherent to the implementation study of the PTSA. The project was developed simultaneously with the new benchmark year of 2000 for the NA and the allocation of FISIM to the sector users. As a result both systems are consistent since some of the major problem areas of the compilation of the PTSA are strictly connected with the main revisions of the NA methodology for the benchmark year 2000 namely with the supply and use table. In fact three of these relevant questions were the net valuation of the package tours, the allocation of FISIM and the imputation of rents of own account second homes. To be more specific, a supply and use table (SUT) is integrated within the System of NA displaying 60 products and industries each. For internal calculation purposes even 426 products and 129 industries are considered. The SUT is regularly calculated, the latest in 2005. With regard to the I-O tables no symmetric tables are published.

### **2.6 Measurement of the “travel” item in the Balance of Payments**

The Portuguese Central Bank compiles the Balance of Payments (BoP). Since the BoP is a compound estimation, the used methodology, in a general way, is a mix of several methods and sources. It uses an adjusted banking settlement but also boarder surveys for inbound and outbound travellers as well as accommodation statistics. The Central Bank uses credit cards reports, reports by several kinds of industries, data on cross boarder transactions, and others.

### **2.7 The measurement of timeshare tourism**

In Portugal there are no specific data sources related to time-share, neither from the supply side nor the demand side. Nevertheless, estimation is made for this type of services regarding production and consumption. Its methodological reference is the Commission Decision

95/309 (used in 2005 for the benchmark year 2000 by NA and TSA). In practice the treatment of time share units is the same used for second homes. This is also the treatment given by NA.

## **2.8 Availability of new surveys in the near future**

There will be more details on expenditure, namely related to business tourism of non-residents, made available by the new boarder surveys on tourism expenses. This survey will also provide details on expenses by residents abroad which will allow the compilation of the TSA table 3. The resident tourism survey will also include a module on same-day visitors. This survey will also include for the first time a module on tourist expenses by type of products.

## **3 The handling of TSA specific problems**

### **3.1 Consideration of the services of travel agencies and tour operators "net"**

The PTSA includes a net valuation of travel agencies and tour operators. The method used is mainly a "supply side" method. The work of NA for the SUT was very useful. The first task was to identify and distinguish travel agents from tour operators. Then, a kind of questionnaire was made to travel agencies and tour operators in order to find out the composition of the packages and commissions. It was also carried out a study for their intermediate consumption through the SBS. From the demand side, an acknowledgment of the type of services bought by the tour operators was also useful.

### **3.2 Consideration of the distribution margins**

Estimates of the distribution margins are separated from goods thanks to the information made available on the supply-use table. NA do a thorough estimation for this matter. In the TSA, after the estimation of the goods consumed at purchase prices, the margins percentage is assumed the same, whether the good is consumed within a tourism context or not.

### **3.3 The Treatment of "second homes"**

Whenever a dwelling is not the primary residence of the household, it is considered as second home. This kind of information comes from the population and housing census. It can also be considered as a second home if it is used in terms of vacation. For PTSA purposes the main criterion, whenever it was possible to use it, is indeed the frequency of the use of the dwelling. The type of use of the dwelling can somehow be implicit in the type of imputed rents in the household budget survey. NA are also an important data source with all the work of stratification of the dwellings and rents based on a regression model, as it is recommended by Commission Decision 95/309.

### **3.4 The measurement of tourism business expenses**

For non-residents an estimate of tourism business expenses is made based on data from the tourism border surveys on expenditure. For residents, the reference is the vector of intermediate consumption from the SUT. Then estimates are done based on tourism ratios

from the resident visitors' survey and on supply data from the SBS, that NA also use to compile intermediate consumption. A more thorough estimation is that for accommodation services.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

Inbound tourism consumption is distinguished by type of visitors, same-day visitors and tourists. The break down by products is in accordance with the classification of characteristic, connected and non-specific products of the TSA-RMF/EIM. The general method of compilation of this table consists in taking the amount recorded as credit under the item "travel" from the BoP as the total inbound tourism expenditure. Subsequently, the structure of expenditure of inbound tourism by product taken from the survey on inbound tourism spending is applied. This survey supplies a different consumption structure for tourists and for same-day visitors. The amount recorded as credit under the item "transportation" is also considered. Some extra adjustments are taken into account concerning consumption within business travels (part of TSA table 4) and the net valuation of package tours. In the course of the work of the new benchmark year 2006 for NA it is expected that the structures of the expenditure of inbound tourism by products will be updated with the results of the new survey on international spending and the non-resident module.

### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Presently there is no statistical source that provides any data that would allow the distinction between tourists and same-day visitors for domestic tourism. Furthermore, a reliable complete reference for domestic tourism expenditure is missing. For a more detailed description of the product classification and differentiated estimation as well as data sources see 2.2.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

TSA table 3 is not compiled in the PTSA, due to the lack of data sources. The only available data for Outbound Tourism Consumption are the items of the BoP (debits) for Travel and Tourism and for International Transportation. It is expected to develop a pilot study on the compilation of table 3 for the reference periods 2005/2006. Statistics Portugal expects to compile data for TSA table 3 based on the results of the new survey on international spending. This survey collects data on the spending of international visitors, by category of goods and services and for resident and non-resident visitors. The categories of goods and services are in line with the main classes of the classification of products of the PTSA. In fact, as for the non-resident module, this desegregation of the spending was a requirement from the NA department (represented by PTSA) and from Banco de Portugal (for the Travel and Tourism item of Balance of Payments).

### **4.4 Estimating same-day visitors expenditures**

The PTSA compiles only data for the expenditures of non-resident same-day visitors, as for resident same-day visitors data is lacking. For inbound tourism, the estimation of the

expenditure of the overall same-day visitors is based on the information of the Travel and Tourism and International Transportation items of the BoP and on the ratio of the same-day visitors to the total number of non-resident visitors. One may reckon that this estimation procedure is improved in the future, applying the data that is available for the same-day visitors' expenditure in the non-resident module of the new surveys on international spending and on the movements on the borders. This type of data is also available for the resident module and will also be applied in the estimation of the resident same-day visitors' expenditure.

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Besides inbound and domestic tourism expenses table 4 also includes a column of "Other tourism consumption components". It comprises business tourism expenses (either residents or non-residents), the imputation of rents for private second homes used for tourism purposes and the amount of non-monetary tourism consumption (made by the government or NPISH on behalf of the visitor who does not pay the market value of a product to get it). The breakdown by products corresponds to the classification of characteristic, connected and non-specific products relating to the TSA-RMF/EIM. The estimation of business travel expenditure for non-resident tourists is based on the survey on inbound tourist spending. With respect to residents some characteristic products (e.g. accommodation services) are thoroughly treated. Transportation and meal services are estimated by using the SBS. The HBS provide the weight of services for second homes in case of resident tourists. Regarding non-resident tourists the estimation is based on the number of nights spent in the country. Non-monetary consumption refers to the final consumption of the sectors S.13 and S.15.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

Table 5 describes the correspondence of the production account of NA (NA) to the classification of products and industries of the PTSA. The main source of information for table 5 is the production account of NA, available at the highest level of breakdown for the classification of products and industries. The fact that some products of the NA may contribute to different types of PTSA products is the main reason for the cross-classification work. This task considers the use of other type of information in order to identify the different components of each product or industry from NA (characteristic, connected or non-specific). In this matter, PTSA adopts data from the SBS, the annual survey on industrial production and from other sources used in the compilation of the Portuguese NA. The treatment and appropriation of the information respected the methodology and the concepts applied in the NA. The compilation of TSA table 5 is also based on the sectors accounts. PTSA has a strong link to the national system of accounts, with table 5 being a kind of SUT for tourism.

## 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

### 5.2.1 The general structure of the table

The estimates obtained in tables 4 and 5 are inputs for TSA table 6. It concerns the estimation of the main indicators of PTSA: Tourism value added of PTSA industries (concerning the tourism share), or the contribution of tourism in the GVA of the PTSA industries and the tourism ratio. The PTSA table 6 is based on the TSA-RMF table 6, but includes some extra columns for the estimation of tourism domestic supply at purchaser prices. In order to calculate this aggregate, tourism imports and tourism taxes less subsidies on products are estimated. Internal tourism consumption and tourism ratios on domestic supply are also provided. The work developed in TSA table 6 allows the estimation of the contribution of tourism to GDP. The classification of products and industries consider the two digit level, and thus, the highest level of disaggregation. This table, as for the other tables, considers the net valuation of the package tours. The distribution margins, for the total economy and for tourism are also treated.

### 5.2.2 General characteristic of the data

The main data source (for the treatment of the other components of the domestic supply) was the SUT, (imports and taxes less subsidies on products of domestic output and imports). The estimation of these components also considered the same process of crosschecking as in the NA.

### 5.2.3 Calculation of Tourism Value Added (TVA)

Tourism value added is a balance item, obtained as difference between Tourism Output and tourism intermediate consumption. Tourism output and tourism intermediate consumption are estimated separately, as it happens in NA. The identification of the tourism output for each product and activity of PTSA considers, on a first stage, the identification of the productive units whose production (or part of) was tourism in order to estimate its supply. Data from SBS and from other sources used in the compilation of the institutional sector accounts is analyzed in order to identify the tourism output. PTSA also takes into account the information given by the main producers of the different industries identified as tourism producers. The second stage of the estimation of tourism output by industries considers the cross checking between internal tourism consumption and domestic tourism supply by products, considering the main producers and their tourism specificity. The same procedure is made for the estimation of the respective tourism intermediate consumption.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

The estimation of employment in the TSA is not based on TSA-RMF table 7 and is made for the Characteristic Industries. The employment module is estimated on a regular basis. Employment is compiled for the characteristic activities following the OECD recommendation on the manual "Measuring the role of Tourism in OECD Economies -The

OECD Manual on Tourism Satellite Accounts and Employment" (OECD 2000) which has a wider treatment of employment. It was considered relevant to compile this level of detail. The tables are 1, 3, 4, 5, 8, 9, 10, 11, 13 and 15 and refer to the following variables and breakdowns: jobs, individuals, full time equivalents, salaries and wages, compensations and hours worked by status in employment (employee vs. own-account workers) individuals by gender, education level, age groups jobs by type of work (full-time vs. partial time) jobs by gender and wages by gender. Estimation is made for the employment component directly related to tourism (by opposition of the employment of the total characteristic activity) by applying the ratio of tourism contribution to value added on the total value added of that characteristic activity. The estimation refers only to full time equivalent and compensations. The estimates of employment in the PTSA are coherent, and so directly comparable, with those from NA, which refer to domestic employment. Because of that these estimates are compliant with the production concept estimated/compiled within table 5 and 6.

## **6.2 TSA-table 8: Tourism gross fixed capital formation**

This table is not yet compiled by Statistics Portugal. It is expected to be estimated during 2008 for the available series 2000 - 2004 of the PTSA for the characteristic activities.

## **6.3 TSA-table 9: Tourism collective consumption**

This table is also not yet compiled by Statistics Portugal but there is also the intention of compiling collective consumption broken down by products. Regarding GFCF and collective consumption and as far as product classification and compilation methodologies are concerned the Portuguese TSA will follow the SNA93 and ESA95 in order to be compliant with the Portuguese NA.

## **6.4 TSA-table 10: Non monetary indicators**

Since this type of indicators is not compiled by the Tourism Satellite Accounts compiler unit, PTSA does not include Table 10. Non monetary indicators are compiled and disseminated by the Tourism Statistics unit in Statistics Portugal.

## **6.5 Other tables beyond the 10 RMF-TSA-tables**

As mentioned before, PTSA provides data on the employment of the Characteristics Activities at a highest level of detail and by different breakdowns. There are also tables for the regional estimates of the PTSA for the series 2000 - 2003. Other types of tables are also compiled for the preliminary estimates, since this type of data is disseminated at a highest level of aggregation.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The main tourism aggregates produced by the TSA constitute a good analytical tool for the analysis of the economic importance of tourism. Tourism being a strategic economic activity in Portugal, the compilation of the TSA is routine. In fact, the dynamics of tourism demand and the changes in tourism behaviour require more recent information for policy and decision

making in tourism industry. In order to provide that type of information, Statistics Portugal developed its first experience in the compilation of preliminary data and first estimates for the PTSA. TSA compilation problems are largely related to those of its data sources. Either because there is a lack of data sources, or, if they exist, they may not give the proper details that the TSA needs. Some of these problems are overcome with indirect estimates, through the estimation of tourism ratios or with a higher level of aggregation of the breakdowns proposed by the TSA-RMF or TSA-EIM. To list a few and the most important problems:

- there is no data source on resident same-day visitors in Portugal
- there is no data source to break down tourism expenditure of residents (tourists and same-day visitors) by products
- there is no direct source that identifies self
- owned houses for vacation purposes, they are included in the housing census in a broader category
- there is no direct data source that identifies time-sharing establishments.

## 7 TSA country results

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Inbound tourism accounts, in average for the entire series compiled, for about 50 percent of total internal tourism demand. In 2004 the tourism consumption made by non-residents reached the amount of 6.7 bn Euro. Tourists were responsible for 6.1 bn Euro and same-day visitors for 0.6 bn Euro. Between 2003 and 2004 inbound tourism grew 6.1 percent, which is a reflex of the 2004 football European championship that was held in Portugal. For Tourists, the more relevant products in the structure of consumption were accommodation services with 25 percent, restaurants with 27 percent and passengers transports with 21 percent. For same-day visitors the most relevant products in terms of their expense structure were non-tourism specific products with 29 percent, restaurants with 28 percent and passenger transport with 23 percent.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Domestic tourism accounts, in average for the entire series compiled, for about 20 percent of total internal tourism demand. In 2004 the domestic tourism consumption made by residents reached the amount of 2.6 bn Euro. The tourism consumption that concerns Portugal as main destination is 1.9 bn Euro and the consumption made in Portugal on the way to a destination abroad is 0.8 bn Euro. Domestic tourism grew 6.3 percent, more than the non-resident consumption. The more relevant products within the structure of consumption are transport of passengers, with 33 percent, accommodation services with 20 percent and travel agency services with 13 percent.

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

Not compiled.

#### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Other components of internal tourism demand account, in average for the entire series compiled, for about 30 percent of total internal tourism demand. In 2004, they reached the amount of 4.1 bn Euro. These other components refer in a large amount to business tourism demand. Total internal tourism consumption reached the amount of 13.4 bn Euro in 2004. This represents a growth of 6.9 percent when compared with 2003. The most relevant products within the structure of consumption are Transport of passengers, with 27 percent, restaurants with 25 percent accommodation services with 22 percent.

#### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

The ratio of internal tourism consumption on total domestic supply is around 4 percent in 2004. This has been a structural result of the TSA for the compiled series (2000 - 2004). In 2004 Tourism production reached the amount of 11.2 bn Euro and had a growth rate of 8.1 percent. Value added generated by tourism reached the amount of 5.8 bn Euro and registered a growth rate of 8.5 percent. Both tourism production and contribution to value added grew more than the economy. The economy's production and value added growth rate was 4.9 percent and 4.0 percent, respectively.

#### **7.6 TSA-table 7: Employment in the tourism industries**

Employment, measured by jobs, within tourism characteristic activities had a growth of 3 percent in 2004 when the economy registered a decrease of -0.2 percent. Those activities where employment had a higher growth were restaurants with 4.7 percent and recreation services with 4.3 percent. Restaurants have about 55 percent of the jobs within characteristic activities and therefore this industry is very dominant. As production, employment also showed a different pattern from the economy in terms of evolution of number of employees and self-employed and number of part-time jobs. In 2004 compensations directly associated with tourism production registered a growth of 8.9 percent.

## 7.7 Country specific TSA data sheet

|  |                |               |               |
|--|----------------|---------------|---------------|
| Reference year of following TSA-Tables   | 2004           |               |               |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors  |                |               |               |
| Total inbound tourism consumption  |                |               |               |
| same-day visitors  | 631            |               |               |
| tourists   | 6051           |               |               |
| all visitors   | <b>6682</b>    |               |               |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors |                |               |               |
| Total domestic tourism consumption   |                |               |               |
| same-day visitors  | 0              |               |               |
| tourists   | 0              |               |               |
| all resident visitors  | <b>2624</b>    |               |               |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors |                |               |               |
| Total outbound tourism consumption   |                |               |               |
| same-day visitors  | 0              |               |               |
| tourists   | 0              |               |               |
| all visitors   | <b>0</b>       |               |               |
| TSA-table 4: Internal tourism consumption by products and types of tourism       |                |               |               |
| Total internal tourism consumption (T1 & T2)                                     | 9306           |               |               |
| Total internal tourism consumption (in cash and in kind)                         |                |               |               |
| including tourism business expenses  | 13498          |               |               |
| including other components of visitors consumption in kind                       |                |               |               |
| (without tourism business expenses)  | 9646           |               |               |
| TSA-table 6: Domestic supply and internal tourism consumption by products        |                |               |               |
| <b>Internal tourism consumption by products</b>                                  | <b>13450</b>   |               | T-ratios      |
| A.1 Characteristic products  | 11632          |               | 28            |
| 1 Accommodation services   | 2939           |               | 27            |
| 2 Food and beverage serving services   | 3348           |               | 36            |
| 3 Passenger transport services   | 3682           |               | 51            |
| 4 Travel agency, tour operator and tourist guide service                         | 532            |               | 100           |
| 5 Cultural services  | 92             |               | 29            |
| 6 Recreation and other entertainment services                                    | 531            |               | 25            |
| 7 Miscellaneous tourism services   | 507            |               | 4             |
| A.2 Connected products & B. Non specific products                                | 1818           |               | 2             |
| <b>Total final consumptions by private households (national)</b>                 | <b>93402</b>   |               |               |
| <b>Total Output (national)</b>   | <b>265972</b>  |               |               |
| <b>Total Output of activities</b>  | <b>265972</b>  | GVA           | T-shares      |
| 1 Hotels and similar   | 3093           | 1617          | 99            |
| 2 Second home ownership (imputed)  | 549            | 513           | 93            |
| 3 Restaurants and similar  | 7833           | 3625          | 31            |
| 4 Railways passenger transport   | 242            | 66            | 85            |
| 5 Road passenger transport   | 1303           | 571           | 62            |
| 6 Water passenger transport  | 472            | 132           | 3             |
| 7 Air passenger transport  | 1839           | 428           | 83            |
| 8 Passenger transport supporting services  | 1906           | 1296          | 44            |
| 9 Passenger transport equipment rental   | 727            | 412           | 45            |
| 10 Travel agencies and similar   | 456            | 181           | 97            |
| 11 Cultural services   | 556            | 286           | 20            |
| 12 Sporting and other recreational services                                      | 1614           | 1048          | 20            |
| Tourism connected & non specific industries                                      | 245341         | 115099        | 1             |
| <b>Total Value Added (national)</b>  | <b>125310</b>  |               |               |
| <b>Tourism Valued Added</b>  | <b>5787</b>    |               |               |
| TSA-table 7: Employment in the tourism industries                                |                |               |               |
| <b>Total employment in the tourism industries</b>                                | <b>399656</b>  | <b>341450</b> | <b>186639</b> |
| 1 Hotels and similar   | 56279          | 53445         | 31903         |
| 2 Second home ownership (imputed)  | 0              | 0             | 0             |
| 3 Restaurants and similar  | 221576         | 178018        | 121713        |
| 4 Railways passenger transport   | 4897           | 4897          | 676           |
| 5 Road passenger transport   | 37665          | 31610         | 3818          |
| 6 Water passenger transport  | 1905           | 1747          | 250           |
| 7 Air passenger transport  | 9136           | 9136          | 2542          |
| 8 Passenger transport supporting services  | 19570          | 19267         | 5434          |
| 9 Passenger transport equipment rental   | 3524           | 3452          | 1444          |
| 10 Travel agencies and similar   | 8286           | 7966          | 5346          |
| 11 Cultural services   | 11310          | 9102          | 5066          |
| 12 Sporting and other recreational services                                      | 25508          | 22811         | 8447          |
| <b>Total Employment (national)</b>   | <b>5116651</b> |               |               |

PT

# ES

Country report for Spain



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Due to the relevance of tourism in the Spanish economy, the Spanish public administration, mainly through the Spanish National Statistics Office and the Tourism Authority, has traditionally paid special attention to the assessment of tourism phenomenon from different perspectives. The development of the tourism statistics both from the demand and supply point of view is one of these perspectives. Nevertheless, it should be underlined that most of the initiatives undertaken to measure tourism failed in providing an overall and comprehensive description of this phenomenon, analyzing just fragmented and unconnected aspects of tourism. To overcome this situation, the Tourism Input Output Tables, which can be deemed as the precursor of the present TSA, were compiled for years 1970, 1974, 1978, 1982 and 1992 fostered by the Tourism Authority. As a result of the increasing demand of more detailed information of the role of tourism in the Spanish economy, in 1999 the Spanish authorities took the decision of compiling the Spanish TSA. It was also decided that the Spanish TSA should be linked to the Spanish National Accounts series, with the National Accounts Department being the unit in charge of its compilation, to ensure the consistency between TSA and National Accounts. Moreover, this link implies the involvement of national accountants in the project, who are familiar with the TSA methodology, accounting criteria and concepts. The first TSA for the benchmark year 1995 was released in 2002 and since then, the Spanish TSA is published on a yearly basis. No EU funds have been received.

#### 1.1.2 Experience in TSA compilation

Since the publication of the first TSA in 2002, the Spanish TSA are compiled on a yearly basis, 2000-2006 being the most recent data series, released in December 2007. The next reference years will be 2007 (demand) and 2005 (supply). Although the Spanish TSA estimates most of the data requested by the international methodologies, there are some presentation differences with the TSA-RMF set of tables: Firstly, the Spanish TSA includes a first set of general tables, which aim at highlighting the impact of tourism in the GDP and in the Balance of Payments both at current and at Chain-linked volume indices. Secondly, the table on outbound tourism consumption by products and type of visitor is not estimated. Concerning the inbound and domestic tourism consumption tables, the split between tourists and same-day visitors are not considered, due to statistical reasons. Finally, two additional tables that are not included in the TSA-RMF tables are estimated on a yearly basis: tourism consumption on business trips and the direct and indirect contribution of tourism to the key macro aggregates. Spanish TSA can be considered a full-fledged TSA since it shows the interface between visitor consumption and the corresponding supply of goods.

### 1.1.3 Responsibility of the TSA compilation

The National Accounts Department of the Spanish National Statistics Office is the unit directly responsible for compiling and releasing the Spanish TSA.

## 1.2 The inter-institutional platform

The Spanish National Statistics Plan enumerates the institutions which cooperate in this statistical operation: Bank of Spain (the unit in charge of the Spanish Balance of Payments) and the Tourism Research Institute of the Ministry of Commerce and Tourism. To guarantee the institutional-cooperation a Working Group, in which all the institutions implied are represented, was set up. This WG meets on a regular basis. Although the regional statistics offices are not expressly mentioned in the SNSP, the National Accounts Department and the Tourism Research Institute hold regular meetings on TSA and tourism statistics to which the regional statistics offices are invited.

## 1.3 The dissemination of the TSA exercise

### 1.3.1 Availability of the country TSA

The first TSA series publication, which included estimation for the years 1996 to 1999 according to National Accounts series (base year 1995) as well as a very detailed methodology, and the second one (for the period 1995 to 2002) were disseminated both on the website and on paper. At present, TSA are released only on the website and the files can be downloaded free of charge. The last publication was released in December 2007 for 2000-2006, base year 2000. At the time of disseminating a new TSA series a press release is drawn up, in which the main features of the series and data are briefly commented.

### 1.3.2 Responsibility for the dissemination

Due to the fact that the Spanish TSA is a statistical operation to be compiled by the NSO, as stated in the Spanish NSP, the NSO, particularly the NA, is also responsible of establishing the dissemination policy. The Spanish TSA are obviously disseminated on the NSOs website, although other institutions related to tourism are allowed to add in their websites links to the INEs TSA web page. All the NSO website data are free of charge and are available in Spanish and English.

### 1.3.3 Content of the publication

The TSA publication policy follows the National Accounts policy. This means that in year T, T-3 full-fledge TSA is published (it is the latest year for which the final Supply and Use Tables have been estimated), and for years T-2 and T-1 the tables related to the tourism contribution to the GDP, which is calculated via final demand, and to the other aggregates are also included in the publication. At present, the Spanish TSA estimates are only referred to national and annual data. The monetary data are at current prices, although the demand tables also include data on chain-linked volume indices. Apart from the TSA tables proposed by the TSA-RMF, the Spanish TSA includes a table devoted to direct and indirect effects and a table to consumption on business trips breakdown by products.

### 1.3.4 Level of detail of the publication

As mentioned before, the first and the second TSA publications included, apart of the tables, a very detailed methodology, aiming at giving rise to comments and further discussions to improve the methodology and approaches implemented. At present, only methodological notes are released when a new table is disseminated for the first time, aiming at providing to the qualified users the methodology applied in its estimation. Moreover, when a new TSA series is to be published, a brief press release commenting the main outcomes and features of the series is also disseminated. Occasionally, the NSO releases a specific document devoted to tourism in which the results of the TSA are added.

### 1.3.5 Publications

Cañada, A. & R. Roig (2001): Basic characteristics of the Spanish Tourism Satellite Account. Workshop on Tourism Statistics, EUROSTAT-INE. Budapest, June 2001.

Cañada, A., Prado, J. & R. Roig (2002): La Contabilidad Nacional según el SEC 95 como marco para la estimación de las Cuentas Satélites del Turismo. Methodological Workshop on Tourism Statistics related to the Council Directive 95/57/EC and Tourism Satellite Accounts. EUROSTAT-INE-IET. Madrid. March 2002.

Cañada, A., Prado, J. & R. Roig (2002): The Spanish pilot TSA. First estimates and the Spanish experience in the compilation process. Proceedings of the 6<sup>th</sup> International Forum on Tourism Statistics, EUROSTAT-OECD-Hungarian Central Statistical Office. Budapest. September.

Cañada, A. & R. Roig (2004): Extensions of the Spanish TSA: Constant prices and regional estimates. 7<sup>th</sup> International Forum on Tourism Statistics, EUROSTAT-OECD-Statistics Swedish-Swedish Tourist Authority. Stockholm. June 2004.

Cañada, A., Prado, J. & R. Roig (2006): Business trips and other segments in the TSA framework: methodological approach and main results from the Spanish experience. 8<sup>th</sup> International Forum on Tourism Statistics, EUROSTAT-OECD-Instituto Nacional de Estadística- Instituto de Estudios Turísticos. Cáceres. November 2006.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

It can be asserted that in general terms the Spanish TSA follows the TCP and the TCA provided by the TSA-RMF. However, it is important to underline that for domestic tourism consumption one of the main sources is the household budget survey (HBS), which uses the Classification of Individual Consumption by Purpose (COICOP). This survey is a key source to estimate household final consumption in National Accounts, too. Therefore household final consumption according to the COICOP is converted into household final consumption according to National Accounts products classification, CPC 2 and 3-digit-level, which is more similar to the TCP, by means of a bridge table. For TCA, a bridge-table is made for the

correspondence between the National Accounts classification (CNA93), which is similar to NACE Rev. 1 and, therefore, to ISIC Rev. 3.

## 2.2 Measurement of domestic tourism expenditure

The most relevant sources for the estimation of domestic tourism consumption is the household budget survey (HBS), though some other sources provide partial information on this element of the demand: Familitur (a household survey related to travel behaviour addressed to the Spanish resident households, for domestic and outbound tourism), the accommodation occupancy survey, etc. Data from Familitur also allows including the domestic component of consumption of outbound tourism. As mentioned in point 2.1, the HBS in the EU member states are obliged to use the COICOP classification. That makes it necessary to convert the HBS data into national Accounts data by using a bridge table. HBS also identifies in what context purchases are made: inside or outside the usual environment (asks for the identification of the territory: Spain or overseas) of the household. HBS collects data on the purchases made during tourism trips, including day excursions, but also has a module for recording the purchases made during vacations and trips. Albeit the HBS asks about the expenditure on business trips, the primary source for that part of domestic tourism expenditure in business trips that are considered from the National Accounts point of view as intermediate demand is a module included in the annual services survey and the annual industrial survey. This module collects data on the expenditure on business trips both domestic and outbound.

## 2.3 The handling of the definition of "visitors" in empirical practice

### 2.3.1 Leaving one's usual environment

The primary source for estimating domestic tourism consumption, the HBS uses the definition of usual environment as defined in the international methodologies, being the interviewed household who decides what displacements of the members of the household should be regarded as tourism. The adoption of this solution was due to the fact that the Spanish TSA compilers considered it the best solution because, although the distance and the crossing of the administrative boundaries seem a more objective criteria, they are not easy to be applied in surveys and, furthermore, the definition of usual environment is clearly a subjective criterion, thus the households themselves are best in the position to determine whether their displacements is tourism or not. In the particular case of trips to second homes for leisure, all these trips are deemed as tourism. As for outbound and inbound tourism consumption the source is the Balance of Payments and implicitly the criterion used is the crossing of the Spanish border. Nevertheless, the expenditure carried out by trans-border and seasonal workers are not taken into consideration in the TSA, as their expenditures cannot be attributed to tourism.

### 2.3.2 Business visitors and the fact of being remunerated

Concerning domestic tourism, in the HBS in order to consider a trip as tourism it is explicitly stated that the member of the household should not receive any remuneration from within the place visited. Consequently, from the practical point of view, it is the household who applies this restriction. The situation for inbound and outbound tourism is completely different, due to the fact that in a border survey, for the sake of reducing the reporting burden to visitors, this issue does not deserve a specific question, given that the relevance of these trips over the total

is negligible. Furthermore, apart of this criterion being arguable from a theoretical point of view, from the practical standpoint it is not easy to implement.

## **2.4 The scope of tourism consumption expenditure**

For domestic and outbound tourism, HBS only records the consumption in and outside the usual environment. However, some pre-trip expenses can be identified as consumption on tourism related goods or services and, thus, included in the TSA estimates. The pre-trip expenditure on accommodation services, passengers transports services and travel agency services do not pose any particular difficulty, as they are almost 100 percent tourism related products. In the inbound survey, visitors are asked about those services paid in their country of origin, to deduct the commissions charged by the non-resident travel agency. Tourism single purpose consumer durables and multi purpose consumer durable goods, such as cars, motor homes and boats, are not included in the TSA estimates.

## **2.5 Implementation of SNA93 based National Accounts results**

The Spanish TSA is integrated in the Spanish National Accounts series, in order to ensure the consistency of the data of both statistical operations. The core of the Spanish TSA is the Supply and Use Tables (SUT), which contains implicitly or explicitly all the data required for compiling the TSA. The SUT for the Spanish economy are produced on a yearly basis with a three year gap, that is to say in year T the SUT for year T-3 is released, being at present the 2004 SUT the most recent one. The published SUT have a breakdown of 118 products and 75 industries, although the working level required for TSA has a slight higher number of products and industries. From the supply point of view, the SUT provide information of the production and generation of income accounts for the 75 industries and, particularly, for those considered tourism characteristic industries. From the demand perspective, they provide information of intermediate and final demand (breakdown by categories of final demand: household consumption, general government collective and individual consumption, gross capital formation and exports) for the 118 products. Additionally to the above mentioned information, the SUT framework includes some other relevant data, such as an imported use table, taxes, subsidies, margins, etc. which are needed for compiling the TSA. The tourism products explicitly listed in the TSA are the following: accommodation services, the different means of passengers transport, owner occupied dwellings, travel agency, transport supporting services, car rental, cultural and sporting services, etc.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

Since 2005 onwards, a statistical factor model combining the historical information on travel credits and a set of relevant credit tourist indicators (including the tourist spending survey and administrative sources for the number of non-resident visitors) has been implemented for the estimation of the credits side. Regarding the debits side, the estimates are based on the evolution shown by the different bank report system components, mainly credit card data. As supplementary sources, the information on partner country data, the results of statistical models and the analysis of indicators on the Spanish domestic and outbound tourism survey (Familitur) are also taken into account.

## 2.7 The measurement of timeshare tourism

Most of the timeshare enterprises are allocated in the NSOs Central Business Registers within the accommodation services industry, since their primary production is the provision of this type of product. As a consequence, the output of timesharing is allotted both in National Accounts and TSA to the accommodation services. Nonetheless, it is not possible, due to the statistical limitations, to obtain data specifically on the incidence of timesharing over the total accommodation services.

## 2.8 Availability of new surveys in the near future

The Spanish NSO is exploring the possibility of developing a survey address to household who own a second home, for obtaining estimates on the occupancy ratio of these houses to improve the TSA estimates. This project is in the first stages, at present the efforts are devoted to the setting up of a directory of household who own second homes. To this purpose, the population and dwelling census, the population register and the property and land register are being compared to obtain the fiscal identification number of households who own more than a house and their address, in order to launch a survey about the tourism use of their secondary homes.

# 3 The handling of TSA specific problems

## 3.1 Consideration of the services of travel agencies and tour operators "net"

The treatment of package tours (PT) proposed in ESA95 (gross valuation) differs from the criterion applied in TSA-RMF (net valuation). This implies that it is necessary to make some adjustments in the SUT, in order to be able to make the conciliation between tourism supply and tourism demand, for net valuation (TSA-RMF table 6). To make the adjustments required, additional information from travel agencies and tour operators has to be collected. In the Spanish case, the source of information is the Annual Service Survey addressed to travel agencies and tour operators. This survey provides the revenues of these activities associated to the different products sold: the revenues for selling their own PT, for selling PT "produced" by other tour operators, for selling tickets, and other revenues (basically the commissions received from other tour operators). Similarly, the survey also collects data on the expenditure side: the purchase of tourism services to "produce" their own PT, the purchase of other tour operators PT, the regular intermediate consumption, etc. With all these pieces of information it is possible to identify the services comprised in an "average" PT, and the commissions charged by the tour operators can be calculated. Afterwards, the necessary adjustments both in the supply table and in the use table are undertaken, aiming at obtaining SUT consistent with the net valuation of PT. In the TSA demand tables it is necessary to distribute the demand of package-tours into the different tourism products they contain, in order to be able to balance supply and demand.

## 3.2 Consideration of the distribution margins

Commercial margins associated with products purchased by tourists are estimated on the basis of the general methodology for calculating these margins in National Accounts. The NA obtains estimates of the distribution margins via two complementary approaches. The first

involves estimating the basic magnitudes on trading activities and trading products, by using the structural sources (supply table). The second consists in obtaining distribution margin matrices (for intermediate consumption, gross fixed capital formation, and general government consumption) by analyzing the distribution channels according to the sources available, mainly from the (use table) annual trade survey, and from some specific researches. Once the wholesale and retail distribution margins ratios for final consumption by products have been obtained in NA, the same ratios are applied to the tourism consumption. For domestic supply and internal tourism consumption, distribution margins for domestic produced goods and imported goods are evaluated separately.

### **3.3 The Treatment of “second homes”**

Similarly to the distribution margins, the treatment of owner occupied dwellings should have been previously broached from the NA point of view. To estimate owner occupied dwellings, the Spanish NA follows the methodological principles contained in Commission Decision 95/390/CEE, the so-called stratification method. The specificity from the TSA point of view is that this method has to be applied to tourism second homes, which are used occasionally. Therefore, to estimate second homes it is necessary to have data on the total number of second homes, and on their use, since it is sensible to make a correction on the imputed rent depending on the time they are used. These sets of data in the Spanish TSA are obtained from the 2001 population and dwelling census and from the HBS (the questionnaire has some questions on the use of second homes).

### **3.4 The measurement of tourism business expenses**

For domestic and outbound tourism, the HBS provides information on business trips made by the members of the household. However, it is rather usual that household do not know the price paid by their employers on the different services for the business trip, for this reason it was considered more appropriate to ask for this information directly to the enterprises. For this reason a brief module was added to the annual business surveys (industrial, services and construction). In this module the enterprises are asked to provide the total expenditure in business trips, breakdown in the most relevant tourism products: passengers transport (by means of transport), accommodation services, car rental, etc. These expenses are considered intermediate consumption and compiled in table 4. The Spanish N.A follow the accounting criteria of the ESA95, according to which the expenditure on meals and drinks during business trips are recorded as wages in kind and then as final consumption, when they refer to the private consumption of the personnel. Inbound business tourism expenses estimations are based on the inbound tourism survey and compiled in TSA table 1, they are considered as exports of Spain.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In the Spanish TSA, table 1 on inbound tourism consumption is compiled regardless of the purpose of the trip. This table is made up of a single column which is referred to the tourism

expenditure by total visitors. Although the main source to compile this table is an inbound tourism survey (EGATUR) which differentiates between the tourism consumption by tourist and same-day visitors, this is not applied to this table for two main reasons: firstly, the reduced importance of the expenditure by same-day visitors over the total secondly, the duration of the trip (same-day visitors and tourist) is not a criterion used to establish the strata of the sample, therefore the data might not fulfil the minimum quality standards required. The total inbound tourism expenditure comes from the travel and tourism and the international passengers transports items of Balance of Payment (BoP) (see point 2.6), although some adjustment are needed (subtract from the travel item the expenditure related to trans-border and seasonal workers). Nonetheless, as BoP cannot split this total into the different products listed in table 1, the information obtained from EGATUR is used to this aim. EGATUR is a face-to-face inbound survey with over 100.000 interviews per year. This survey, which is used for both BOP and TSA purposes, produces data according to the purpose of the trip, the type of accommodation, the means of transport used to arrive in Spain and the tourism consumption by 6 categories of tourism products: transportation (international and national), accommodation, meals, car rental, shopping and other services (excursions, shows, museums, restaurants, bars; e.g.). Regarding the level of detail of the products classification, the Spanish TSA does not strictly use a fixed digit level, but it depends on the level at which those tourism products are classified in the CPA.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Although the HBS provides the consumption expenditure carried out by the members of the household outside their usual environment, it cannot differentiate what portion of this expenditure is link to same-day visits and what part is related to overnight trips. Familitur, which is a household tourism behaviour survey, collects data on the physical flows for both same-day trips and overnight trips, but it does not produce data in monetary terms. So, the Spanish version of table 2 includes implicitly the same-day visitor consumption but it is not possible, for the time being, to split the total data between the two categories of travellers. Concerning the separation of visitors into two categories (residents travelling within the country of reference and residents travelling abroad), the Spanish version of table 2 presents only a column with the total. The Spanish table 2 records all the tourism expenditure carried out by residents household in Spain, even if this expenditure is linked to a trip abroad (for instance, if a resident household buys an Iberia ticket to travel abroad, this expenditure is recorded in table 2), plus the expenditure on food on business trips by residents within Spain (see heading 3.4). TSA table 2, similarly to table 1 above mentioned, differentiates exclusively between tourism characteristic products, which is basically similar to the TCP of the TSA-RMF, and non-tourism characteristic products which include goods, distribution margins and other services (these three products are explicitly published).

#### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The only figure on outbound tourism explicitly published in the Spanish TSA is the total expenditure which is obtained from the data of the BoP. To calculate this figure it is subtracted from the BOP travel item the expenditure related to trans-border and seasonal workers and, on the contrary, the imports of passengers international transport are added. From the Spanish TSA compilers point of view it is irrelevant to split outbound tourism consumption by products. The only part of outbound consumption that is important to split

into the different products is that part related to outbound business trips and the imported tourism services by Spanish travel agencies, as these two parts have to be recorded as imported intermediate consumption. The information needed is obtained from the annual business surveys (services, construction and industrial) (see point 3.4) and from the travel agency module.

#### **4.4 Estimating same-day visitors expenditures**

No specific surveys are used to estimate same-day visitors. For domestic tourism, the HBS includes implicitly domestic same-days visitor consumption but it cannot separate the domestic consumption undertaken by same-day visitors and overnight travellers. Familitur provides information in terms of physical flows both for both type of visitors, for domestic and outbound tourism, but does not provide expenditure data (see point 4.2). For inbound tourism, EGATUR is able to produce the expenditures by products for same-day visitors and overnight travellers, albeit in the Spanish TSA they are not released separately for the reasons underlined in point 4.1.

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

The Spanish version of table 4 differs slightly from the table proposed by the TSA-RMF. It is made up of five columns: inbound tourism consumption, households final tourism consumption, intermediate tourism consumption (resident business trips), general government tourism consumption (both individual and collective) and, the last column, internal tourism consumption which is obtained by adding up the previous four columns. The expenditure of business trips on foods and drinks is included in household final tourism consumption, since this expenditure has to be recorded as wages in kind, according to ESA95. General government tourism individual consumption includes mainly "social tourism" (holiday trips for the elderly and the disabled). The Spanish TSA table 4, as well as table 1 and 2, separates goods and distribution margins by applying the approach explained in point 3.2.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The Spanish table 5 is similar to the TSA-RMF. Obviously all the information needed for compiling table 5 is contained in the NA supply table. However, as it was pointed out in heading 3.1, it is mandatory to adjust previously this table as a consequence of the net valuation of package-tours from the TSA perspective, versus the gross valuation in NA. The adjustment in the tour operator industry means a reduction of its intermediate consumption and output for the same amount (so its GVA remains unchanged) and in the final consumption implies an exchange between the product PT and those product PT contains. Once the adjustments have been carried out, table 5 can be easily compiled, since all the information required is explicitly in the "transformed supply and use tables". To estimate the NA supply and use table a great number of different sources are used, depending on the industry and on the transactions. Among the most relevant ones the following sources have been pinpointed: the annual business survey, the annual service survey, the audit office for

taxes and general government variables, the foreign trade statistics and Balance of Payments for imports and exports, the HBS for the final household consumption. The industries explicitly included in the TSA are basically those proposed in the TCA of the TSA-RMF. As it has been already commented, the Spanish TSA does not follow a fix digit-level, since not all the tourism characteristic industries are classified in the NACE at the same digit-level. In this table, the different components of value added are not identified separately. Separate goods and distribution margins are estimated, considering the separation of domestically produced and imported goods.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The Spanish TSA table 6 is in line with TSA-RMF table 6, although the most remarkable difference is that internal tourism consumption in the Spanish TSA is valued at basic prices, thus the balancing tourism supply-tourism demand is made at basic prices, instead of at purchasers prices. It should be underlined that the output, intermediate demand, and final demand in table 6 have to be in line with the net valuation of PT, and the adjustment explained in the previous point have to be carried out prior to the its compilation. The breakdowns in table 6 of both tourism products and industries are the same to those used in the other tables, and rather similar to the TSA-RMF classifications. In the Spanish table 6, for every product there are three rows: the first one records the total output of that specific product by the corresponding industry (column) and the second and third rows show the split of this output between the tourism demand and non-tourism demand respectively. The part of table 6 that refers to the detail of intermediate consumption by industries and type of product is not published in table 6, but in a separate table.

### **5.2.2 General characteristic of the data**

In so far as the Spanish TSA is linked to the NA, it is obvious that NA SUT are the main source for compiling table 6, which is the key table from the TSA standpoint. The balance in the Spanish TSA is carried out at basic prices, and then it is necessary to estimate the internal tourism consumption at basic prices (net of imports). To do so, the information from the margin matrices and from the product taxes is taken into account. Internal tourism consumption is defined in the Spanish TSA as the sum of four demand elements: Household final tourism consumption, inbound tourism consumption, intermediate tourism consumption and general government tourism consumption. The information on imports linked to the tourism demand is provided by the SUT which, in turn use the information of the foreign trade statistic (for the imports of goods) and the BOP (for the imports of services).

### **5.2.3 Calculation of Tourism Value Added (TVA)**

Although TGVA is obtained by using table 6 tourism ratios and published in the direct and indirect effects table, the contribution of tourism to the economy in the Spanish TSA is calculated through the final demand approach. This estimation can be easily obtained even for the most recent years, for which a SUT are not still available. It should be underlined that the output and demand in table 6 have to be in line with the adjusted SUT, due to the net valuation of package tour. For the compilation of this table the total domestic supply of a tourism specific product is compared with the total internal tourism consumption (net of

imports) at basic prices, to obtain the corresponding total tourism ratio for that product. If for a specific cell of the row of a given product some additional information is available, then the ratio for that particular cell might be changed and, in consequence the rest of the ratios of the same row. For instance, it seems sensible that the ratio of tourism consumption of restaurant services produced by the accommodation industry to be higher than the tourism ratio for restaurant services produced by the restaurant industry. Nevertheless, due to the limitations of the existing sources, in many cases there is not additional information to be used and then, the total tourism ratio is applied to the whole row. By industries, once the tourism demand of the primary and secondary productions has been calculated, the tourism ratio for that industry is calculated by dividing the total tourism demand, at basic prices, by the total output of the industry.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

The information for compiling TSA table 7 devoted to employment in the tourism characteristic industries comes again from the SUT. Therefore the employment data are recorded in terms on National Accounts and are in accordance to ESA95, to what respects the domestic concept of employment. It means that results refer to all persons working on the Spanish economic territory. The sources used to estimate employment in NA are quite numerous, the main sources are the labour force survey, the social security register, the business structural surveys, administrative registers, the information from the own enterprises on those industries with a limited number of operating firms, etc. The Spanish employment table includes three different employment variables: employment, jobs and full time equivalents. For these three variables a breakdown between employees and self-employed are provided. As it is evident, the classification of industries in table 7 is the same than that used in other tables, and in line with the TSA-RMF. It should be pointed out that the Spanish TSA, apart of providing figures of employment of the tourism characteristic industries, estimates the direct and indirect jobs generated by tourism. This data are published in a different table, specifically in the table devoted to direct and indirect effects of tourism.

### 6.2 TSA-table 8: Tourism gross fixed capital formation

The tourism gross fixed capital formation (GFCF) table is compiled on a yearly basis. This table is estimated by taking as starting point the gross fixed capital formation matrix by purchasing industry and type of assets of the Spanish NA. Due to the three years gap for the compilation of the GFCF matrix in NA, the most recent TGFCF table published is referred to the year 2004. Both TSA and NA GFCF matrices use the same classification of assets, and are in line with ESA95 classifications for GFCF. This classification includes the following type of assets: Machinery and equipment transport equipment (breakdown by the different means of transport) construction (itemized in residential, non-residential and civil engineering) and other products. Since the source is the GFCF matrix of the Spanish economy, it is not possible to implement the tourism assets classification proposed by the international methodologies. For instance, the asset "construction" cannot be itemized in hotels, dwellings for tourism

purposes, restaurant, etc. The Spanish TSA also provides an estimation of the GFCF derived from tourism phenomenon in the table on direct and indirect effects.

### 6.3 TSA-table 9: Tourism collective consumption

In the Spanish TSA a table on general government consumption is compiled, although it does not follow the TSA-RMF scheme. This table shows the general government consumption by products instead of by functions. The products classification adopted for table 9 is the usual tourism products classification, as this demand element is also taken into account at the time of calculating the tourism internal consumption for balancing purposes. It is a two column table, one for individual tourism consumption and the other one for collective tourism consumption. The Spanish table does not separate the tourism consumption by the different subsectors that compose the general government sector. Most of the data concerning the general government sector come from the public accounting and are provided by the audit office.

### 6.4 TSA-table 10: Non monetary indicators

Two additional tables on non-monetary data are regularly produced within the TSA publication. The first table shows the total number of companies operating within each of the tourism industries. This information is broken down by the size of the company, according to the total number of employees (classified in five strata). The information source for this table is the NSOs central business register. The second table displays some business economic ratios by size of the companies (total number of employees) for hotels, restaurants and travel agencies. Among the various ratios published are: the average number of establishments per company, the average revenues per company, the average gross fixed capital formation per company, the average labour cost per employee, etc.

### 6.5 Other tables beyond the 10 RMF-TSA-tables

The Spanish TSA include some tables that are not in the TSA recommendations.

- 1) A table to highlight the relevance of tourism: The contribution of tourism to the GDP by demand component at current prices, percentage of the GDP and chain-linked volume indices.
- 2) The balance of tourism flows with the rest of the world: Inbound and outbound tourism at current prices, percentage of the GDP and chain-linked volume indices.
- 3) The direct and indirect effects of tourism in the economy by transaction: The variables from the demand side are household final consumption, general government consumption, GFCF, exports and imports and from the supply side GVA at basic prices, net taxes on products, output and jobs.
- 4) A table on tourism consumption on business trips itemized by the chief tourism products and by domestic and inbound business trips.

The additional tables 1 and 3 are among the most relevant ones in the Spanish TSA, due to the fact that they reflect one of the main characteristics of the Spanish TSA: the contribution of tourism to the economy are calculated via tourism final demand instead of via TGVA, although this variable is also included in the Spanish TSA estimates.

## 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

One of the shortcomings of traditional tourism demand and supply statistics is that they have failed in providing an overall and interconnected analysis of tourism. TSA have become a useful tool to overcome this limitation, providing to users an overall and comprehensive description of the effects of tourism phenomenon in the main aggregates and on the different industries. Although TSA is a statistical product derived from National Accounts, NA themselves also benefit from the TSA, due to several factors.

First of all, during the TSA compilation process some cross-checks have been carried out, improving the quality of both statistics. Secondly, when the TSA has been implemented new surveys have been launched or the already existing ones have been improved to fill the lack of information in TSA and NA. Thirdly, the level of detail of NA products or industries has been increased to provide the required data to TSA compilers.

One of the main problems in the compilation of TSA is related to the statistical scope. To compile a TSA a huge amount of information is needed and it is not always possible to obtain reliable information at an affordable cost. Other problems are the timeliness of the results and receiving data on domestic tourism consumption.

## 7 TSA country results

Due to the fact that the data set for the year 2004 is more complete, the attached table (par. 7.7) contains the results for this year.

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

TSA table 1, as mentioned, does not provide inbound tourism consumption by category of visitor. Due to the specific geographical situation inbound same-day-visiting activities seem to have no significance relevance. The most recent year for which there is information available on total inbound tourism breakdown by products is 2005. For this year total tourism consumption at purchaser prices was 45.6 bn Euro, and 42.2 bn Euro at basic prices. For 2006 to 2007 data on the total tourism consumption at current prices and chain-linked volume indices were published in the general tables of the Spanish TSA. For the year 2007, inbound tourism consumption was 50.9 bn Euro.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

For domestic tourism consumption, TSA table 2, no data is disseminated by category of visitor, due to the reasons already explained in point 4.2. For the year 2005, the latest year available, total domestic consumption at basic prices was 54.2 bn Euro, of which household tourism final consumption is about 43.5 bn Euro, and intermediate tourism consumption (business trips of resident employees in the economic territory) reached approximately the amount of 10.8 bn Euro.

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

In the Spanish TSA, total outbound tourism consumption breakdown by products and by categories of visitors is not itemized. Specifically, for 2007, total outbound tourism consumption adds up to 20.0 bn Euro, accounting 1.9 per cent of the GDP.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Internal tourism consumption is defined in the Spanish TSA as the sum of household final tourism consumption, inbound tourism consumption, intermediate tourism consumption and general government tourism consumption. Total internal tourism consumption at basic prices in 2005 was about 98.4 bn Euro, of which the internal tourism demand on tourism characteristic products added up to over 80.6 bn Euro, being accommodation services the product with the highest tourism consumption (27.5 bn Euro).

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

The balance in table 6 is carried out at basic prices; consequently internal tourism consumption has to be also valued at these prices. Total internal tourism consumption at basic prices accounted in 2005 for 98.4 bn Euro, of which the implicit imports were 5.8 bn Euro, and the demand satisfied by the domestic output was 92.6 bn Euro. In 2005 the direct effect of tourism in the GVA was 41.1 bn Euro, accounting for about 6.3 percent of the total GVA of the economy. The total impact of tourism in the GVA was 88.6 bn Euro, which implies a 10.9 percent of overall GVA. These data are published in the direct and indirect effects table.

### **7.6 TSA-table 7: Employment in the tourism industries**

Total employment in the tourism characteristic industries in year 2005 was 2475 th jobs, what means 2267 th full time equivalent employment. As it is obvious, bars and restaurants is the industry with the highest number of jobs (about 1.017 th jobs and 930 th full time equivalents). Apart from employment in the tourism industries, the direct and indirect effects table provide also an estimate of the employment generated by tourism: The total numbers of jobs owned to tourism in year 2005 was 1894 th jobs (about a 9.8 percent of the total number of jobs of the Spanish economy), of which the direct generated employment was about 1005 th jobs, that is to say, a 5.2 percent of the total jobs.

## 7.7 Country specific TSA data sheet

|   |                |              |                  |
|---|----------------|--------------|------------------|
| Reference year of following TSA-Tables  | 2004           |              |                  |
|   | in mn Euro     |              |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                |              |                  |
| Total inbound tourism consumption   |                |              |                  |
| same-day visitors   |                | 0            |                  |
| tourists  |                | 0            |                  |
| all visitors  |                | <b>39628</b> |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                |              |                  |
| Total domestic tourism consumption  |                |              |                  |
| same-day visitors   |                | 0            |                  |
| tourists  |                | 0            |                  |
| all resident visitors   |                | <b>39097</b> |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                |              |                  |
| Total outbound tourism consumption  |                |              |                  |
| same-day visitors   |                | 0            |                  |
| tourists  |                | 0            |                  |
| all visitors  |                | <b>13694</b> |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                |              |                  |
| Total internal tourism consumption (T1 & T2)  |                | 78725        |                  |
| Total internal tourism consumption (in cash and in kind)  |                |              |                  |
| including tourism business expenses   |                | 0            |                  |
| including other components of visitors consumption in kind<br>(without tourism business expenses) |                | 92440        |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                |              |                  |
| <b>Internal tourism consumption by products</b>   | <b>92440</b>   |              | T-ratios (in %)  |
| A.1 Characteristic products   | 75768          |              | 25               |
| 1 Accommodation services  | 25959          |              | 21               |
| 2 Food and beverage serving services  | 22730          |              | 28               |
| 3 Passenger transport services  | 14897          |              | 66               |
| 4 Travel agency, tour operator and tourist guide service  | 4682           |              | 100              |
| 5 Cultural services   | 585            |              | 8                |
| 6 Recreation and other entertainment services   | 2059           |              | 8                |
| 7 Miscellaneous tourism services  | 4855           |              | 16               |
| A.2 Connected products & B. Non specific products   | 16672          |              | 1                |
| <b>Total final consumptions by private households (national)</b>                                  | <b>508332</b>  |              |                  |
| <b>Total Output (national)</b>  | <b>1612032</b> |              |                  |
| <b>Total Output of activities</b>   | <b>1612032</b> | GVA          | T-shares (in %)  |
| 1 Hotels and similar  | 19078          | 12044        | 94               |
| 2 Second home ownership (imputed)   | 92319          | 66186        | 11               |
| 3 Restaurants and similar   | 78409          | 45369        | 27               |
| 4 Railways passenger transport  | 2577           | 1584         | 57               |
| 5 Road passenger transport  | 7830           | 4833         | 30               |
| 6 Water passenger transport   | 575            | 241          | 78               |
| 7 Air passenger transport   | 8939           | 4175         | 91               |
| 8 Passenger transport supporting services   | 26154          | 11105        | 12               |
| 9 Passenger transport equipment rental  | 3182           | 1744         | 39               |
| 10 Travel agencies and similar  | 3916           | 2445         | 99               |
| 11 Cultural services  | 9351           | 4401         | 6                |
| 12 Sporting and other recreational services   | 25517          | 14450        | 6                |
| Tourism connected & non specific industries   | 1334184        | 588093       | 1                |
| <b>Total Value Added (national)</b>   | <b>756669</b>  |              |                  |
| <b>Tourism Valued Added</b>   | <b>49149</b>   |              |                  |
| TSA-table 7: Employment in the tourism industries (in 1000 FTE)                                   |                |              |                  |
|   | employed       | employees    | female employees |
| <b>Total employment in the tourism industries</b>   | <b>2225</b>    | <b>1775</b>  | <b>0</b>         |
| 1 Hotels and similar  | 291            | 275          | 0                |
| 2 Second home ownership (imputed)   | 173            | 128          | 0                |
| 3 Restaurants and similar   | 931            | 649          | 0                |
| 4 Railways passenger transport  | 34             | 34           | 0                |
| 5 Road passenger transport  | 177            | 120          | 0                |
| 6 Water passenger transport   | 3              | 3            | 0                |
| 7 Air passenger transport   | 35             | 35           | 0                |
| 8 Passenger transport supporting services   | 140            | 134          | 0                |
| 9 Passenger transport equipment rental  | 21             | 20           | 0                |
| 10 Travel agencies and similar  | 48             | 44           | 0                |
| 11 Cultural services  | 95             | 95           | 0                |
| 12 Sporting and other recreational services   | 275            | 239          | 0                |
| <b>Total Employment (national)</b>  | <b>19334</b>   |              |                  |

ES



# SE

Country report for Sweden



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

The project of producing Tourism Satellite Accounts was started in the autumn of 1995. The Swedish Tourist Authority which was then responsible for the tourism statistics in Sweden wanted to have a measure of the importance of tourism in the Swedish economy. The usual classification in the national accounts of tourism related indicators like hotels, restaurants, travelling and transport activities do not show the correct picture of the tourism industry and was criticized for both under- and overvaluation of the industry. Tourism is not an explicitly identified industry within the NA system as it cross-cuts several industries. Therefore the Tourist Authority asked Statistics Sweden to calculate a TSA for the country. The Tourist Authority wanted the tourism related activities explicitly shown in the Swedish economy and they wanted especially the importance expressed in relation to GDP. After the first compilation period some changes in the methods have been introduced during the following years. An overview of the accounts was made in 2000 including adoption to the latest versions of the manuals of WTO and OECD. Revised national accounts estimates in accordance with SNA93 and ESA95 was published in May 1999 and the TSA was revised in accordance with the new national accounts estimates. The TSA was of course also affected, so there were many reasons for a revision of the TSA. Estimates have been produced annually since the first compilations were made in the middle of the 1990s.

#### 1.1.2 Experience in TSA compilation

A measure of tourism based on the TSA-RMF in relation to GDP has been produced every year since the middle of the 1990-ies. Estimates from the supply and use tables of the consolidated national accounts have been used together with all other possible information. The TSA tables 1, 2 and 4 have been implemented (fully or partially) up to now. Employment by industry is also provided as well as tourism value added in relation to GDP. The rest of the tables (3, 5 to 10) tables have not been implemented in accordance with the TSA-RMF yet. The people in charge of the compilations have taken part in some international meetings and discussions on TSA matters and have tried to interpret and follow the guidelines as good as possible. Contacts have also been established with primarily neighbouring countries, i.e. Norway and Finland. We have also studied the experiences and published material of Canada, because of the extensive work and analysis made there. As Statistics Sweden is active in consultancy work in other countries, we have also been working with TSA implementation in Jamaica and Cabo Verde.

### 1.1.3 Responsibility of the TSA compilation

The compilations are performed within the National Accounts Department of Statistics Sweden on commission of Tillväxtverket, the Swedish Agency for Economic and Regional Growth, which is the responsible authority for tourism statistics. In the National Accounts unit (NA) of Statistics Sweden two persons are partly involved in the compilations.

## 1.2 The inter-institutional platform

A reference group was set up by experts from the University of Umea, the Tourist Authority and the Tourism Industry when the first compilations were made in the 90ies. It also included the head of NA Division and one expert from the division of Tourism Statistics in Statistics Sweden. Apart from this reference group no regular working platform was created. The reference group is not active nowadays. Statistics Sweden takes part in international meetings and discussions only. The National Accounts however, have continuous meetings with Tillväxtverket (the Swedish Agency for Economic and Regional Growth) and intermittent contacts with representatives from other organisations active within this area.

## 1.3 The dissemination of the TSA exercise

### 1.3.1 Availability of the country TSA

The results of the tourism compilation are presented every year on the Tillväxtverket website both as tables and with complementary analysis. A special folder on tourism activities is also distributed.

See <http://www.tillvaxtverket.se/sidhuvud/englishpages/tourismindustryissuesandstatistics/reports/inenglish.4.21099e4211fdb8c87b800017436.html>. A press conference is arranged every year in June when results from the previous year are available. Articles and analysis based on TSA material are also published in various papers and magazines. TSA tables in full format are not published but publications with TSA results in paper and pdf format are distributed free of charge.

### 1.3.2 Responsibility for the dissemination

Tillväxtverket, the Swedish Agency for Economic and Regional Growth is the responsible authority for tourism statistics and therefore also for the dissemination of the TSA results.

### 1.3.3 Content of the publication

The dissemination contains a short summary of key figures, a discussion about challenges and development of tourism as well as descriptive texts and figures concerning international tourism, the travel and tourist industry economy and employment, tourism in Sweden, domestic, outbound and incoming tourism and the meeting industry. It concludes with definitions and sources.

### 1.3.4 Level of detail of the publication

The dissemination shows strictly tourism data on national level with reference to NACE 2/3-digit. It encompasses tourism expenditure on different products, Swedish contra foreign tourism expenditures, private and business expenditures, all of them summarized including

text and tables. An employment analysis, the value of exports and generated VAT are also included. The results are finally compared to international tourism.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The data sources are classified consistent with the list of Tourism Characteristic Products (TCP) in the RMF. The product breakdown is based on CPA. (551 Inkvartering, 552 Camping, 70201B Fritidshus, 60100A Jarnvagstransport, 6021A Lokal och fjarrtrafiktransport, 60230 Charterbuss, 61A Sjotransport, 62A Luftfart, 63301 Paketresor, 6330A Ovriga researrangemang, turistservice, 71100 Personbilsuthyrning, 748 Mass, kongr, dagkonf, 921 Film, 923A Teater, 9231 Artisttjanster bl a, 925 Museer, bibliotek mm, 926 Sport, 75B Pass,visum Anslutna produkter: 60220 Taxiresor Ej specifika produkter: Varuinkop: 15 Livsmedel, Ovriga varuinkop: 23200A+D Drivmedel, Bilar, MC, Batar, 9272 Hyra utrustning, 748 Fototjanster.)

### 2.2 Measurement of domestic tourism expenditure

Key source of the Swedish TSA are information from the NA estimates. Apart from that the National Travel Survey and the Swedish Travel Data Base are also used in the TSA (predominantly for domestic tourism). The former has been carried out intermittently. It is a telephone survey collecting data on travel behaviour (everyday movements and longer journeys) by the Swedes. This survey started in 1988 as an initiative by the then Swedish Tourist Board. The period 2004 to 2006 is covered in the latest survey, published in 2007. The gross sample was 41 000 persons but a response rate of 68 percent meant that 28 000 persons between 6 and 84 years of age actually took part. A distinction between one day trips and overnight trips is made. The objective of each trip is collected as well as the length of the trip. Expenditures are not collected in this survey. The Swedish Travel Data Base (TDB) on the other hand is produced by a private company but mainly financed by the public authorities with interests in the sector. The TDB monitors Swedes travel behaviour inside and outside of Sweden. It is a telephone survey and the number of respondents is 2000 each month. The TDB provides information about many aspects of travelling, like business and leisure trips respectively. Also information on various accommodation choices is collected. There is no information on kilometres as the focus is on expenditure.

### 2.3 The handling of the definition of "visitors" in empirical practice

#### 2.3.1 Leaving one's usual environment

The concept of usual environment relates to the place where the person lives and works or studies and includes any other places frequently visited. It will differ from one human being to another. In the reference group, there were a lot of discussions about operational criteria, and it was decided that a travelling distance of 50 kilometres single journey should be the travel length for a trip to be included in the TSA. Daily commuting is however usual

environment independent of distance. When passing a country border the distance is irrelevant.

### **2.3.2 Business visitors and the fact of being remunerated**

In the survey on domestic travelling a distinction is made between different categories of business travellers. Visitors who are remunerated from the country visited are not excluded because no information from where a visitor is remunerated is available.

## **2.4 The scope of tourism consumption expenditure**

It is only asked for expenditures that have a direct connection with the trip. There is no distinction made between pre-trip and during the trip expenditures. High value items are usually not included.

## **2.5 Implementation of SNA93 based National Accounts results**

SNA93 and ESA95 has been implemented in 1999 in the Swedish National Accounts. TSA, like other satellite accounts use the core of information from the national accounts estimates. The Swedish national accounts have a product breakdown of 400 product groups and 134 different activities. The product breakdown in the NA is in accordance with the CPA classification and the same system is used for the TSA. The TSA is built up in accordance with the international recommendations of the World Tourist Organisation, OECD and the European Union which were adopted by the United Nations Statistical Commission in 2000. Details from the NAs supply and use tables on household final consumption expenditure, intermediate consumption, exports, product taxes and subsidies of the products in question are necessary variables from the supply and use table (SUT) reconciliation in the NA. Some of the products which can be completely assigned to tourism, like travel agencies, air transport of people, etc are of big importance.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

The most important data source for estimating travel is NA. With regard to taxi transports information from different investigations are added. The number of persons kilometres travelled with railway derive from the travelling survey RES that was withdrawn 2001 and extrapolated by NA data. Additional information comes from the items travel and transportation within the Balance of Payment. The travel item in BoP is derived mainly from credit card information but also partly from currency exchange information and surveys to companies on special over the border transactions not paid by credit cards. From these results it is possible to see how much money foreign visitors spend in Sweden. It is recorded as an export item in the Swedish NA. Information on sales of transport services to foreigners, i.e. by boat and air, is collected from the transportation item in BoP.

## **2.7 The measurement of timeshare tourism**

No special measurement for the time being.

## **2.8 Availability of new surveys in the near future**

Discussion has started on a new survey on incoming visitors to Sweden.

### **3 The handling of TSA specific problems**

#### **3.1 Consideration of the services of travel agencies and tour operators "net"**

Services of travel agencies are recorded net based on the information in the supply and use tables of the annual national accounts. The NA data are broken down on the different parts included in package tours to avoid double registration of fares, hotel fees etc. The remaining part of these activities is the margins that the organiser put on the different products plus any own produced activities.

#### **3.2 Consideration of the distribution margins**

Distribution margins are separated from the total value of goods sold by using supply and use information from the NA. In fact it is a combination of some business survey data, another more detailed source, taxation figures and SUT.

#### **3.3 The Treatment of "second homes"**

Second homes are included with the total value as compiled in the national accounts. The NA estimate is based on the Eurostat recommendations if no market value is available. This is the user cost approach. The item contains second home services produced for own use as well. A share of foreign ownership is compiled by the help of the address register. Having and using a second home is very much a Swedish way of tourism. Second home is a dwelling place (house) where a person does not live permanently, i.e. he/she has another permanent address. This includes all dwellings that are not the primary residence of a household, are a vacation home visited for recreation, vacation or other activities which are not remunerated within this place and/ or are visited occasionally for work reasons.

#### **3.4 The measurement of tourism business expenses**

Information is collected from the supply and use tables in the NA and supplemented by information on business trips from the Swedish Travel Data Base. This item should be remunerated by the employer. Expenditures which the visitor spent on his/ her own account are not included. Questions are asked on the purpose of each trip and also on detailed expenses.

### **4 The TSA tables for tourism consumption**

#### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The BoP gives information on foreigners' total expenditures in Sweden. Unfortunately it lacks annual information on visitor expenditure broken down on different items. The split is presently made by using a model from the beginning of the nineties together with other partly complimentary information, i.e. accommodation statistics. The TSA tables were compatible

with TSA-RMF format (followed the structure by products). However, there is no separation between same-day visitors and overnight tourists because the main users have not expressed interest to distinguish it. Breakdown of table 1 in the Swedish TSA by products:

#### A. Specific products

- A.1 Characteristic products:

1 - Accommodation services (1.1 Hotel and lodging services, 1.2 Second homes services)

2 - Food and beverage serving services

3 - Passenger transport services (3.2 Road, 3.3 Water, 3.4 Air, 3.6 Passenger transport equipment rental)

4 - Travel agencies and similar (4.1 Travel agency (margins), 4.2 Tour operator (margins))

5 - Cultural services (5.1 Performing arts, 5.2 Museums and other cultural services)

6 - Recreation and other cultural services (6.1 Sports and recreational services, 6.2 Other amusement and recreational services)

7 - Miscellaneous tourism services (7.1 Financial and insurance services, 7.2 Other good rental services, 7.3 Other tourism services)

- A.2 Connected products

#### B. Non specific products

- Distribution margins (Food, Fuel, Other goods)

- Goods (Food, Fuel, Other goods)

- Services

#### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

This table has the same breakdown as table 1 on products but is also divided into private and business visitors. The domestic part of the outbound trip expenses is not included.

#### 4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

TSA table 3 is not produced.

#### 4.4 Estimating same-day visitors expenditures

Same-day visitors are not shown separately.

#### 4.5 TSA-table 4: Internal tourism consumption by products and types of tourism

TSA table 4 has the same breakdown as table 1 on products and is separated on foreign and domestic visitors respectively. Business expenditure are not separated within this table, they are only part of TSA table 1 and 2. A separation of distribution margins was realized.

## 5 The TSA tables for production and supply and use

### 5.1 TSA-table 5: Production accounts of tourism industries and other industries

TSA table 5 is not produced but the necessary information would be available in the SUT. The product specific output of industries could be identified by using SUT, business statistics and National Accounts statistics. It is possible to break down industries/ activities and products on NACE and CPA/TCP 2-/3- and 4-digit-level. Though table 5 is not compiled the value added is identified on basis of SUT split in the components compensation of employees, other tax less subsidies on production, gross mixed income and gross operating surplus.

### 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

#### 5.2.1 The general structure of the table

Table 6 is not produced.

#### 5.2.2 General characteristic of the data

Table 6 is not produced.

#### 5.2.3 Calculation of Tourism Value Added (TVA)

For each product the tourism related expenditures are compiled. When the overall tourism demand has been compiled for different goods and services by using all available sources, the products are treated in such a way that each product group is attached to the typical output from an industry in the NA. By transforming the expenditures into basic prices the production value of each product can be compiled. The expenditure values are reduced for product taxes (non-deductible VAT and other product taxes) and product subsidies are added in order to match the output figures for different industries in the national accounts at basic prices. TVA is then calculated by using the same input coefficient (relation between intermediate consumption and production) as in the total respective activity in the NA. The assumption is made that the input coefficient is exactly the same for services delivered to tourists as for services delivered to other customers. By adding all tourism value added the share of total value added in the economy is estimated.

Employment figures for the tourism industry have been calculated using the same methods. This method then includes the approximation that each product is only produced in the NACE-activity where this particular product dominates.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

TSA table 7 is not produced. However, employment estimates are compiled and very much used and analysed (see par. 5.2.3). Structural business statistics, labour force survey and business register serve as data sources. Employment is an important aspect of the TSA. The Swedish model uses measurements in terms of full time equivalents and considers the number of hours worked. The employment analysis is restricted to total employment in tourism industries and uses tourism shares that are exclusively applied to them.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 is not compiled as this information has not been asked for by the users. Furthermore it is also very difficult to decide the tourism share of all investments.

### **6.3 TSA-table 9: Tourism collective consumption**

Table 9 is not compiled. Though the information is available to a large extent in the NA no specific interest has been expressed.

### **6.4 TSA-table 10: Non monetary indicators**

Table 10 is not made, but most of the figures are reported in other contexts to Eurostat.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

No other tables are produced.

### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The Swedish TSA has become the official measuring tool for the government to evaluate the overall performance of tourism in Sweden. Thus, the TSA has over the years developed into the single most important tool for tourism policymaking in Sweden. One other interesting effect of the TSA development is the great influence that the TSA production has had on the production of other primary statistical data.

The main problem from the compiling point of view is that we lack updated information on foreign visitors' expenditures. We also lack annual information on visitors travelling distances, as we have only intermittent information. Approximation is made by extrapolation with general national accounts trends. In order to be able to carry out effective product development and to market Sweden as a destination, an ongoing border survey needs to be carried out to measure factors such as volumes, visitors' preferences and expenditure patterns. A border survey is a key tool for competitiveness, and such surveys are often used at those destinations with which Sweden competes. There has been a lack of a stable time series of incoming tourism and expenditure by foreign tourist in Sweden. Some initiatives have been taken on different occasions, but this was, and still is, one of the major drawbacks to our statistical system. It is very costly to mount a continuous survey of incoming tourism and the long border to Norway creates a lot of practical problems.

## 7 TSA country results

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Non-resident visitors spent 8.2 bn Euro in Sweden in 2006 (average annual exchange rate for 2006: 1 EUR = 9.2544 SEK). It was a positive trend because their consumption expenditure increased by 19 percent compared to the previous year, measured in current prices. There is no separation between same-day visitors and overnight tourists in the Swedish TSA.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

The total value of domestic tourism consumption amounted to 15.1 bn Euro in 2006, which implies a total increase by 7 percent to the previous year in current prices. Leisure travellers spent almost 69 percent (10.4 bn Euro) of this amount. 31 percent (4.7 bn Euro) was spent on business trips. As for inbound tourism there is no separation between same-day visitors and overnight tourists in the domestic tourism.

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

Not produced.

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

Visitors spent almost 23.3 bn Euro in Sweden in 2006, which was distributed between the various sectors. Most of the money the tourists spent was on goods: 39 percent or just over 9 bn Euro. Next come accommodation and restaurants, amounting to 7.1 bn Euro of income, or almost 31 percent. Income from the passenger transport sector totalled 4 bn Euro or over 17 percent. Travel agencies and similar accounted for 1.4 bn Euro. Domestic tourism accounted for two thirds of the expenditure (15.1 bn Euro) of which leisure travellers spent the most (about 69 percent). Expenditure by foreign visitors, 8.2 bn Euro, made up over 35 percent of the total expenditure.

### 7.5 TSA-table 6: Domestic supply and internal tourism consumption by products

TSA table 6 as recommended within the TSA-RMF is not compiled for Sweden. Nonetheless tourism gross domestic product has been estimated: In 2006, tourism counted for 2.9 percent in relation to GDP. The share has been quite stable during the calculated period showing a slightly increasing trend. The largest contribution to the tourism value added gave hotel and restaurant industries, which produced around 29 percent of the total tourism value added in 2006. Also the retail trade is very important. It produces 22 percent of the tourism value added. Secondary homes amount for about 13 percent.

## 7.6 TSA-table 7: Employment in the tourism industries

TSA table 7 as recommended within the TSA-RMF is not compiled for Sweden. Nonetheless employment figures (number of employees, hours worked and full-time equivalents; e.g.) have been estimated: In 2006, the travel and tourist industry accounted for 140 th full-time equivalents, which is more than in sectors such as agriculture, forestry and fishing. The number of employed (full-time equivalents) in the travel and tourist industry has grown by almost 36 percent or more than 37 th full-time jobs since 1995. Out of a total of 140 th full-time equivalents within the travel and tourist industry in 2006, most were employed in tourism within the hotel and restaurant sector, i.e. 64 th full-time equivalents or more than 47 percent of all within the travel and tourist industry. The second largest sector was commerce with 28 th full-time equivalents, or more than 21 percent of the total. The combined travel and transport sector (travel agencies and all transport providers) together employs almost as many: 26 th full-time equivalents. The number employed in the travel and tourism industry increased by 40 percent to over 152100 people between 1995 and 2006. The increase was bigger than for employment in the rest of Sweden. The employed within tourism make up approximately 3.6 percent of all employed persons in Sweden, which is approximately 4.2 million.

## 7.7 Country specific TSA data sheet

|   |                |                    |                  |
|---|----------------|--------------------|------------------|
| Reference year of following TSA-Tables  | 2006           |                    |                  |
|   | in mn Euro     |                    |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                |                    |                  |
| Total inbound tourism consumption   |                |                    |                  |
| same-day visitors   | 0              |                    |                  |
| tourists  | 0              |                    |                  |
| all visitors  | <b>8152</b>    |                    |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                |                    |                  |
| Total domestic tourism consumption  |                |                    |                  |
| same-day visitors   | 0              |                    |                  |
| tourists  | 0              |                    |                  |
| all resident visitors   | <b>15144</b>   |                    |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                |                    |                  |
| Total outbound tourism consumption  |                |                    |                  |
| same-day visitors   | 0              |                    |                  |
| tourists  | 0              |                    |                  |
| all visitors  | <b>0</b>       |                    |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                |                    |                  |
| Total internal tourism consumption (T1 & T2)  | 23296          |                    |                  |
| Total internal tourism consumption (in cash and in kind)  |                |                    |                  |
| including tourism business expenses   | 23296          |                    |                  |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 0              |                    |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                |                    |                  |
| <b>Internal tourism consumption by products</b>   | <b>23296</b>   |                    | T-ratios (in %)  |
| A.1 Characteristic products   | 0              |                    | 0                |
| 1 Accommodation services  | 3432           |                    | 0                |
| 2 Food and beverage serving services  | 3682           |                    | 0                |
| 3 Passenger transport services  | 3988           |                    | 0                |
| 4 Travel agency, tour operator and tourist guide service  | 1425           |                    | 0                |
| 5 Cultural services   | 1130           |                    | 0                |
| 6 Recreation and other entertainment services   | 0              |                    | 0                |
| 7 Miscellaneous tourism services  | 549            |                    | 0                |
| A.2 Connected products & B. Non specific products   | 9089           |                    | 0                |
| <b>Total final consumptions by private households (national)</b>                                  | <b>144657</b>  |                    |                  |
| <b>Total Output (national)</b>  | <b>0</b>       |                    |                  |
| <b>Total Output of activities</b>   | <b>0</b>       | GVA                | T-shares (in %)  |
| 1 Hotels and similar  | 0              | 0                  | 0                |
| 2 Second home ownership (imputed)   | 0              | 0                  | 0                |
| 3 Restaurants and similar   | 0              | 0                  | 0                |
| 4 Railways passenger transport  | 0              | 0                  | 0                |
| 5 Road passenger transport  | 0              | 0                  | 0                |
| 6 Water passenger transport   | 0              | 0                  | 0                |
| 7 Air passenger transport   | 0              | 0                  | 0                |
| 8 Passenger transport supporting services   | 0              | 0                  | 0                |
| 9 Passenger transport equipment rental  | 0              | 0                  | 0                |
| 10 Travel agencies and similar  | 0              | 0                  | 0                |
| 11 Cultural services  | 0              | 0                  | 0                |
| 12 Sporting and other recreational services   | 0              | 0                  | 0                |
| Tourism connected & non specific industries   | 0              | 0                  | 0                |
| <b>Total Value Added (national)</b>   | <b>0</b>       |                    |                  |
| <b>Tourism Valued Added</b>   | <b>0</b>       |                    |                  |
| TSA-table 7: Employment in the tourism industries (in FTE)  |                |                    |                  |
|   |                | employed employees | female employees |
| <b>Total employment in the tourism industries</b>   | <b>140000</b>  | <b>0</b>           | <b>0</b>         |
| 1 Hotels and similar  | 0              | 0                  | 0                |
| 2 Second home ownership (imputed)   | 0              | 0                  | 0                |
| 3 Restaurants and similar   | 0              | 0                  | 0                |
| 4 Railways passenger transport  | 0              | 0                  | 0                |
| 5 Road passenger transport  | 0              | 0                  | 0                |
| 6 Water passenger transport   | 0              | 0                  | 0                |
| 7 Air passenger transport   | 0              | 0                  | 0                |
| 8 Passenger transport supporting services   | 0              | 0                  | 0                |
| 9 Passenger transport equipment rental  | 0              | 0                  | 0                |
| 10 Travel agencies and similar  | 0              | 0                  | 0                |
| 11 Cultural services  | 0              | 0                  | 0                |
| 12 Sporting and other recreational services   | 0              | 0                  | 0                |
| <b>Total Employment (national)</b>  | <b>4230000</b> |                    |                  |

SE



## **B) Member States of the EU with comprehensive fully-fledged national TSA pilot studies**



# FR

Country report for France



## 1 General Introduction

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2009 is a significant step for the French TSA activities both from the methodological and institutional point of view:

First, by the end of 2009, a new series of French TSA (starting from the benchmark year 2005) will be presented at the annual meeting of the French Commission on Tourism Accounts. The new TSA adopts a new methodology which can be considered as an adaptation of the TSA-RMF to the French available statistics (NA (NA) included). It replaces the old so-called “French tourism satellite account” which had been compiled for about 20 years by the former national tourism administration (“Direction du Tourisme”). This previous tourism account was not consistent with the French NA data and methodology. Thus it did not meet the international requirements of the TSA-RMF.

2009 marks also a major change from an institutional point of view. Since January 2009, all statistical activities of the former “Direction du Tourisme” have been transferred to other departments in the French Ministry of Economy, Industry and Employment. In particular, the responsibility of the TSA compilation and dissemination has been transferred to the new “Bureau des diagnostics sectoriels” inside the large “Direction générale de la Compétitivité, de l’Industrie et des Services (DGCIS)” of the Ministry of Economy, Industry and Employment.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Unlike the previous “French tourism satellite account” compiled until now by the former “Direction du tourisme”, the new French TSA relies on a supply-side approach for estimating most major components (hotels, restaurants, long-range passengers transport services, travel agencies services, etc.) of tourism internal consumption. The estimates are derived directly from data compiled on the use side of the Supply-Uses Balances Tables (SUBT) in French NA. The SUBT will be introduced below in section 2.5 of the present report. In short, it is the most detailed Goods and Services Account in French NA. For example, the hotels component of the internal tourism consumption in the French TSA is taken as equal to the sum of the intermediate and final consumption amounts compiled in the “tourism hotels accommodation” row of the SUBT. So it must be equal (apart some minor adjustments for taxes) to its supply counterpart, i.e.: the total sales of tourism hotel accommodation” which is already recorded in the INSEE’s national system of business accounts. This is why this method for estimating the product components of the internal tourism consumption can be called a supply side approach. The trust put in this supply side approach comes from the high reliability of the INSEE’s national system of business accounts. INSEE has always devoted a lot of resources to check and refine this key subsystem of French NA in order to take full advantage of the exhaustive and continuously maintained database fed with data primarily collected through the French tax authorities. In the new TSA, the demand side approach (based on specific surveys on tourists trips and expenditure) accounts for only 37% of the total amount of the

internal tourism consumption in 2005 (the benchmark year of the new TSA series), instead of 100% of its equivalent aggregate in the previous French tourism accounts series (for more details see chapter 4.4).

Another major development of the new French TSA series is the estimation of the tourism direct gross domestic product (TGDP), a new aggregate defined in the TSA-RMF. This aggregate can be directly compared to the well-known GDP in order to measure the direct impact of tourism on the French economy.

### 1.1.2 Experience in TSA compilation

The previous “French tourism satellite account”, compiled until 2008, relied exclusively on special surveys on tourism trips and expenditure which were conducted by the French administration in charge of Tourism. It was much appreciated by specialists and policymakers in this area because it gave them the means for analyzing the links between the size (and composition) of tourism expenditure and several main physical characteristics of tourist trips such as the number of nights spent, the kind of accommodation occupied during the trip, the date/season of the trip, the region/environment visited, etc.

The snag is that the reliability of these estimates was highly questionable for the following main reasons: They did not match with French NA data. This can be easily shown in particular for the services which are bought by visitors and only by visitors, such as the tourism hotels accommodation: the total sales of French tourism hotels accommodation amounted to 15 bn Euro in 2005 according to French NA while the previous “French tourism satellite account” recorded only 9 billion Euro for total hotel expenditure by all domestic and foreign tourists in France for the same year (both amounts are expressed here in current purchasers’ prices to allow for easy comparison). Besides, annual changes of this item in the previous tourism account series used to differ a lot from that compiled in French NA.

The total number of nights spent by tourists in hotels (which had a key role for updating the estimate of the hotels accommodation component of tourist expenditure in the previous “French tourism satellite account”) was estimated on the basis of the recollection of the polled tourists in surveys on tourism trips. However, the fact is that this demand-based estimate has never tallied with the data collected from the supply side through the monthly Hotel Accommodation and Occupancy Survey. This survey has been carried out by INSEE for many years: a questionnaire is sent by INSEE every month to a very large sample of hotels managers in all French regions to collect several data, including the total numbers of guest arrivals and overnight stays recorded during each month.

The econometric model supporting the previous “French tourism satellite account” is now obsolete. Its econometric equations for French tourist expenditure were estimated in the early 1990s on the basis of data collected from five regional surveys on tourist expenditure implemented in five typical regions between October 1991 and December 1994 (surveys on domestic tourism expenditure at national level were set up only from 2003). Its econometric equations for non-resident tourist expenditure were estimated on the basis of the 1996-1997 Border Survey.

In the previous “French tourism satellite account”, for any given current year, each product component of the domestic tourism consumption was calculated as the result of the multiplication of three factors: first, the average ratio (estimated over the benchmark period (1991 –1994) as mentioned above) of the per night domestic tourist expenditure on the considered product; second, an INSEE consumer price index from the benchmark period to the current year; third, the total number of resident tourist nights spent over the current year. The last factor was estimated with the French survey on domestic tourists trips (SDT) sent to

a panel of tourists. However, a recent investigation (not yet completed) by the statisticians presently in charge of the SDT operations seems to show that the previous estimates of the annual numbers of nights spent in France by resident tourists were underestimated by about 50% on average under the previous SDT checking procedure (until some improvements eventually introduced last year in the organization and checking of the SDT operations). Such a huge underestimation of the number of resident tourists nights would entail of course a severe underestimation of the domestic consumption expenditure in the previous “French tourism satellite account”.

For all these reasons, the Commission on Tourism Satellite Accounts decided at its 2008 session to stop the compilation of the previous “French tourism satellite accounts” and to ask for the presentation of a new TSA designed in compliance with international recommendations.

At the time of writing this report (May 2009), the supporting model of the new TSA is already operational and its first provisional results have been included in the French reply to the recent UNWTO questionnaire on members’ TSA activities. However, new official TSA estimates will be produced only after the INSEE team in charge of surveys on tourist trips and expenditure has completed the revision of its estimates of tourist numbers and expenditure for the recent years 2005 – 2008. Then, these new estimates will have to be presented to the Commission on Tourism Satellite Accounts before their eventual public dissemination.

### **1.1.3 Responsibility of the TSA compilation**

Since January 2009, the “Bureau des diagnostics sectoriels” (Chief: Mr Cohen-Solal) is responsible for the TSA compilation. The “Bureau des diagnostics sectoriels” belongs to the “Direction Générale de la Compétitivité, de l’Industrie et des Services” (Deputy Director: Mr Magnien) in the Ministry of Economy, Industry and Employment. Mr Jacques Ho Ta Khanh is in charge of the national TSA compilation.

## **1.2 The inter-institutional platform**

The compilation of the TSA requires the cooperation of many public statistical services such as those of the French Central Bank, the Ministry of Transport and Environment, the Ministry of Housing and, above all, the French NSO (INSEE) for the provision of data on the SUT Supply and Uses Tables (SUT) and other data in NA area and also for the data collected through the surveys on tourists trips and expenditure. Beyond this working level aspect, representatives of these Ministries and institutions are associated to the TSA activities through their participation to the French Commission on Tourism Satellite Accounts along with other experts or professions concerned.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Responsibility for the dissemination**

Since 2009, the “Bureau des diagnostics sectoriels” in the Ministry of Economy, Industry and Employment is responsible for all French TSA activities, including the dissemination of its results.

### 1.3.2 Availability of the country TSA

The practical details on the new TSA dissemination issues will be decided in consultation with INSEE and the French Commission on Tourism Satellite Accounts.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The new French TSA uses the French Product Classification (CPF) at its group level. The list of CPF groups is consistent with the list of tourism characteristic products defined in international TSA-RMF guidelines. For the time being, the French TSA does not include accounts on activities defined at such a detailed level (see below sections 5.1 and 5.2)

### 2.2 Measurement of domestic tourism expenditure

Generally speaking, the domestic tourism expenditure on almost any given tourism characteristic services enumerated in TSA-table 2 is obtained by sharing out the internal tourism expenditure on the considered service between the related parts purchased by resident and by non-resident visitors. As repeatedly explained throughout the present report, the TSA estimate of the internal tourism expenditure on almost each tourism characteristic service (hotels, restaurants and cafés, passenger transport services, tour-operators and travel agencies services, renting of cars, cultural, recreative and sportive activities, etc.) is derived from the SUBT data of French NA (the SUBT is described in section 2.5 below). The only exception concerns tourism accommodation apart from hotels accommodation: the TSA estimate of non-market accommodation provided by vacation homes is derived from the estimate of second homes accommodation consumption found in the French Satellite Account for Housing which is consistent with the SUBT of French NA (but not formally included in the core of the French NA system). Besides, the TSA estimate of tourism expenditure on market tourism accommodation apart from hotels (campsites, holiday villages, short-term lodgings, guest houses, youth hotels, etc.) is based on the surveys on tourism trips and expenditure. Explanations are given just below on how some of the most important components of the inbound tourism expenditure are derived from the related components of the internal tourism expenditure. This shows also, of course, how the domestic tourism expenditure are estimated in the French TSA (by, simply, subtracting inbound tourism expenditure from internal tourism expenditure).

- i. First, the bulk of inbound tourism expenditure on passenger transport services are recorded as export of passenger transport services in the SUBT. They are estimated by the statistical service of the French Central Bank on the basis of a special and continuous system of surveys addressed to transport companies.
- ii. As regards the hotel accommodation services, the share between the French and the foreign tourism expenditure is estimated on the basis of the numbers of nights spent in each category of hotels by the French and foreign guest as reported in the hotel accommodation and occupancy survey which is addressed each month to a large sample of hotels managers in France. The foreign share is on average higher for high-class hotels than for low-class hotels.
- iii. For the owner-occupied vacation homes, the share of foreign owners in the non-market tourism consumption associated with vacation home ownership is estimated on the basis

of the numbers of foreign owners. These numbers are recorded in the fiscal national register of all dwelling owners in France.

- iv. For the other market tourism accommodation units (apart from hotels), the related shares of the receipts spent by foreign tourists in the total receipts of the owners are generally estimated on the basis of administrative or professional sources.
- v. As regards the share of inbound tourism expenditure on restaurants, some additional assumptions are needed since there is no direct information available. So, for each category of tourism accommodation unit, the ratio between the share spent on accommodation by foreign tourists and the total accommodation expenditure paid by all tourists occupiers is also used to estimate the ratio between the share spent in restaurants by foreign tourists and the total expenditure in restaurants of all those French and foreign tourists who stay in the same accommodation unit during their trips. The underlying assumption is that a foreign tourist is expected to eat in restaurants rather as often during his trip and spend on average as much money as a French tourist whenever both spend the same number of nights in the same kind and category of accommodation units (high-class hotels, low-class hotels, high-class campsites, low-class campsites, guesthouses, owned vacation homes, etc.).

## **2.3 The handling of the definition of "visitors" in empirical practice**

### **2.3.1 Leaving one's usual environment**

In the French survey on domestic tourists trips, the question of being a visitor by leaving one's usual environment is left to the judgement of the polled tourists when answering the questionnaire. With regard to resident same-day visitors the distance travelled is taken into account. The distance threshold is 100 km from principal dwellings.

In the case of inbound and outbound visitors, the national border plays naturally a decisive role.

In principle, the French TSA adopts the same definition of usual environment of an individual as that explained in § 2.21 – 2.28 of the 2008 IRTS guidelines. According to this definition, the usual environment of an individual includes his usual residence, his usual place of work and study and any other area he visits regularly and frequently, except all those second homes which are mostly used as vacation homes for him, other members of his household or their guest.

### **2.3.2 Business visitors and the fact of being remunerated**

Business visitors that are remunerated from the country visited are not excluded.

## **2.4 The scopes of tourism consumption expenditure**

In principle, the new French TSA is in accordance with the definitions of tourism expenditure and tourism consumption stated in the international TSA-RMF.

- i. In particular, tourism business expenses in France are actually included in the French TSA estimate of the internal tourism expenditure (tourism business expenses abroad of French businessmen and employees are not considered since outbound tourism expenditure is out of scope of the French TSA). The supply approach adopted in the French TSA to estimate internal tourism expenditure on each tourism characteristic

service (hotels, restaurants, air passenger transport, taxis, etc.) ensures the actual inclusion of all tourism business expenses in France since it relies basically on the annual total sales declared to the tax authorities by the producers of the related services, irrespective of who were the purchasers (whether visitors for personal reasons or visitors for professional reasons).

- ii. As regards the scope of internal tourism consumption described in §2.21 to 2.25 and in §4.41 of the 2008 TSA-RMF guidelines, it should be reckoned that, strictly speaking, the French TSA does not take into account all internal tourism consumption items recommended in the international guidelines (besides, of course, the internal tourism expenditure items). Actually, it includes the estimates of the two main items mentioned in the 2008 TSA-RMF guidelines (services associated with vacation accommodation on own account and tourism social transfers in kind) but not all other imputed consumption items such as the total costs of vacation residences or camps which can be partly financed by some employers for the benefit of their employees. This shortcoming results from the fact that, for estimating the tourism consumption of this kind of tourism accommodation, the French TSA still relies on the surveys on tourism trips and expenditure where respondents are asked about their out-of-pockets expenses but not about the expenses of their employers for their benefits.

## 2.5 Implementation of SNA93 based National Accounts results

The Supply-Uses Balance Table (SUBT) of French NA is the main data source for the French TSA:

- i. The new French TSA relies mainly on data extracted from the most disaggregated Goods and Services Account in French NA. The disaggregated Goods and Services Account is displayed in a cross-classified table, the SUBT, with products groups shown in rows and transactions categories in columns. It is prepared every year as the first basic step in the annual elaboration process of the integrated Supply and Uses Table (SUT). The SUT are “integrated” in the sense that they combine the SUBT with the production and generation of incomes accounts by industry (118 industries). All the SUBT and SUT are updated every year at current and constant prices.

Only 114 products divisions and 118 industries are displayed for the whole French economy in the integrated SUT while the SUBT displays a breakdown into 490 product groups (goods and services). For instance, the SUT does not distinguish between the production accounts of good transport activities and passenger transport activities. Thus it calculates only value added for the mixed railway transport activity without any separate estimate for the passenger railway transport activity alone. On the other hand, the SUBT compiles both supply and uses estimates of the main tourism characteristic services. They are separately identified at the detailed level required for TSA compilation: hotel accommodation, restaurants, air passenger transport services, railway passengers transport services, road passenger transport services, water passenger transport services, tour operators and travel agencies, cultural services, etc. This is why the French TSA relies directly on data extracted from the SUBT in order to compile the basic components of the internal tourism consumption.

- ii. The French SUT is in fact an “almost symmetric” input-output table (IOT) (114 rows x 118 columns) since industries are defined rather on a “homogeneous branch” basis than on a local main activity unit basis and since each “homogeneous branch” is linked to one and only one products group. There is only an exception for trade activities: they are represented in the IOT by four additional columns but no additional row. The reason for

this exception is that all expenditure on goods recorded in the French IOT is recorded at purchasers' price, including trade margins. So the trade margins are not recorded separately in additional rows of the input-output table.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

Travel is not measured by a banking settlement system but results from a combination of border surveys for inbound and outbound travellers, accommodation statistics and credit card information.

## **2.7 The measurement of timeshare tourism**

Timeshare tourism is not measured separately in France.

## **2.8 Availability of new surveys in the near future**

Besides the above mentioned efforts to improve the reliability of the surveys on tourists trips and expenditure, new surveys are planned to extend the scope of the hotels and campsites occupancy surveys to some other kinds of market tourism accommodation units.

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

In the new French TSA, internal tourism consumption includes a clearly identified and separate component for the “net” value of reservation and organization services provided by French travel agencies and tour operators, irrespective of how they generate their income (mark-ups, fees or commissions). This “net” value is directly taken from the SUBT. The French NA, especially for SUBT compiling, already applies the same methodological rules regarding this issue than those recommended in the international TSA: RMF textbook (especially § 3.21 to 3.24 and Annex A3. of the 2008 TSA: RMF edition). Therefore, the French TSA implements the same recommendations.

For example, when a French travel agency sells to a French tourist a package made by a French tour operator which includes a return ticket issued by a French air carrier from France to Morocco plus a one-week vacation stay in a Moroccan hotel, only the net revenues of the tour-operator and the travel agency are compiled in the French SUBT as their output of reservation and organization services. They are recorded in the TSA as a domestic tourism expenditure on “travel agencies and tour operator services”. On the other hand, the return ticket value is recorded in the domestic tourism expenditure on “passenger transport services” as if the French tourist had directly bought his return ticket to the French air carrier. Besides, the price paid by the tour operator to the Moroccan hotel for the one-week vacation stay is part of the outbound tourism expenditure as if the French tourist had directly bought his one-week stay at the Moroccan hotel. Therefore, this last component of the package is not included in the French internal tourism consumption.

### 3.2 Consideration of the distribution margins

In French NA and TSA, all expenses for goods are always expressed at purchaser's prices which include the distribution and transport margins. The same rule is recommended in the 2008 edition of the TSA: RMF guidelines. Thus TSA tables 1 to 6 of the French TSA show no additional row for the distribution margins since they are already included in the compiled estimates of tourism expenditure on goods purchased by visitors.

### 3.3. The Treatment of "second homes"

Every year, the French Satellite Account for Housing (SAH) estimates the housing service imputed to all owner-occupied dwellings, including vacation homes. The estimate complies to the NA valuation principles for owner-occupied dwellings (SNA 1993): the housing service of any given dwelling, whether rented or not, is valued on the basis of the annual average of rentals observed on the housing market for rented dwellings with the same characteristics (location, size, etc.).

The French TSA derives its estimate of non-market accommodation provided by vacation homes from the SAH estimate of households' second homes accommodation but after reducing it to exclude three minor portions of it:

- The first portion represents some "second homes" (according to the broad classification used in the French population census) which often and regularly (for instance during working days) lodge some members of the owners' household and which are thus part of the usual environment of these individuals.
- The second portion represents some "second homes" (according to the broad classification used in the French population census) which are rented out throughout the year to tourists. Their numbers can be estimated by comparing the census "second homes" numbers with the lower numbers of "second homes" recorded in a non commercial housing tax register file which keeps out of its scope the furnished houses rented out throughout the year as a business activity since this business activity is liable to another category of tax.
- Eventually, a third portion represents some "second homes" which their owners rent out only occasionally for short periods (during holidays for instance) and keep for their own use during the rest of the year. The number of nights spent by tourists in these lodgings is known from the questions about accommodation in the surveys on tourist trips (at least until the last revision of the questionnaire).

The reason for excluding the first portion i) is obvious. As regards the two other portions ii) and iii), it should be noted that they are both already compiled at market rental prices in the French TSA. They are actually part of the so-called "Other short-term accommodation expenditure (apart from hotels)". Therefore they must be excluded from the non-market value of "accommodation services associated with vacation homes ownership" which is another component of tourism consumption.

### 3.4 The measurement of tourism business expenses

As already mentioned, the new French TSA compiles all tourism expenditure on hotels, restaurants, passenger transport services, travel agency services, etc. on the basis of data on intermediate and final consumption which are recorded in the uses side of the SUBT in French NA. In principle, tourism business expenses should be recorded as intermediate consumption while expenses of visitors travelling for private purposes should be recorded as

household's final consumption expenditure. However, it should be reckoned that the French NA often provide a more accurate estimate for the total of intermediate and final consumption of a given tourism characteristic service than separate estimates for each of them. This results, of course, from the frequent lack of accurate and direct information on intermediate consumption for many tourism services so that, for each one of them, the intermediate consumption amount is simply calculated as a balancing item in the final step of the SUBT elaboration process (after having estimated first the total supply and the other uses of the related SUBT identity).

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In France, the measure of inbound tourism is strongly hindered by the shortcomings of the French border survey. It only estimates total expenditure by non-resident visitors, without asking for any breakdown into product components, except for international passengers transport services. So only the Border survey estimate of total inbound tourism expenditure (apart from international passengers transport services) can be used in implementing the French TSA. The sources and methods used in the French TSA to measure inbound tourism consumption, have already been described above in section 2.2 of the present Report.

The French TSA does not show separate estimates for the consumption by overnight visitors and the consumption by same-day visitors yet because data available for this purpose are still too incomplete and too imprecise.

### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Both estimates of domestic tourism consumption and inbound tourism consumption derive from the prime estimate of internal tourism consumption. The sources and methods for sharing out the two parts are described in section 2.2 of the present Report. Again, the French TSA does not show yet separate estimates for the consumption by overnight visitors and the consumption by same-day visitors because data available for this purpose are still too incomplete and too imprecise.

Besides, the French TSA does not display the shares in domestic tourism consumption between the part spent by resident tourists staying in France and the other part spent in France by resident tourists on their way to destinations abroad since there is not enough accurate information to support this measurement yet. However, it is likely that the second part should have a minor size, except for tour operators and travel agency services and air passenger transport services.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The French TSA does not compile TSA-table 3 since available statistical information on outbound tourism consumption is still too poor. However, the total amount of outbound tourism expenditure is already estimated by the statistical services of the Central Bank in the Balance of Payments framework. Besides, the actual priority for the French TSA is to

measure the direct impact of tourism on the French economy and, especially, its effect on the French GDP. Therefore, priority is put on the measurement of tourism internal consumption and not on outbound tourism expenditure.

#### 4.4 TSA-table 4: Internal tourism consumption by products and types of tourism

In the new French TSA, internal tourism consumption must be estimated previous to domestic and inbound tourism consumption because the new French TSA relies on a supply-side approach for estimating most major components (hotels, restaurants, long-range passengers transport services, travel agencies services, etc.) of internal tourism consumption. Except catering, most major tourism characteristic products are almost entirely consumed by visitors (visitors as defined in international guidelines). For these products, the estimates of the corresponding components of the French internal tourism consumption derive directly from data compiled on the use side of the SUBT. For example, the hotels component of the internal tourism consumption in the French TSA is taken as equal to the sum of the intermediate and final consumption amounts compiled in the “tourism hotels accommodation” row of the SUBT. So it must be equal (apart some minor adjustments for taxes) to its supply counterpart, i.e.: the total sales of tourism hotel accommodation” which is already recorded in the INSEE’s national system of business accounts. This is why this method for estimating the product components of the internal tourism consumption can be called a supply side approach.

Of course, some tourism characteristic services (such as passenger railways transport services, restaurants, etc.) are also consumed by non-visitors. To take this into account, a visitors’ consumption share (i.e. the share of the visitors’ consumption in the total amount of consumption by visitors and non-visitors) must be estimated for each tourism characteristic service concerned. The relevant sources and methods differ from one product to another. For instance, the visitors’ consumption share for passenger railway transport services is estimated on the basis of the detailed passengers receipts data recorded by the public railways transport company for each category of passenger fares (such as season tickets for students, pass for commuters, subsidized trips for paid holidays, etc.). For restaurant services, the estimation of its visitors’ consumption share is done by using the compulsory and permanent registration of paid employees by all establishments in France. It results from an econometric method which, in short, relies on frequency in many visited places and links peaks of numbers of employed people in restaurants per month to peaks of numbers of visitors in these restaurants.

In the new TSA, the demand side approach (based on specific surveys on tourists trips and expenditure) accounts for only 37% of the total amount of the internal tourism consumption in 2005. The demand side approach concentrates on the estimation of only two main items of internal tourism consumption: first, the estimation of other short-term accommodation expenditure (apart from hotel expenditure); secondly, the estimation of various non-characteristic products consumed by visitors during their trips, such as, for instance, petrol, food and beverage bought outside restaurants and other various purchases during the trip.

As regards the column “other components of tourism consumption” in TSA-table 4, the French TSA compiles two major components, i.e. the imputed value for accommodation services associated with vacation home ownership (component A) and tourism social transfer in kind (component B) such as for instance, the subsidies given by the French authorities to museums to cover their running costs beyond the very low prices of entrance tickets.

The sources and methods used to compile the component A have been described in section 3.3 of the report. As regards the component B), the French TSA relies on the social transfer in kind estimates compiled in the SUBT. These estimates are provided to INSEE by the statistical services of the French Ministry in charge of public accounts.

## 5 The TSA tables for production and supply and use

### 5.1 TSA-table 5: Production accounts of tourism industries and other industries

Production accounts are established for each industry in the 118 detail level of the Classification of Industries in use in French NA. In this classification, industries are defined at a much broader detail level (only 118 industries covering all French activities) than that required by the TSA-table 5 of the TSA-RMF guidelines. For instance, the French NA show the value added generated by the sea and coastal transport industry as a whole but it does not show a separate value added for the sea and for the coastal transport of passengers. As another example, they show the value added for “hotels, restaurants, cafés” (HORECA) as a whole but not a separate value added for only restaurants and cafés. Besides, according to the French classification of industries, the HORECA industry covers also activities which are not characteristic of tourism such as canteens, caterers and also students’ halls, hostels for young workers, etc.

At present, the French TSA does not show production accounts for tourism characteristic industries at the detailed level requested in the TSA-RMF guidelines. It is not sure that accurate production accounts could be actually established in France for tourism industries defined at such a detailed level. For instance, the economic relevance of a production account for the sea and coastal transport of passengers alone could be queried since most ships actually transport both passengers and commodities in various proportions. So the imputation of operating costs of ships for the transport of passengers alone could be done only on the basis of simplifying non-observable assumptions. Besides, there would be also some other statistical and methodological difficulties in making production accounts for industries defined at a more detailed level than that in use in French NA: data provided by business firms need several statistical and methodological adjustments before being integrated into the French NA database but most of these adjustments cannot be implemented at a too detailed level due to lack of accurate information.

### 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

#### 5.2.1 The general structure of the table

The French TSA does not really include table 6 as requested in the TSA-RMF guidelines because it does not include table 5 which is actually a part of table 6. However, it includes a similar table which aims at reaching the same main goals as those of table 6 requested in the TSA: RMF guidelines, i.e.:

- i. To display detailed product components of internal tourism consumption in a table derived from the SUT so as to show how, for each main tourism characteristic product, the tourists demand is met by the national and imported supply of this product;
- ii. To include in this table the calculation of the TGDP (or Tourism Direct Gross Value Added (TGVA)) so as to show how this aggregate is derived from the product components of internal tourism consumption.

In short, the French TSA includes a table (called here table 6FR) which fulfils the two above mentioned purposes i) and ii) and which is derived from the SUBT (already described in section 2.5 of the present report as a main part of the French SUT). By doing so, it takes advantage of the very detailed classification of products (about 492 products) in use in the SUBT. Thus tourism characteristic products and other products consumed in France by resident and non-resident visitors are displayed in rows at a disaggregated level (often even more detailed than required by the TSA: RMF guidelines). Table 6FR shows how the two main aggregates of the French TSA (i.e.: internal tourism consumption and TGDP), displayed on the right columns of table 6FR, are derived from the data (displayed on the left columns), which are directly extracted from the uses-side of the French SUBT. More explanations are given below on each of the two steps leading successively, to the calculation of internal tourism consumption and the TGDP.

### 5.2.2 Calculation of the Internal Tourism Consumption

As already explained above (section 4.4), only few product components of internal tourism consumption are estimated on the basis of French surveys on tourism expenditure. The major part of internal tourism consumption consists in consumption of tourism characteristic services (hotel accommodation, restaurant services, air passenger transport, railway passenger transport, tour operators and travel agencies services, etc.). The consumption of each one of these tourism characteristic services by visitors is estimated on the basis of data recorded in the related row and uses columns of the SUBT in French NA.

In short, the calculation of each tourism characteristic service  $i$  (hotel accommodation, restaurant services, air passenger transport, railway passenger transport, tour operators and travel agencies services, etc.), starts from the sum  $C_i$  of intermediate and final consumption (plus exports and less imports for international transport services). All these data are extracted from the SUBT in French NA. Then, a “visitor consumption ratio”  $t_i$  (i.e.: the ratio of the visitors’ consumption share in the total amount of consumption by visitors and non-visitors) is applied to the amount  $C_i$  in order to obtain the internal tourism consumption  $(TC)_i = t_i C_i$  of the service  $i$ . The various sources and methods used to estimate the visitor consumption ratios  $t_i$  are described in section 4.4 above.

### 5.2.3 Calculation of TGDP

As explained in section 5.1 and 5.2.1, the French TSA does not include production accounts of tourism characteristic industries defined as in Table 5 and Table 6 of the TSA: RMF guidelines. Therefore the TGVA cannot be calculated in France through the method proposed in the TSA-RMF document. However, the French TSA derives an estimate of the TGDP from the detailed product components of the internal tourism consumption. Before explaining how this is done in the French TSA, let us note some preliminary remarks:

- i. Both the TGVA Added and the TGDP are defined in the 2008 TSA: RMF guidelines as follows:
  - TGVA is defined as the aggregate “which adds the parts of gross value added generated by tourism industries and other industries of the economy that serve directly visitors in responding to internal tourism consumption. The use of the term direct refers to the fact that the TSA only measures that part of value added (by tourism industries and other industries) due to the consumption of visitors and leaves aside the indirect and induced effects that such a consumption might generate” (2008 TSA: RMF §4.88).

- TGDP is defined as “the sum of the part of gross value added (at basic prices) generated by all industries in (direct) response to internal tourism consumption plus the amount of net taxes on products and imports included within the value of this expenditure at purchasers’ prices” (2008 TSA: RMF §4.96).

Therefore, TGDP is equal to TGVA plus the total amount of taxes (net of subsidies) on products and imports which are levied on the quantities or volumes actually purchased by the resident and non-resident visitors.

- Like GDP, TGDP is defined at purchasers’ prices while TGVA is defined at basic prices (like GVA of all industries). Therefore, the relevant aggregate to be compared to GDP for analyzing the share of tourism in GDP is TGDP and not TGVA.

The French TSA works out the TGDP directly from the product components of internal tourism consumption while the TSA-RMF guidelines sets out a less direct method through the prior calculation of the TGVA and then the needed adjustment to change TGVA (at basic prices) into TGDP (at purchasers’ prices). In spite of this remark, the method used in the French TSA for estimating TGDP relies on the same basic definitions prescribed by the international TSA-RMF guidelines. So it should lead to a French TGDP estimate comparable with those obtained for other countries’ TGDP.

In order to highlight this in a simple way, it is better to put aside the secondary issues raised by multi-product activities and taxes and subsidies on tourism products. So let us consider a simplified symmetric IOT with no taxes and no subsidies on the products purchased by visitors. In this case, of course, TGDP is equal to TGVA. Then, the method adopted in the French TSA for estimating TGDP comes down to view TGDP as the total amount of the value added contents of all products components of internal tourism consumption. In other words, if we call  $O_i$  and  $V_i$  the output amount and the gross value added of the homogeneous activity  $i$  and if we call  $(TC)_i$  the internal tourism consumption of the related product  $i$ , the French TSA works out directly TGDP as the following sum:

$$TGDP = \sum_i (V_i / O_i) (TC)_i \quad (1)$$

Thus the value added ratio  $(V_i / O_i)$  of the activity  $i$  (related to the product  $i$ ) is used to convert the tourism consumption amount  $(TC)_i$  into its value added content.

On the other hand, the method suggested in the international TSA-RMF guidelines for estimating TGVA comes down to calculate TGVA as the following sum over all activities:

$$TGVA = \sum_i ((TC)_i / O_i) V_i \quad (2)$$

In the above formula, the factor  $((TC)_i / O_i)$  represents the ratio between the share purchased by visitors and the total output amount of activity  $i$  (§ 4.58. in the TSA: RMF guidelines).

So, from a theoretic standpoint, there is no fundamental difference between the French TSA method and the method suggested in the TSA-RMF guidelines for estimating TGDP (provided, of course, an adjustment for taxes and subsidies on products to be introduced in the formula (1) in the actual French TSA). The choice between the two methods rests on the practical grounds of data availability for implementing either the formula (1) or the formula (2).

In order to grasp the advantage of the formula (1) in the French statistical context, let us come back to the example given above about the water passengers transport services. As explained above (section 5.1), French NA include a production account for the sea and costal transport activity as a whole (including both goods and passengers transport activities) but not a production account for just passengers transport activity since most ships actually transport

both goods and passengers in various proportions. Besides, let us notice also that the sea and coastal transport of goods cannot be treated as just a secondary activity of the sea and coastal passenger transport industry. Because of this situation, the French TSA cannot implement the formula (2) but it implements the formula (1). It does it in a conventional way by selecting some big specialized sea passengers transport companies and by assessing the variable ( $V_i/O_i$ ) of “sea and coastal passengers transport activity” in the formula (1) with the average value added ratio observed for the selected companies.

Another practical advantage of formula (1) over formula (2) is that the first one can be used in a more flexible way in many cases. In order to illustrate this, let us come back to another example given in section 5.1 above: the HORECA industry. The French TSA works out the value added ratio ( $V_i/O_i$ ) for all restaurants directly from the exhaustive business database already mentioned above in section 4.4. As explained above, this database is one of the primary data source for French NA which brings several statistical and methodological adjustments (especially for adapting data expressed according to business accounting practices into data complying to NA recording rules) to these not yet completely “refined” data before their final integration into the core of French NA. Most of these adjustments are implemented for aggregated groups of activities such as HORECA for instance and furthermore, they are likely to often entail only minor changes in the value added ratios of tourism characteristic services.

Besides, an additional advantage of the formula (1) over the formula (2) is that the first one enables the French TSA to go round the difficulty raised by the long technical delay for collecting and processing business accounts data: it takes almost three years for the data processing to be completed. However, the analysis of past time series has shown that business structural ratios such as the value added ratios usually do not change sharply from one year to the next. So, the French TSA calculates a provisional estimate of TGDP for the previous year ( $T-1$ ) with value added ratios worked out on the basis of business accounts data related to the year ( $T-3$ ).

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

The French TSA does not provide table 7. Of course, some progress on this important issue is planned but it encounters difficulties similar to those mentioned above about the lack of production accounts for tourism characteristic activities at the detailed level requested in the TSA-RMF guidelines.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 is not available.

### **6.3 TSA-table 9: Tourism collective consumption**

Table 9 is not compiled.

### **6.4 TSA-table 10: Non monetary indicators**

Table 10 will be compiled in the French TSA showing some main indicators proposed of the TSA-RMF. This includes the number of trips and overnights by type of tourism and category of visitors, the number of inbound tourism arrivals and overnights by category of accommodation. Other tables beyond the 10 TSA-RMF tables already mentioned are not planned.

### **6.5 The general benefit of the country TSA and main problems in the compilation of the TSA**

Comparing the updated TSA to the former one, the fact of taking into account both demand and supply side information improves the quality of the evaluation considerably. Furthermore, the new model leads to a supply of information on a more detailed basis. Problems occur in the small amount of available data especially with regard to border surveys and to visitor expenditure surveys.

## **7 TSA country results**

### **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

Total inbound tourism consumption amounted to 43.3 bn Euro in 2005.

### **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

In 2005 resident tourists and same-day visitors in France consumed products to the amount of 110.1 bn Euro.

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Outbound tourism consumption of all visitors summed up to 30.9 bn Euro.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Total internal tourism consumption amounted to 153.3 bn Euro whereof 72 percent was provided by domestic tourism. Products internally consumed in cash and kind summed up to 137.4 bn Euro when business expenses were included. Without them the value of cash and kind internal tourism consumption was 15.9 bn Euro.

The internal tourism consumption of tourism characteristic products amounted to 101.2 bn Euro whereof accommodation services (39.4 bn Euro), passenger transport services (23.1 bn Euro) and food and beverage serving services were demanded most. Compared to total final consumption by private household, internal tourism consumption had a share of 11 percent.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

Total output amounted to 3113.2 bn Euro in 2005 whereas the national GDP amounted to 1726.1 bn Euro. TGDP amounted to 64.3 bn Euro whereof hotels and similar, second home ownership and restaurant and similar had the biggest direct GDP impact with 21 percent, 18 percent and 16 percent. Thus the new French TSA results show that about 4% of the French GDP in 2005 results directly from the total consumption in France by all resident and non-resident visitors (internal tourism consumption).

### **7.6 TSA-table 7: Employment in the tourism industries**

No data available so far.

## 7.7 Country specific TSA data sheet

| Reference year of following TSA-Tables   | 2005           |                    |                  |
|--|----------------|--------------------|------------------|
|  | in mn Euro     |                    |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors  |                |                    |                  |
| Total inbound tourism consumption  |                |                    |                  |
| same-day visitors  |                | n.a.               |                  |
| tourists   |                | n.a.               |                  |
| all visitors   |                | <b>43183</b>       |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors |                |                    |                  |
| Total domestic tourism consumption   |                |                    |                  |
| same-day visitors  |                | n.a.               |                  |
| tourists   |                | n.a.               |                  |
| all resident visitors  |                | <b>110123</b>      |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors |                |                    |                  |
| Total outbound tourism consumption   |                |                    |                  |
| same-day visitors  |                | n.a.               |                  |
| tourists   |                | n.a.               |                  |
| all visitors   |                | <b>30883</b>       |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism       |                |                    |                  |
| Total internal tourism consumption (T1 & T2)                                     |                | 153306             |                  |
| Total internal tourism consumption (in cash and in kind)                         |                |                    |                  |
| including tourism business expenses  |                | 137433             |                  |
| including other components of visitors consumption in kind                       |                |                    |                  |
| (without tourism business expenses)  |                | 15873              |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products        |                |                    |                  |
| <b>Internal tourism consumption (ITC) by products</b>                            | <b>153306</b>  |                    | T-ratios (in %)  |
| A.1 Characteristic products  | 101185         |                    | 57               |
| 1 Accommodation services   | 39403          |                    | 100              |
| 2 Food and beverage serving services   | 19230          |                    | 43               |
| 3 Passenger transport services   | 23119          |                    | 57               |
| 4 Travel agency, tour operator and tourist guide service                         | 7473           |                    | 100              |
| 5 Cultural services  | 4428           |                    | 17               |
| 6 Recreation and other entertainment services                                    | 4747           |                    | 29               |
| 7 Miscellaneous tourism services   | 2785           |                    | 71               |
| A.2 Connected products & B. Non specific products                                | 52121          |                    | n.a.             |
| <b>Total final consumptions by private households (national)</b>                 | <b>1390109</b> |                    |                  |
| <b>Total Output (national)</b>   | <b>3113166</b> |                    |                  |
| <b>Total Output of activities</b>  | <b>3113166</b> |                    | T-shares         |
| 1 Hotels and similar   | n.a.           | 13522              | (in ITC, %)      |
| 2 Second home ownership (imputed)  | n.a.           | 11576              | 50               |
| 3 Restaurants and similar  | n.a.           | 10135              | 92               |
| 4 Railways passenger transport   | n.a.           | 3416               | 58               |
| 5 Road passenger transport   | n.a.           | 1208               | 58               |
| 6 Water passenger transport  | n.a.           | 163                | 58               |
| 7 Air passenger transport  | n.a.           | 5033               | 58               |
| 8 Passenger transport supporting services  | n.a.           | n.a.               | n.a.             |
| 9 Passenger transport equipment rental   | n.a.           | 320                | 44               |
| 10 Travel agencies and similar   | n.a.           | 1444               | 19               |
| 11 Cultural services   | n.a.           | 2679               | 60               |
| 12 Sporting and other recreational services                                      | n.a.           | 2679               | 56               |
| Tourism connected & non specific industries                                      | n.a.           | 12126              | 22               |
| <b>Total Gross Domestic Product (national)</b>                                   | <b>1726068</b> |                    |                  |
| <b>Tourism Gross Domestic Product</b>  | <b>64271</b>   |                    |                  |
| TSA-table 7: Employment in the tourism industries (in number of persons)         |                |                    |                  |
|  |                | employed employees | female employees |
| <b>Total employment in the tourism industries</b>                                | <b>n.a.</b>    | <b>n.a.</b>        | <b>n.a.</b>      |
| 1 Hotels and similar   | n.a.           | n.a.               | n.a.             |
| 2 Second home ownership (imputed)  | n.a.           | n.a.               | n.a.             |
| 3 Restaurants and similar  | n.a.           | n.a.               | n.a.             |
| 4 Railways passenger transport   | n.a.           | n.a.               | n.a.             |
| 5 Road passenger transport   | n.a.           | n.a.               | n.a.             |
| 6 Water passenger transport  | n.a.           | n.a.               | n.a.             |
| 7 Air passenger transport  | n.a.           | n.a.               | n.a.             |
| 8 Passenger transport supporting services  | n.a.           | n.a.               | n.a.             |
| 9 Passenger transport equipment rental   | n.a.           | n.a.               | n.a.             |
| 10 Travel agencies and similar   | n.a.           | n.a.               | n.a.             |
| 11 Cultural services   | n.a.           | n.a.               | n.a.             |
| 12 Sporting and other recreational services                                      | n.a.           | n.a.               | n.a.             |
| <b>Total Employment (national)</b>   | <b>24775</b>   | <b>22247</b>       |                  |

FR



# DE

Country report for Germany



## 1 General Introduction

Mr. Gerd Ahlert [mailto:ahlert@gws-os.de] from the GWS (Gesellschaft für Wirtschaftliche Strukturforschung) has implemented the German pilot TSA. The latter has been commissioned by the German Ministry of Economics.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Germany started its knowledge about the TSA in 2002 with a pilot TSA study for Germany. Besides testing the feasibility by screening of relevant national data sources a pilot TSA for the monetary TSA core tables was compiled. The pilot exercise took a year and was implemented in cooperation with the Federal Statistical Office. It was commissioned by the German Ministry of Economics and co-financed by the European Commission. The result was a full-fledged pilot TSA for the German economy for the reference year 2000. The pilot study "Introduction of a Tourism Satellite System in Germany" focused on the estimation of the monetary TSA core tables. Based on the results of the TSA pilot study, a second study for Germany was commissioned in 2005, taking into account the international recommendations and experiences relating to estimated relevance of tourist demand to employment (OECD 2000, Laimer 2005, Liberos 2005). Apart from the TSA work on national level, consultancy activities were carried out within the scope of country visits (i.e. Czech Republic, Lithuania, and Luxemburg) and seminars/conferences were actively attended.

#### 1.1.2 Experience in TSA compilation

The German pilot TSA for the reference year 2000 was compiled for the following TSA-tables:

- Table 1 - Inbound Tourism Consumption by products and category of visitors
- Table 2 - Domestic tourism consumption by products and category of visitors
- Table 4 - Internal tourism consumption by products and type of tourism
- Table 5 - Production Accounts of tourism industries and other industries
- Table 6 - Domestic supply and internal tourism consumption by products
- Table 7 - Employment in the tourism industries

Besides compiling TSA-table 7 (without having any information in full time equivalents) many employment tables from the OECD manual on TSA (2000) have been compiled. TSA-table 10 (non-monetary indicators) has been filled up partly for the calculation of control variables. At the moment Germany has no plans to implement the TSA within in its regular statistical programme. Besides that there exists no financial support for updating the framework as well as for the preparation of a TSA for a new benchmark year.

#### 1.1.3 Responsibility of the TSA compilation

The responsibility of compilation belongs to the GWS (Gesellschaft fuer Wirtschaftliche Strukturforschung, [www.gws-os.de](http://www.gws-os.de), a private funded institute for economic research) which has experience in national accounting and satellite accounting. Most of the relevant data

sources have been delivered by the Federal Statistical Office. Besides that the published empirical results and studies on tourism behaviour and tourism expenditure pattern have been used.

## **1.2 The inter-institutional platform**

Due to the decision of the client the pilot study (Ahlert 2003) has been developed without establishing an inter-institutional platform. During the process of preparing the tourism employment study (Ahlert 2006) an advisory board with representatives from the Federal Statistical Office, the German Tourism Board, tourism association (DeHoGa) and tourism research (DWIF) has been called by the client.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

After passing the results by the client (German Ministry of Economics) the complete study has been published free of charge as a PDF-document on the web page of the GWS. Besides that the German Ministry of Economics as well as the German Tourism Board have imported some few TSA key figures in their publications.

### **1.3.2 Responsibility for the dissemination**

The responsibility of disseminating the TSA results belongs to the German Ministry of Economics, as it is the client of the study. Besides that some result-oriented as well as methodological papers with a TSA-topic have been published by the GWS, as it is the compiler of the TSA (i.a. Ahlert 2007).

### **1.3.3 Content of the publication**

The TSA-publication (Ahlert 2003) concerns the following items: After an introduction the third chapter discusses the TSA relevant definitions and concepts. In the fourth chapter an introduction to the TSA methodology is given. In the following fifth chapter the national screening and compilation procedure is explained. In the next chapter the TSA results are presented in detail of the RMF TSA-tables. Besides that a description of the tables and its results is given. Finally, the application of TSA results in the context of an economic model for estimating the full (direct and indirect) economic impact of tourism is subject of discussion.

### **1.3.4 Level of detail of the publication**

The TSA-publications discuss methodological issues, comments on methods and data used in the German TSA as well as the result in detail of the compiled TSA-tables according to the RMF format. Thus beside text parts the tables are incorporated in full detail. The publication considers the core TSA-Tables, in particular - related tourism demand - TSA-Tables 1, 2 and 4, related tourism supply TSA-Tables 5 and 6 are taken into account. Tourism employment, considered within TSA-Table 7, is also presented. Mainly due to lack of data TSA-Tables 8 and 9 are not considered. TSA-Table 3 is not taken into account, since it is not part of the internal tourism consumption.

### 1.3.5 Publications

- Ahlert, G. (2003): Einführung eines Tourismussatellitensystems in Deutschland: Abschlussbericht zum Forschungsauftrag Nr. 33/02 (EU-Projekt) des Bundesministeriums für Wirtschaft und Arbeit (BMWA). GWS Discussion Paper 2003/4, Osnabrück.
- Ahlert, G. (2006): Der Beitrag des Tourismus zur Beschäftigung in Deutschland - Bestandsaufnahme und Potenziale des Tourismus. Gutachten im Auftrag des Bundesministeriums für Wirtschaft und Technologie (BMWi), Schlussbericht, Osnabrück.
- Ahlert, G. (2006): TSA-Ergebnisse zur volkswirtschaftlichen Bedeutung des Tourismus in Deutschland. *Tourismus Journal*, 8(4), pp. 519-532.
- Ahlert, G. (2007): The Contribution of Tourism to Employment in Germany - Assessment within a TSA Employment Module and Impact Analysis. *e-Review of Tourism Research (eRTR)*, 5(6), pp. 149-158.
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## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The sub-structure of the German TSA of products and activities is largely predetermined by the existing European standard classifications (NACE/CPA) as well as the conducted national classification, which in general is more detailed up to a 4 and 5-digit level. Thus, a pair of corresponding ("symmetric") classification instruments emerges. The classification of activities and products mainly follows the requirements of the TSA-RMF.

### 2.2 Measurement of domestic tourism expenditure

The most relevant sources for the estimation of domestic tourism consumption was on the one hand a domestic travel behaviour survey with regard to total tourism expenditure with at least one overnight (Eurostat-Directive 95/57/EG). On the other hand due to the missing detail

information on product specific tourism expenditure pattern within this survey the results of a overnight visitors survey for the reference year 2000 was used. This survey is carried out occasionally by the DWIF with independent expenditure categories, which are partly comparable with the TCP on a 2-digit-level. Besides that this survey distinguishes between private as well as business overnight trips. A survey concerning same-day visits was carried out by the DWIF in a separate survey for the reference year 1995. The questionnaire contained questions related to domestic and outbound same-day visits. Though the data was outdated, the survey serves as a basis for estimates with respect to domestic expenditure data. This survey distinguishes between holiday and business trips and contains the same expenditure categories as within the overnight visitor survey. As for the estimation of total domestic tourism consumption by product a complete reference is missing, tourism weights are estimated and applied to total consumption at a National Accounts (NA) level in the context of a very detailed CPA x COICOP bridge matrix. Albeit these three surveys the primary source for that part of domestic tourism expenditure in business trips that are considered from the NA point of view as intermediate demand is part of the annual industrial and services survey. Its results are introduced within a very detailed (up to 4-digit-level) product specific use-table within IO accounts.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

Whenever a specific data source is not explicitly directed to visitors, the "usual environment" criterion is used to define if it is tourism related expenditure or not. The frequency of a certain activity therefore is the key criteria. Within the two German domestic tourism surveys the usual environment corresponds to geographical boundaries of the municipality as well as frequency. Within the interviews the question of being within the usual or the non-usual environment is left to the respondent with regard to these two easy understandable criteria. With regard to international inbound and outbound tourism the geographical boundary criterion of leaving or entering a country dominates. Furthermore, places visited once a week or at the weekend are defined as the visitors usual environment and therefore not counted among tourism related trips.

#### **2.3.2 Business visitors and the fact of being remunerated**

In general visitors who are remunerated in the place visited are included in German visitor surveys but they can be separated from private tourism activities. This is consistent with the international recommendations for tourism statistics and used within the TSA. In the German TSA the business consumption expenditure is considered in TSA-Table 4 separately. Within the calculation of this separate column within TSA-table 4 it was possible to distinguish between private expenses during business trips (not reimbursed) as well as the business expenses of companies, which are handled as intermediate demand within NA. The latter was the core data source for these tourism activities.

### **2.4 The scope of tourism consumption expenditure**

There are no specific questions regarding consumer durable or single or multi purpose consumer durables on tourism expenses, neither for residents nor non-residents. This type of expenses is expected to be in the total amount of expenses, included in the category of "other expenses". The German questionnaires do not contain questions concerning the expenditure

before, during and after the trip. The expenditures contain expenses for package tours, accommodation, food and groceries, transportation (to and from the destination, even if paid before departure), goods for personal use (tobacco, cosmetics, etc.), typical tourism-related expenses (cultural), expenses for courses, entrance fees to sports/leisure facilities and spas as well as others (hairdressers,...). Besides that the travel distance in the course of travelling by car is collected separately.

## **2.5 Implementation of SNA93 based National Accounts results**

The German TSA study is completely based on the German SNA with its specific tabulating system within Input-Output Accounts. The functional symmetric Input-Output tables as well as its two base tables (supply-table and use table (SUT)) are compiled annually (with a delay of about three years to the actual year) in the detail of 71 products (P72, CPA) x 71 production units (H72, CPA) resp. 59 (P60) products x 59 industries (A60, NACE rev.1). The adopted classifications on activities and products are consistent with those classifications presented on the main methodological references on TSA (at the most detailed level of the UNWTO questionnaire). Due to the fact that the Federal Statistical Office was a project partner within the German pilot TSA project it provides - besides the officially published SUT table - the internal compilation tables with regard to the supply of tourism relevant products on a up to 8-digit-level (in total about 3000 products) for 194 producing industries (NACE) on a 3-digit-level. The same has been the case for the use of products with regard to intermediate and final consumption whereas the information on private household consumption has been available on the level of 108 consumption uses (COICOP). All calculations carried out were to consistently fit into the corresponding sectoral deeply disaggregated basic tables of the Input-Output Accounts by the Federal Statistical Office for the reporting year 2000.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

The German Central Bank compiles the Balance of Payments (BoP). In Germany as well as in many other European countries the BoP is a compound estimation. The used methodology is a mix of several methods and sources. It uses not a pure banking settlement system. It is much more a survey based system (hybrid system). Concerning the data sources the German system is using mainly a sample survey on inbound tourism, mirror statistics for important inbound and outbound countries, accommodation statistics and credit card transactions reports.

## **2.7 The measurement of timeshare tourism**

At present, accommodation establishments based on time-sharing are not explicitly considered within the German TSA. In Germany there are no specific data sources related to time-share, neither from the supply side nor the demand side.

## **2.8 Availability of new surveys in the near future**

During the last years the same-day-visitor survey has been updated. Besides that the tourism related expenditure during business trips (intermediate consumption of companies as well as final consumption of households) has been collected in a broader context of survey on business tourism activities for the reference year 2005.

### **3 The handling of TSA specific problems**

#### **3.1 Consideration of the services of travel agencies and tour operators "net"**

The output of travel agencies and tour operators is obtained from the NA calculation tables. In the NA the services are recorded gross to balance supply and household consumption, also accounted gross. For the TSA the output in the NA is adjusted, the purchase of transport, accommodation and similar services of the package are deducted. By these means the output of travel agencies is netted.

#### **3.2 Consideration of the distribution margins**

In the German pilot TSA study the distribution margins associated with products purchased by tourists have not been calculated. The main reason therefore was that with regard to tourism specific products no specific information was available beyond the more general relations within Input-Output accounts.

#### **3.3 The Treatment of “second homes”**

The use of second homes is accounted as tourism consumption only if the owner does not have the principal dwelling in the same municipality. The use of second homes for tourism is split in two categories: second homes actually rented out for market rate are included in the product group hotels and other lodging services. The imputed rent of the owner occupied second homes forms a separate product. Data are obtained from the NA. The number of second homes comes from a housing census. The estimate can be considered uncertain.

#### **3.4 The measurement of tourism business expenses**

Estimates on domestic business tourism have been prepared by combining results from various survey based studies on business trips in Germany with results of the national SUT. The private activity related expenditure of the traveller spent during the trip (shopping etc.) is accounted as household consumption expenditure and consequently is part of TSA table 2 in TSA. The share of expenditure that is financed by the employer is considered as business expenditure (i.a. transportation and accommodation expenses, accounted in the NA as intermediate consumption and included in TSA table 4 of TSA as a part of consumption in kind.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In the German TSA, a first version of TSA table 1 on inbound tourism consumption has been compiled for the reference year 2000. Although the main source to compile this table is an inbound tourism survey, such information has not been directly available for Germany. Unfortunately an inbound tourism survey conducted for the German Bundesbank, which is prepared for BoP, does not deliver TSA product specific detail data. Instead of this multiple

national and international data sources have been used in estimating the table. The total inbound tourism expenditure comes from the Travel and Tourism and the International passengers transports items of BoP, although some adjustment are needed (subtract from the travel item the expenditure related to trans-border and seasonal workers). Nonetheless, as BoP cannot split this total into the different products listed in table 1. This has been done by several other inbound tourism related studies as well as product specific information coming from NA. Regarding the level of detail of the product classification, the compiled TSA table is more or less consistent to the TSA specific product classification. Using BoP data on international transportation information allows an estimation of expenditures for domestic carriers. With regard to the other means of transportation it the shares for domestic holiday trips have been taken into account for inbound tourism, as well. With regard to the services provided by tour operators it has been assumed simplistically that non-resident visitors, in particular same-day visitors, do not book package tours within the area visited.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

TSA table 2 has been estimated for all three categories of visitors. The results of an updated same-day-visitor survey as well as the results of overnight visitor survey as well as the accommodation statistics have been used in the process of compiling the table. Both sample surveys have been conducted by the DWIF. Both surveys distinguish between private and business tourists as well as between six different (partly heterogeneous) expenditure categories, which are not fully comparable with the TSA product categories. The latter difficulty has been solved by combining the information on expenditure categories with Input-Output accounts detail information: The final recording of the economic relevance of tourism on the demand side is carried out with reference to the results of the extra analysis of the commodity flow accounts and the consumption bridge matrix at purchaser prices for 71 products and 43 purposes of consumption following the Classification of Individual Consumption by Purpose (COICOP). Within the bridge matrix of consumption, for each kind of product an allocation to the purposes of use of private consumption expenditures is performed. This bridge matrix of consumption subdivides the vector of consumption by private households reported within the use matrix into a matrix which explicitly reports the macroeconomic structure of products for the various consumption purposes. The information on the product structure of single consumption purposes was explicitly referred to in order to report the structure of products of the different tourist consumption activities. In the process, apart from the results of the extra analysis of the commodity-flow account<sup>4</sup> on the 8-digit level of the central product classification for about 120 products relevant to tourism, studies on the spending behaviour of tourists in particular were evaluated and allocated appropriately to the respective utilization purposes within the bridge matrix of private consumption. As a final step, the respective results were aggregated and transferred to the 2nd quadrant of the use matrix. The result of these calculations is a deeply disaggregated documentation of tourist consumption by foreigners and natives in the domestic economy structured by 81 product groups (22 tourism-related) and the kind of tourism (same-day and overnight visitors). With regard to the used means of transport it is assumed that same-day visitors follow a similar pattern as overnight tourists doing domestic trips, considering the number of domestic trips by the transport used, including railway, bus, and water transport.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

TSA-Table 3 describes outbound tourism consumption of visitors with respect to same-day visitors and overnight tourists. It is not part of the aggregate "Internal tourism consumption" according to TSA-Table 4. Within the German TSA project this table was not compiled due to missing tourism product specific information on outbound tourism. The travel as well as the transportation balance inside BoP only contains aggregate information. At the moment a survey with regard to the expenditure pattern (product structures) of the Germans during outbound tourism activities does not exist. Besides that mirror statistics of the main German outbound tourism countries will deliver valuable additional information. .

### **4.4 Estimating same-day visitors expenditures**

The consumption of resident same-day visitors is primarily based on a same-day visitors sample survey for the reference year 1993. During the project the latter has been updated for the reference year 2000 without influencing the expenditure pattern. The questionnaire of the survey distinguishes between private and business motivated tourism activities. Besides asking for the total amount of same-day-visit related expenses the following expenditure categories have been separated: expenses for transportation, expenses for local transportation (at the destination), expenses in restaurants, cafes, etc., expenses for food stuff, other shopping expenses, expenses for cultural and recreational activities incl. entrance fees), expenses for packages, other expenses. With regard of same-day-visitors abroad it may be assumed that connected and non-specific products are not consumed within the domestic country while travelling abroad.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

TSA-Table 4 represents total visitor final consumption expenditure in cash associated with inbound (TSA table 1) and domestic tourism (TSA table 2) consumption. The aggregate obtained is called internal tourism consumption in cash and kind. Within the German TSA only the assumed expenses for second homes are included as in kind component. The latter have been estimated on the base of results provided by a housing census. The relevant figures have been combined with average expenditures for renting a holiday flat. The estimates with regard to tourism business expenses only have an experimental character within the German pilot TSA study. The two additional specific rows displaying the value of domestically produced goods net of distribution margins and imported goods net of distribution margins are not considered within the German pilot TSA study. All figures within TSA-Table 1 to Table 4 are based on purchaser prices.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The reporting of the supply side was carried out with reference to the results of the extra analysis of the deeply disaggregated output matrix by the Federal Statistical Office for the reference year. Within this extra analysis, a provision for more than 120 commodities relevant to tourism was carried out at the level of the 8-digit-level of the central product classification

(CPC) in Input-Output tables (IOT). The corresponding lines provide information on the sectoral production of the various products relevant to tourism in the different industries of the national economy on the 3-digit level of the industry classification (NACE). Twenty-three of the 194 industries can be directly allocated to the 12 tourism-related industries included in the TSA. If available, supplementary sector studies were used as references to facilitate precise recording of single tourism-specific activities. As another step, the correspondingly developed data set was consistently integrated into the deeply disaggregated SUT for the reference year 2000 (59 products x 59 industries). On the one hand, in the columns the 12 tourism industries were allocated to the respective superior industry sectors of the supply table, while the connected and unspecific economic industries were also accounted for. On the other hand, in the rows of the supply matrix the 20 characteristic tourism products were integrated into the superior product groups of the supply table. As a final step, the calculations were supplemented by the specific intermediate inputs utilized in the production process and the value added. The entire process of posting was supervised by control routines referring to rows and columns. The result of these calculations is a deeply disaggregated production account of tourism structured by 81 groups of products (22 tourism-related products) and 78 industries (17 tourism-related products).

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The German TSA Table 6 displays fewer products as required by the TSA-RMF handbook which concern an aggregate treatment of the following three components travel agencies, tour operators, tourist guides, cultural services, recreation and other entertainment services as well as miscellaneous tourism services. In addition, connected and non-specific products/activities are added to one aggregate, since a decision was not taken which kinds of products/activities are defined as connected and non-specific. Besides that the distribution margin for the latter tourism related commodities expenses have not been estimated due to missing detail information. Tourism shares by product and industry are not estimated. The tourism shares are calculated by applying the internal tourism consumption by product to the total supply of the respective product within economy (tourism ration on supply). Due to missing tourism industry specific information on its particular input structure for each of the 12 tourism industries, the products related to intermediate consumption are not considered in detail. The same is also valid for the components of the gross value added.

### **5.2.2 General characteristic of the data**

The basic data for transforming the supply-side basic price concept to demand side purchaser price concept are coming from a more detailed and officially unpublished SUT for the components imports, taxes less subsidies and distribution margins. All other figures are coming from TSA-table 4 and 5 are calculated within this table via definitions.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

Tourism value added (TVA) is a balance item, obtained as difference between tourism output and tourism intermediate consumption. Tourism output and tourism intermediate consumption

are estimated separately, as it happens in NA. With regard to the calculation procedure of ascertaining the value added of tourism, the TSA concept provides a functionally separate statement, which is determined mainly by the supply side. On the one hand, it focuses on direct tourism activities, in turn corresponding to the adjustment of non-tourism-related secondary production, which is still stated as part of the value added in the tourism industry. A major share of the services provided by restaurants, for instance, is demanded as part of everyday leisure activities. The resulting value added, of course, is not included in the calculation of the tourism value added which consequently results in a reduced statement. On the other hand, however, the tourism-related secondary production outside the non-tourism connected, non-specific industries of the national economy are taken into account. In the German pilot TSA TVA is calculated on the basis of tourism share of internal tourism consumption in total supply/use of each product. A presumption that the TVA added share is equal to the total domestic supply share has been made. So, the TVA can be measured for each industry and for total economy as well. The fact that net tourism taxes (i.e. taxes less subsidies on tourism products) can be measured separately by taking the detail results of SUT enables the estimation of tourism gross domestic product (TGDP).

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: employment in the tourism industries**

Based on the results of the TSA pilot study, a second study for Germany was commissioned in 2005, taking into account the international recommendations and experiences relating to estimated relevance of tourist demand to employment (OECD 2000, Laimer 2005, Liberos 2005). The German TSA employment module with its various tables represents a tourism satellite account which has been expanded to include the employment aspect in much more detail. This ensures full comparability with the other tables of the TSA. Its core table is the TSA standard table 7. It only considers the calculation of the direct employment effects of tourism consumption of private households and industries within the twelve tourism industries that are characteristic of tourism. Due to missing information with regard to the number of enterprises the relevant column could not be filled in.

The German TSA employment module includes, in addition to the quantitative data for employment, supplementary qualitative data for selected employment variables including gender, type of employment, employment status, and qualifications (Ahlert 2007).

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

The German pilot TSA does not contain this table at the moment.

### **6.3 TSA-table 9: Tourism collective consumption**

The German pilot TSA does not contain this table at the moment. Some of the necessary data is not collected by the German Statistical System in such a detail.

#### **6.4 TSA-table 10: Non monetary indicators**

Some of the non monetary indicators mentioned within TSA-table 10 have been taken from physical tourism and transportation statistics in so far as they have been used in the context of estimation and evaluation process of the TSA tables.

#### **6.5 Other tables beyond the 10 RMF-TSA-tables**

Since the TSA employment module is limited to the quantification of the direct production effects of the tourism consumption on employment in the twelve tourism industries (Smeral, 2006), the overall impact of private tourism consumption to employment in Germany has been also estimated in two supplementary model calculations. The total impact of tourism on the overall economy can be estimated within Input-Output analysis. Such an estimation using the static Leontief employment model allows the compilation of direct and indirect employment effects (see Miller & Blair, 1985). The latter appear due to indirect production effects via remuneration for purchased products in those companies which supply goods and services to the companies that produce the directly demanded tourism specific consumption products, i.e. in the corresponding suppliers and sub suppliers for intermediate products.

#### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The most crucial problems related to the compilation of the German pilot TSA has been the high level of detail of the recommended tables as well as the unavailable timeliness of input data coming from the statistical system. In the process of compiling the German pilot TSA the following problems arise: "connected products/activities" and "non-specific products/activities" are not presented separately, the activity/product related data are less structured as required. In general the product structural detail of visitor expenditure surveys as well as household surveys does not completely fulfil the needs of the TSA specific product classification scheme. Besides, the decomposition of package tours was rather difficult to solve because the relevant industry did not cooperate within the project.

### **7 TSA country results**

#### **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

At least 28 percent of inbound tourism consumption (26.9 bn Euro) was generated by foreign business travelers (7.5 bn Euro). Of course, the major share of the spending (Euro 19.4 bn Euro) was accounted for private visitors. Moreover, conservative estimates show that at 1.8 bn Euro, a mere 7 percent of all inbound tourism consumption by non-residents can be allocated to foreign same-day visitors. The rest, which totals more than 25 bn Euro, goes for more than 42.6 mn overnight stays. The more relevant products within the structure of consumption are food and beverage serving services as well as accommodation services (30.4 percent) and passenger transport services (32 percent). Nearly 30 percent of all expenditures are spent for non-tourism specific products.

## **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

In 2000 nearly 80 percent of internal tourism consumption (in cash) or 107.5 bn Euro was spent by resident visitors domestic same-day visitors were spending about 53.9 bn Euro, overnight tourists about 53.5 bn Euro in the context of 1.25 bn overnight stays. As a result, about 9.8 percent of all consumption expenditures by domestic private households in 2000 (Euro 1104.7 bn) are directly due to tourism-related activities such as day trips, visits to friends and relatives, and holiday trips. The more relevant products within the structure of consumption are food and beverage serving services (22.3 percent), transport of passengers (16.2 percent), travel agency services (5.3 percent) and accommodation services (5.2 percent). About 45 percent of all are spent for non-tourism products.

## **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

This table was not compiled in detail during the German pilot TSA study. Outbound tourism consumption amounted to 55.8 bn Euro.

## **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

The TSA drawn up for the first time for the Federal Republic of Germany for the reference year 2000 shows that a total of 157.9 bn Euro has been spent on internal tourism consumption in cash and in kind. A share of about 19.2 percent (30.4 bn Euro) of the internal tourism consumption can be allocated to business trips as intermediate consumption, while almost 81 percent (127.6 bn Euro) can be allocated to private travelling in Germany. The internal tourism consumption in cash (without any components of visitors consumption in kind) amounts to more than Euro 134.4 bn, making up a share of nearly 12 percent of the total final consumption of private households in 2000, which in total is about 1122 bn Euro. The inbound tourism-related demand on the part of foreigners amounted to a mere 26.9 bn Euro in 2000, making up only 20 percent of the internal tourism-related private household consumption. The major share of internal tourism consumption (80 percent) was stimulated by domestic tourism consumption of private households.

## **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

The total output of the 12 tourism industries stated within the TSA amounted to more than 185 bn Euro, accounting for roughly 5 percent of the gross production of the Federal Republic of Germany (about 3657.2 bn Euro). This total output of the tourism industries does not only include tourism characteristic production activities as its main activity. Non-tourism-specific production due to secondary production activity is also included. In 2000, the gross value added of tourism activities of private households (TVA) in Germany amounted to nearly 57.5 bn Euro, corresponding to a share of 3.2 percent of the total gross value added (about 1823.9 bn Euro).

## **7.6 TSA-table 7: Employment in the tourism industries**

For 2005 (Ahlert 2007) the twelve tourism industries were directly responsible for an annual average of roughly 1.8 mn employed persons. If this figure is compared to the number of people employed in the overall economy, a purely arithmetical share of 4.7 percent is obtained. The two core tourism industries (accommodation and food and beverage) employ

493.7 th and 842 th people, respectively. This amounts to more than 73 percent of all those employed in the twelve tourism industries. The five sectors of the transport industry engage approximately 19 percent or 345.4 th people directly due to tourism activities. The railway industry alone employs 4.4 percent of those working in tourism, while 11.7 percent work in the road passenger transport services and 2.8 percent in air passenger transport services. The tour operator and travel agency industry accounts for nearly 69.6 th employed people (3.8 percent). The aggregate industry 'culture, sports and other recreational services' accounts for approximately 3.1 percent of all people employed in the tourism industries.

## 7.7 Country specific TSA data sheet

|   |                |                  |                 |
|---|----------------|------------------|-----------------|
| Reference year of following TSA-Tables  | 2000           |                  |                 |
|   |                | in mn Euro       |                 |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                |                  |                 |
| Total inbound tourism consumption   |                |                  |                 |
| same-day visitors   | 1846           |                  |                 |
| tourists  | 25082          |                  |                 |
| all visitors  | <b>26928</b>   |                  |                 |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                |                  |                 |
| Total domestic tourism consumption  |                |                  |                 |
| same-day visitors   | 53957          |                  |                 |
| tourists  | 53564          |                  |                 |
| all resident visitors   | <b>107521</b>  |                  |                 |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                |                  |                 |
| Total outbound tourism consumption  |                |                  |                 |
| same-day visitors   | 0              |                  |                 |
| tourists  | 0              |                  |                 |
| all visitors  | <b>55847</b>   |                  |                 |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                |                  |                 |
| Total internal tourism consumption (T1 & T2)  | 134449         |                  |                 |
| Total internal tourism consumption (in cash and in kind)  |                |                  |                 |
| including tourism business expenses   | 157975         |                  |                 |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 135129         |                  |                 |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                |                  |                 |
| <b>Internal tourism consumption by products</b>   | <b>135129</b>  |                  | T-ratios (in %) |
| A.1 Characteristic products   | 38491          |                  | 57              |
| 1 Accommodation services  | 7832           |                  | 35              |
| 2 Food and beverage serving services  | 30660          |                  | 69              |
| 3 Passenger transport services  | 26054          |                  | 23              |
| 4 Travel agency, tour operator and tourist guide service  | 5668           |                  | 88              |
| 5 Cultural services   | 1136           |                  | 11              |
| 6 Recreation and other entertainment services   | 3951           |                  | 28              |
| 7 Miscellaneous tourism services  | 2984           |                  | 2               |
| A.2 Connected products & B. Non specific products   | 56844          |                  | 1               |
| <b>Total final consumptions by private households (national)</b>                                  | <b>1122370</b> |                  |                 |
| <b>Total Output (national)</b>  | <b>3657200</b> |                  |                 |
| <b>Total Output of activities</b>   | <b>3657200</b> | GVA              | T-shares (in %) |
| 1 Hotels and similar  | 19015          | 8110             | 58              |
| 2 Second home ownership (imputed)   | 675            | 522              | 100             |
| 3 Restaurants and similar   | 37515          | 16000            | 58              |
| 4 Railways passenger transport  | 5602           | 2797             | 98              |
| 5 Road passenger transport  | 12192          | 6086             | 47              |
| 6 Water passenger transport   | 10267          | 3360             | 3               |
| 7 Air passenger transport   | 16715          | 8015             | 54              |
| 8 Passenger transport supporting services   | 9460           | 3271             | 10              |
| 9 Passenger transport equipment rental  | 31820          | 22327            | 10              |
| 10 Travel agencies and similar  | 6294           | 2169             | 88              |
| 11 Cultural services  | 14999          | 8937             | 11              |
| 12 Sporting and other recreational services   | 20939          | 12477            | 28              |
| Tourism connected & non specific industries   | 3471676        | 1729788          | 1               |
| <b>Total Value Added (national)</b>   | <b>1823860</b> |                  |                 |
| <b>Tourism Valued Added</b>   | <b>57467</b>   |                  |                 |
| TSA-table 7: Employment in the tourism industries (in number of persons)                          |                |                  |                 |
|   | employed       | employees female | employees       |
| <b>Total employment in the tourism industries</b>   | <b>1814000</b> | <b>1526600</b>   | <b>813223</b>   |
| 1 Hotels and similar  | 493700         | 401200           | 274432          |
| 2 Second home ownership (imputed)   | 0              | 0                | 0               |
| 3 Restaurants and similar   | 842400         | 684600           | 402524          |
| 4 Railways passenger transport  | 80200          | 80200            | 14774           |
| 5 Road passenger transport  | 212300         | 198500           | 33674           |
| 6 Water passenger transport   | 1000           | 900              | 180             |
| 7 Air passenger transport   | 50400          | 0                | 19440           |
| 8 Passenger transport supporting services   | 1500           | 1400             | 305             |
| 9 Passenger transport equipment rental  | 6300           | 5700             | 0               |
| 10 Travel agencies and similar  | 69600          | 62400            | 42600           |
| 11 Cultural services  | 24200          | 18400            | 9747            |
| 12 Sporting and other recreational services   | 32400          | 22900            | 15547           |
| <b>Total Employment (national)</b>  | <b>3872000</b> |                  |                 |

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**EL**

**Country report for Greece**



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

In 2007, Greece completed a feasibility study in order to prepare the implementation of full-fledged TSA. This study has obtained funds of an EU grant programme. Recently, a consortium of several private institutions, the Trade & Services Statistics Directorate of the National Statistical Service (NSI) of Greece and the Bank of Greece, under the supervision of the Ministry of Tourism, has cooperated in order to develop the Greek TSA. The project has been completed and at the moment the data entry for the tables T1 to T7, concerning years 2000-2007, is being examined in order to be able to elaborate the first results of Greek TSA.

#### 1.1.2 Experience in TSA compilation

Greece has compiled all TSA tables T1 to T10 on a 2-digit-level. The first results will soon be ready. The reference year is 2000.

#### 1.1.3 Responsibility of the TSA compilation

The Ministry of Tourism launched the TSA project. The responsibility of the compilation of the TSA was assigned to a consortium of private companies. The project has been completed and the Ministry of Tourism, in order to continue the implementation of the TSA and to achieve the maximum results, is elaborating organisational structures, probably by forming a separate unit to operate the TSA, always with the close collaboration of the National Statistical Service of Greece.

### 1.2 The inter-institutional platform

In the beginning of the project an operating inter-institutional platform consisting of the Ministry of Tourism, the units in charge of business statistics, National Accounts (NA) compilation and Tourism Statistics (Trade & Services Statistics Directorate) within the National Statistical Service of Greece, the unit in charge of Balance of Payments (incl. Travel BoP) compilation within the Central Bank and Business associations consisting of several private companies was built to facilitate the compilation. The Ministry of Tourism acted as an external contact person and had the main responsible for the project. Questionnaires, data sources etc. were principle task of the NSI and CB where else the compilation of the TSA was done by the private companies. The cooperation was based on formalized agreements, contracts for the provision of statistical data produced under specific responsibility and working groups.

For the time being the Ministry of Tourism in co-operation with the National Statistical Service of Greece is willing to create an inter-institutional platform, in order to operate the TSA Data Base with valid information.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

The results of the Greek TSA are publicly not available but there will be discretionary press releases published on the web. The feasibility study is restricted as well and was not available for the Country Report.

### **1.3.2 Responsibility for the dissemination**

The Ministry of Tourism is responsible for the dissemination.

### **1.3.3 Content of the publication**

The publication will contain current data (annual or sub-annual), one time or time series, an analysis of trends and determinants. These are given for national as well as regional TSA.

### **1.3.4 Level of detail of the publication**

Details will be given concerning methodological issues, comments on the data, strictly tourism data and the relationship between TSA and the National Accounts data, Balance of Payments data, etc. A general summary including text and tables will go along with the publication.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

The Greek TSA use in the case of accommodation services sources of information that are consistent with the list of Tourism Characteristic Products (TCP) in the TSA-RMF. This classification standard is also applied in the compilation.

### **2.2 Measurement of domestic tourism expenditure**

Information is obtained mostly from the "Travel Survey" carried out by a private company on behalf of the Ministry of Tourism based upon a telephone questionnaire throughout Greece.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

With reference to outbound tourism visitors are defined by leaving their usual environment when crossing the administrative border of Greece.

#### **2.3.2 Business visitors and the fact of being remunerated**

The country attempt to exclude visitors remunerated at the destination in the case of outbound tourism.

## **2.4 The scope of tourism consumption expenditure**

Information is collected on pre-trip expenses. High value items are not included. Furthermore, data on goods bought during the trip that are of single-purpose as well as of multi-purpose will be integrated in the Greek TSA whereas a definition for the differentiation between single- and multi-purpose does not exist. Identification and classification of expenditure on tourism single purpose consumer durable goods is done indirectly by analysis of supply by products and applied only in the case of outbound tourism.

## **2.5 Implementation of SNA93 based National Accounts results**

In the Greece National Accounts (NA) supply and use tables (SUT) are integrated. They show 60 different products and 60 industries classified according to CPA and NACE. In an unofficial version there even may be a higher detail level for products and industries. The SUT are regularly calculated by the NA/IOT division with 1999 being the latest publication year. Symmetric IOT are also provided. The most recent version refers to 1998. Detailed information on final household consumption expenditure emerges from the "Travel Survey".

## **2.6 Measurement of the "travel" item in the Balance of Payments**

The travel item is not measured by a banking settlement system but results from a survey.

## **2.7 The measurement of timeshare tourism**

No information is available about the measurement of timeshare tourism.

## **2.8 Availability of new surveys in the near future**

New surveys are under consideration.

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

There seems to be a need to value the services of travel agencies and tour operators "net".

## **3.2 Consideration of the distribution margins**

Distribution margins will be considered by directly using business survey data.

## **3.3 The Treatment of "second homes"**

Dwellings are considered second homes when they are vacation homes visited for recreation, vacation or other activities which are not remunerated within this place. Data is available from National Accounts, the household budget survey and the housing census. Rents are imputed on the basis of National Accounts.

### **3.4 The measurement of tourism business expenses**

The Greek TSA follows the guidelines of SNA93 in measuring tourism business expenses.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In Table 1, the Greek TSA measures inbound tourism based upon a distinction between same-day visitors and overnight tourists. The information about consumption also considers holiday and business trips, diverse accommodation facilities and different means of transportation. The tourism specific products are planned to be differentiated between characteristic and connected products. With regard to their classification they are meant to follow the TCP/CPA 4-digit-level. Data will be mainly derived from the travel Balance of Payments (TBoP) on inbound visitors (credit), sample surveys at international arrival and departure points as well as mirror statistics of main partner countries for tourism exports.

### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Table 2, for domestic tourism consumption, distinguishes between overnight tourists and same-day visitors. Residents travelling within the country and those being on the way to a destination abroad are separated as well. Furthermore, the consumption is conceived to be shown separately by holiday and business trips, used accommodation and means of transport. The tourism specific products are again planned to be differentiated between characteristic and connected products. The classification differs from that of TCP/CPA but details of the alternative classification are not given. As data sources, national population sample surveys carried out in respondents' homes are available. The domestic consumption part of outbound trips will be measured using the Travel Balance of Payments (TBoP) on outbound visitors (debit) and sample surveys at international arrival and departure points.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 is focused on outbound tourism. Details concerning visitors, products and consumptions will be as valid as in the aforementioned section 4.2. The relevant data sources are sample surveys at international arrival and departure points and national population sample surveys carried out in respondents' homes.

### **4.4 Estimating same-day visitors expenditures**

Same-day visitor expenditures are estimated using border surveys, mirror statistics and household budget surveys. The expenditure structure is surveyed on TCP/CPA 4-digit-level.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

The compilation of Table 4 is the sum of Tables 1, 2 and 3 and it is based upon a net valuation for internal tourism consumption, by product and types of tourism. It is noted that in Table 4, expenses for business travels are recorded separately, while in Tables 1, 2 and 3 are excluded. In this Table there is information concerning tourism social transfer in kind.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

Greece compiled table 5 by using Supply-Use-Tables (SUT), business statistics (Economic census, structural business statistics) and National Accounts statistics (imports, taxes, etc.) in order to identify the product specific output of industries. The final table is coherent with the framework of the Greek System of National Accounts which fully complies with ESA. Industries and activities are classified on a NACE 4-digit-level; products are on a CPA/TCP 4-digit-level. Based on the above-mentioned statistics the TSA also includes the product specific intermediate input structure by industry. Furthermore, the value added is estimated decomposed according to the TSA-RMF in compensation of employees, other tax less subsidies on production and gross operating surplus. Distribution margins as well as domestically produced and imported products are separated, too. TSA table 5 and the national SUT are directly related in the sense that there is a simple reclassification of products and activities.

### **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

#### **5.2.1 The general structure of the table**

The Greek TSA has established TSA-table 6 as recommended in the TSA-RMF and will consequently apply the proposed framework. Nevertheless T6 differs in the point that a specific tourism share by activities is calculated for each product.

#### **5.2.2 General characteristic of the data**

As main statistical source of TSA-table 6 the Greek Supply and Use Table is considered. Because in the existing compilation routine only tourism supply is known in deep detail non observed shares are applied to estimate consumption. Similar is true for the consumption that is only partly known (inbound) why the incidence of domestic consumption is assumed.

#### **5.2.3 Calculation of Tourism Value Added (TVA)**

TSA table 6 was planned to be used to establish TVA that is supposed to be based on "tourism ratio" i.e. the application of the share of tourism use in the supply of tourism (non-)specific goods to tourism industries GVA. For that purpose the product specific tourism ratios on supply will be used for the calculation of tourism shares by industry. The ratios then will be established separately for each cell of the supply side within the TSA. Tourism business expenses will totally be excluded from internal tourism consumption. Tourism direct value added (TVA) in turn will be achieved by using the "Tourism value added" (TVA). Eventually Greek will calculate indirect tourism valued added by using IOT.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: employment in the tourism industries**

Table 7 in TSA presents the employment in the tourism industries according to the TSA-RMF framework. The employment analysis is restricted to total employment in tourism industries and uses tourism shares exclusively applied to tourism industries. These shares are similar to the tourism shares in TSA-Table 6. The labour force survey (LFS), economic census data, SBS, and NA-statistics have formed the necessary data basis.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Greece does not give any information for this table but is willing to elaborate it.

### **6.3 TSA-table 9: Tourism collective consumption**

Greece does not give any information for this table but is willing to elaborate it.

### **6.4 TSA-table 10: Non monetary indicators**

Table 10 will be compiled within the Greek TSA showing most of the indicators proposed of the TSA-RMF. This will include the number of trips and overnights by types of tourism and categories of visitors, the number of inbound tourism arrivals and overnights by means of transport and the number of establishments and capacity by forms of accommodation. Furthermore, the TSA systematically is considered to relate tourism consumption to the number of trips and overnights. Reference will also be made to the final household consumption expenditure.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

Greece will not use any other tables than that already mentioned.

### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

As work is in progress for a short time experience regarding benefit and problems and are not yet at hand.

**IE**

**Country report for Ireland**



## 1 General Introduction

Mr. Steve MacFeely@cso.ie [mailto:Steve.MacFeely@cso.ie] and Jim Dalton [mailto:Jim.Dalton@cso.ie] from Central Statistics Office Ireland (www.cso.ie) are responsible for the Irish TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

The initiative to develop a formal project to investigate the feasibility of developing Tourism Satellite Accounts (TSA) for the Republic of Ireland, the UK and Northern Ireland came from the British Irish Council Tourism Sector Group. The TSA feasibility project (First Steps TSA project) for Ireland began in 2002 and the final report dates from 2004. There was particular interest of developing an All Ireland TSA. Nevertheless, the main goals were to explore the feasible volume of compilation adding the available data and the data needs to compile a full-fledged TSA according to the UN TSA-RMF for the Republic of Ireland (RI), Northern Ireland (NI) and All Ireland. This project was co-financed by the European Commission Enterprise Directorate. Even though the program Statistical Potential Administrative Records recommended the production of a TSA should on a regular basis. Recently, the initiatives strengthened to develop full-fledged TSA at CSO, Department of Tourism Statistics in the period of 3 to 4 years. Updating and improving the statistical sources is considered a priority. The 2004 feasibility project team considered the TSA as the starting point for the construction of a future Tourism Economic Impact Model that would show the effects of changes in pattern of visitors and tourism consumption.

#### 1.1.2 Experience in TSA compilation

The feasibility project was intended for compilation of Tables 1-7 and 10 for the Republic of Ireland (RI) and Northern Ireland (NI) together. 2000 was designated for reference year. The project was unique in the sense that the estimates refer to administratively separate economies (RI and NI) it was believed that the project could profit from the similarities between the two economies. At the end of the project, the RI compiled 9 of 10 tables, but with different level of exhaustiveness, detail and compliance with TSA: RMF. Only TSA T8 (Tourism gross fixed capital formation) was left out. In 2002 - 2004, NI had some constraints in compiling all TSA tables since there were neither Input-Output tables nor data on imports besides, there were also some limitations in what regarded tourism data. A kind of regional TSA was compiled instead. The compiled tables were TSA tables 1, 2, 3 and 4. Approaches were made to TSA tables 5, 6, 7, 9 and 10. A full fledged TSA was not possible. More recently (in 2006 and 2007), the Northern Ireland Tourism Board presented in cooperation with some other institutions the complete set of TSA tables for 2003 which became possible as IOT have extra been compiled for 2003.

#### 1.1.3 Responsibility of the TSA compilation

The National Centre for Tourism Policy Studies at the University of Limerick and the Centre for Policy Studies of the National University of Ireland, Cork, were the institutes in charge for

the project. The Irish team worked closely with colleagues at the Welsh Economy Research Unit (WERU) at the Cardiff Business School, who were responsible for the UK TSA project. 2003 TSA for Northern Ireland was compiled by a consultant enterprise, Cogent Strategies International Limited, according to the terms of reference defined by the parties: Northern Ireland Tourism Board (NITB), the Northern Ireland Government and the European Union. The EU co-financed this project.

## **1.2 The inter-institutional platform**

As far as the RI is concerned, the institutions who collect and produce the major tourism statistics are Failte Ireland, the National Tourism Development Authority (Failte) and the Central Statistical Office (CSO). Concerning NI, the Northern Ireland Statistics and Research Agency and the Northern Ireland Tourist Board also contributed to the project. The initiative to investigate feasibility of developing a TSA for the RI, the UK and NI came from the British Irish Council Tourism Sector Group. The working team came from the University of Limerick and National University of Ireland, with the cooperation of the Cardiff Business School, and the CSO that provided some suggestions during the compilation work. NI TSA for 2003 was compiled by a consultant enterprise sponsored by the northern Irish government and the EU.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

The report on the feasibility study, First Steps Tourism Satellite Account Project, is publicly available on the Failte Ireland website. Report and tables can be downloaded for free. NI published in 2007 a document that included a detailed analysis and information of the tourism sector and also the available data sources both from a demand and supply side perspective. Beside, it includes a chapter with the TSA results and tables 2003. The report is disseminated on the NITB website for free.

### **1.3.2 Responsibility for the dissemination**

Those who compiled and sponsored the TSA compilation are also responsible for its dissemination. Presently Failte Ireland, has the responsibility of the dissemination, since it can be found on its website.

It is worth to note that the project's results were discussed at several professional meetings of UK and Irish TSA stakeholders, mainly of TSA compilers and statisticians, but the dissemination and promotion of findings of feasibility study did not reach wider audience of data users. Data have also been published in WTO publication TSA Data around the world.

### **1.3.3 Content of the publication**

The publication consists of a methodological document, First Steps Tourism Satellite Account Project that describes the experience of compiling a pilot TSA for 2000 for the RI and NI. The tables are also published within the methodological document. For NI, only some estimates were possible due to the lack of data, as already explained.

### 1.3.4 Level of detail of the publication

The feasibility report on 74 pages follows the sequence of the RMF tables and for each one the methodological issues, comments on the available data sources and the figures are presented. The tables refer to the Republic of Ireland. For the Northern Ireland, some preliminary estimates are presented. The document ends with a list of recommendations for future development on tourism statistics that would allow better estimates for a future TSA.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

Concerning product classification, the used data sources have a different level of detail than TSA-RMF. A rough correspondence is possible at one digit level of product/activities classification. In most cases the basic distinction between the tourism characteristic products can be drawn. The reference survey in terms of product breakdown for all kinds of tourism is the inbound Survey of Overseas Travel, conducted by Failte. This survey has detail roughly corresponding to one digit level of TSA-RMF classification, except for the expenditure item for travel agencies that does not exist. As far as activities classification is concerned, the input-output tables from National Accounts (NA) are the reference data source. The A60 (ESA95) level of detail is already sufficient for some activities to match the TSA-RMF classification, which is the case for most of the transport activities. On the other hand the A60 level is not sufficient to split travel agencies from supporting and auxiliary services for instance.

### 2.2 Measurement of domestic tourism expenditure

For the RI the main statistical source for domestic tourism consumption is the CSO Household Travel Survey (HTS). It is a quarterly survey covering about 12 thousand households (around 1 percent of the total number of private households) that measures domestic and international travel patterns of Irish residents and its details: overnight stays (it does not cover same-day trips), total expenditure, purpose of the trip, type of accommodation, etc. Since HTS for 2000 did not provide data on consumption structure, the consumption breakdown by product was based on the inbound tourist consumption structure adjusted by the consumption structure of the Household Budget Survey (HBS). For same day visitors, expenditure was estimated using the average daily expense of domestic tourists from HTS; total number of same day trips was estimated using penetration rates for same day visits in the UK as well as the Failte inbound tourism structure by type of product, but scaled down by the absence of accommodation expenses. Domestic tourism consumption also covers expenses made by residents travelling to a different country; in this case, a part of the amount spent on outbound tourism is estimated with reference to the number of overnights in RI (when RI is not the main destination). For NI the main data source was the UK HTS. In order to extend the data sources for same-day trips, the 2002-2003 Great Britain leisure day visits survey results were re-estimated in order to have estimates for 2000.

## 2.3 The handling of the definition of "visitors" in empirical practice

### 2.3.1 Leaving one's usual environment

Minimum distance travelled or the crossing of an administrative border is not sufficient criteria to define usual environment (UE). Frequency is the main criteria. The definition of visitor used by tourism surveys is explicit. Tourism and travel considers that places that are frequently visited are part of persons' UE even if they are located at a considerable distance from the place of residence or in another country. HTS excludes from the UE short distance local transport and commuting i.e. more or less regular trips between place of work/study and place of residence, routine or regular visits like visiting parents every weekend, visits for more than 12 consecutive months and migratory movements for work purposes. Situations excluded from domestic travel: residents travelling within the country with the intention of changing their residence, those who travel to work temporarily in institutions within the country, those who travel regularly between neighbouring localities to work or study, nomads, persons without fixed residence, armed forces in manoeuvre. Excluded from international travel: persons leaving the country as migrants, including dependents, border workers, persons with residence near the RI border but working in the NI diplomats, consular officers, members of the armed forces travelling outside of the RI on assignment, including dependents and household employees.

### 2.3.2 Business visitors and the fact of being remunerated

Even though the feasibility study document is not explicit in the way business visitors are distinguished from those who are remunerated in the place visited, tourism surveys and the publications used in the TSA compilation have background notes that are explicit in that part that correspond business expenses treated as compensation of employees. Business expenses considered as a part of intermediate consumption are not considered in RI TSA. Concerning inbound tourism, travellers staying for reason of remuneration or for more than one year in the RI can not be excluded since the Country of Residence Survey (the sample survey for inbound tourism) does not ask for the reason or the length of a stay. They are thus included in the number of inbound trips. Only commercial drivers travelling on sea routes are excluded. Concerning domestic tourism, HTS excludes those visitors being remunerated at the place visited when a clear distinction is possible. Persons, who travel regularly or frequently between neighbouring localities to work or study, border workers, etc, are also excluded.

## 2.4 The scope of tourism consumption expenditure

As far as domestic tourism consumption is concerned, HTS encompasses the total tourism consumption expenditure. Tourism expenditure includes any expenditure made by a visitor or on behalf of a visitor during their trip and stay at destination. This amount explicitly includes purchases of consumer goods and services inherent in travel and stay, purchases of small durable goods for personal use, souvenirs and gifts for family and friends. Moreover it is asked not to consider capital investments or transactions conducted by visitors (acquisition of land, housing, real estate, cars, caravans, boats etc.) as tourism expenses even though these may be used in the future for tourism travel purposes. Pre-trip expenses are also surveyed either on domestic or inbound and outbound tourism.

## 2.5 Implementation of SNA93 based National Accounts results

In the case of Republic of Ireland the TSA for 2000 made use of the final Input-Output table (IOT) for 1993, supplemented with the preliminary results for 1998. The 1998 I-O table has 53 sectors according to NACE-CLIO classification. For 1998 there were also Supply-Use tables (SUT) for the first time for the Irish economy. The IO table was extrapolated to 2000 and balanced. For TSA 2000 data on output, value added and employment by industries were supplied by CSO national accounts. Presently there are SUT available for 2005 for RI. The available (published) product and industry classification is A60 and P60 of the ESA95 level. In the case of Northern Ireland, by the time of the First Steps projects, the lack of a regional I-O table was a serious constraint impeding the compilation of inter-industrial links of tourism industries. Presently, there are already IOT for 2003 and 2005.

## 2.6 Measurement of the “travel” item in the Balance of Payments

The project description does not make reference to the BoP or how it is reconciled with inbound and outbound tourism expenditure. However, CSO in its publication Exports and Imports of service refers in its background notes that BoP compilation follows as far as possible the recommendations of the IMF's Balance of Payments Manual, 5<sup>th</sup> edition. The information on service exports and imports is obtained as part of the overall process of collecting BoP relevant data. Surveys of financial and non-financial enterprises, administrative sources and other CSO surveys, such as the annual services inquiry, are used to compile BoP aggregates. In addition and directly related to the Travel item, information on tourism expenditure and receipts is obtained from other CSO inquiries. CSO tourism expenditure inquiries include the passenger card inquiry for passengers travelling into and out of Ireland and the HTS that collects total expenditure of residents in international travels.

## 2.7 The measurement of timeshare tourism

Timeshare tourism is not considered in the Irish TSA. This type of tourism is poorly developed in RI.

## 2.8 Availability of new surveys in the near future

A major finding of the project was the importance of domestic tourism in general and same-day trips in particular. Therefore, one of the recommendations of the feasibility project is that surveys should be extended in order to cover same-day visitor expenditure. It is also recommended that in the future the composition of domestic tourism expenditure should include more details. In the context of the Program Statistical Potential of Administrative Records, it has been an objective to maximize the potential of already available data. Following this idea, a more extensive use of airport arrivals and departures data base has just started. There is also the intention of further exploring the available data on the HTS (Publication: Domestic Tourism 2000 - 2005). Furthermore, there are also some new initiatives going on in terms of developing tourism statistics. For instance, on an experimental basis, mobile phone surveys and expenditure surveys are being carried out. Besides that, there is also the co-operation with Northern Ireland, the re-development of the passenger Inquiry card and of the HTS, a task-force on BoP item travel. CSO is also trying to access credit card data. More recently, the idea of a tourism price index came up. It has been recently agreed to

include a module on domestic same day visits on the CSO's quarterly national household survey. This module will be included for one quarter only. The exact timing of its inclusion has yet to be agreed but will be in the period 2010 - 2012.

### **3 The handling of TSA specific problems**

#### **3.1 Consideration of the services of travel agencies and tour operators "net"**

As far as the valuation of package tours is concerned, the Irish pilot TSA follows the recommendations of TSA-RMF and compiles a net valuation version of those services. Since there were no direct sources on the level of travel trade margins, some assumptions had to be done. According to the estimation that travel trade margin in the RI is 15 percent, the adjustment relating to inbound trips consisted in scaling down accommodation services by 0,9 percent and transport and entertainment services by 0,45 percent subsequently, these adjustments were allocated to the tour operators. Concerning domestic tourism the travel trade margin was allocated mainly to pre trip expenses of outbound visitors. The estimated value represents about 75 percent of the gross value added of the Irish owned tour operators and agencies based on the annual service inquiry. An adjustment was made in order to deduct commissions paid to non-resident travel agencies and tour operators. A small part is recorded as travel commissions paid by outbound tourists having Ireland as secondary destination. No travel commission fee was accounted for domestic tourism having Ireland as primary destination.

#### **3.2 Consideration of the distribution margins**

The Irish TSA shows margins separately from the total value of the goods in the TSA tables. The CSO annual service inquiry 2001 provides data on retail trade margins. The value divided by turnover results from the estimated 31 percent share of retail trade margins. This is also the share applied to estimate the amount of margins within the total amount of expenditure of goods at purchaser prices. Margins were then allocated to the consumption of retail trade services. All demand tables have an expenditure item for shopping (classified under non-specific products) since all use the same survey for the breakdown by type of product. Therefore, the margin treatment was the same for all demand tables. Retail and wholesale margins are also present in the production account (TSA table 5). These estimates are based on the IOT.

#### **3.3 The Treatment of "second homes"**

CSO estimates imputed rents for second owner-occupied homes based on the population census and on the HBS. According to the population census for the Republic Ireland there are about 40 thousand holiday homes in Ireland, and they are occupied on average 6 weeks a year. The HBS also contains estimates on second homes. The TSA estimates are those of the CSO. In NA estimates, owner-occupied dwellings are valued on the basis of rents comparable rented dwellings.

### 3.4 The measurement of tourism business expenses

Implicitly, business expenses are not considered in the IR TSA since demand tables cover only visitor final consumption expenditure.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Table 1 distinguishes between tourists and same-day visitors. Their number originates from the visitor arrivals in the passenger card inquiry. Moreover, their expense is split based on their share in total visitor days. RI TSA tables show the same classification by products as the first digit level of the TSA-RMF with two exceptions. Recreational and sporting services are aggregated with cultural services and the transport item is split between domestic and international carriers. The basic classification of products is derived from the expenditure items within the Failte Ireland inbound tourism annual survey. It distinguishes the following 6 groups of products: bed and board, other food and drink, sightseeing/entertainment, transport in Ireland, shopping, miscellaneous products. Shopping is split between margin and the net value of the products. Connected products are not identified. A correspondence is built in order to match TSA-RMF classification at one digit level. The table also registers the number of trips and the number of overnights. The major data sources for inbound tourism are the Country of residence survey, the CSO survey on inbound visitors (around 191 thousand observations annually) this survey provides country of residence analyses of arriving overseas travellers into Ireland. Passenger card inquiry of similar size details purpose of journey, country of residence, total expenditure, length of stay and type of accommodation used. Inbound tourism survey of Failte Ireland provides several details on inbound tourism inclusively expense by type of products.

### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Domestic tourism consumption in cash recorded in TSA table 2 refers to visitor final consumption expenditure. Tourist and same day trips are distinguished for visitors travelling only within Ireland. Domestic expenditure of resident visitors travelling to a different country is also accounted but in that case tourists and same-day visitors are not distinguished. The product classification is the same as that of inbound tourism consumption; it matches TSA-RMF classification roughly at one digit level. There are no connected products, only non-specific. The number of tourists and their spending are surveyed on the household travel survey and these totals are considered in the TSA. Failte Ireland, the inbound survey, is used to breakdown the total expenditure of domestic tourism consumption, after being scaled in order to meet the share of accommodation services from the HBS. Same-day visitors are not surveyed but estimates are done. Tourist average daily expenses are used. day-trip penetration rate has been calculated per head of population in order to estimate the number of same day visitors and total expense was broken down by product using Failte Ireland, scaled down by the absence of accommodation services. The estimates are considered to be fairly conservative: the day trip penetration rate is 20, (23 for the UK). The per diem expenditure is about half the amount of comparable UK figures. Concerning domestic spending of outbound

visitors, the values for transport and travel commission fee items are significant. The data derive mainly from the household travel survey that measures domestic and international travel patterns of Irish residents involving overnight stays and associated details like expenditure, purpose of trip and accommodation used.

#### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 registers outbound tourism final consumption expenditure by product and category of visitor in the RI. The product classification is the same as that of inbound and domestic tourism consumption and roughly matches TSA-RMF classification at 1-digit-level. There are no connected products, only non-specific; tourism and travel survey provides data on the total amount spent by the Irish on outbound trips. The expenditure within the domestic territory (mainly fees paid to Irish international carriers and commission fees to Irish travel agencies) are deducted and imputed to TSA table 2. The remaining part is allocated to main groups of products, according to the structure of inbound tourism expenditure after being adjusted of the international transport. The related UK shares work as reference values. Travel commission fees are proportionally deducted to bed and board, sightseeing and transport in order to reach a net valuation of travel agencies and tour operators. The major data source is the tourism and travel conducted by CSO that gives several details on visits abroad. Additional use is made of other sources and special CSO tabulations.

#### **4.4 Estimating same-day visitors expenditures**

The surveys on domestic tourism do not cover same-day visitors but estimates are done for the TSA (see 4.2). Concerning cross-border same-day visitors the number is known (but only for overseas travellers), the level and composition of expenditure estimated (see 4.1, 4.2 and 4.3).

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Table 4 merges tables 1 and 2 and furthermore registers imputed rents from the use of second homes. It is implicit that domestic business tourism expenditure is included already in table 2 in what concerns final consumption expenditure; intermediate consumption expenditure for business purposes is not explicitly considered anywhere in the Irish TSA. There are no estimations of social transfers in kind provided by government or non profit institutions serving households regarding tourism consumption. The estimations for the consumption of own-occupied second homes consider the stock of second homes from the population census (around 40 thousand vacation homes) and that they are occupied on average 6 weeks a year. HBS information is also used (see 3.3).

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

RI TSA tables show a different classification than TSA-RMF since it aggregates some activities: Air and water transport, travel agencies with auxiliary services to transport, land transport aggregates, road and rail transport, cultural and recreational services.. The Irish TSA

table 5 displays for homogeneous industries since the National accounts reference is the input-output table (IOT). Preliminary results for national IOT for 1998, sectoral national account and labour force data for 2000 were supplied by CSO in order to compile Table 5. The IOT has 54 sectors based on the NACE-CLIO classification at 2-digit-level, which can be aggregated in order to achieve a similar detail than that of TSA-RMF. Intermediate structure by homogeneous industry is also present in table 5, which was also compiled based on IOT. Besides, there are also the value added components, compensations, net operating surplus and consumption of fixed capital, and net taxes. Moreover, there is a row for imports, another for retail and wholesale margins and another for the net value of commercial products. TSA table 5 shows 11 x 11 industries breakdown, 8 characteristic and 3 non-specific.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

In line with table 5, table 6 is compiled also in an industry x industry breakdown. The table is the same as table 5 (see 5.1) with two extra columns for tourism consumption and tourism share of total supply. This table does not follow the recommended TSA-RMF format: output as a central variable by industries/products is not compiled.

In order to reconcile tourism consumption expenditure and the supply of tourism industries, figures for internal tourism consumption from table 4 on accommodation and food as well as beverages were reallocated among hotel and restaurant and food and beverages, but the total for the referred categories remain the same. As in the table the two industries restaurants and hotels are not separated, the industry food and beverages cover all sub-industries, except restaurants.

### **5.2.2 General characteristic of the data**

The main source was the official, preliminary, CSO IOT table for 1998. Extra national account data for 2000 was also supplied by the CSO.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

TVA and TGDP are not calculated according to TSA RMF definitions. The contribution of tourism is simply estimated as ratio of internal tourism supply (equal sum of tourism shares by industries) to total supply (at market prices).

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: employment in the tourism industries**

Table 7 provides estimates on the number of actual employed persons in tourism. It is based on the CSO quarterly household survey (Irish version of the LFS). A breakdown by gender is also presented.

## 6.2 TSA-table 8: Tourism gross fixed capital formation

For the year 2000 this table was not compiled because of lack of sufficiently detailed data. The way how to access to the CSO GFCF data in a 31 industrial breakdown is not yet investigated.

## 6.3 TSA-table 9: Tourism collective consumption

An attempt was done in order to compile table 9, but only the estimate for the national level was achieved. Data at regional level are not yet available. The classification of those expenditures is registered by function as follows: expenditure on tourism promotion, on administration of information bureaus and general planning and coordination related to tourism affairs and the generation of statistics and basic information on tourism. The data are provided by the CSO and by the Irish Tourist Board.

## 6.4 TSA-table 10: Non monetary indicators

Table 10 illustrates some important segments of the Irish tourism sector. It is divided in 4 parts:

- A. Number of trips and overnights by type of tourism and categories of visitors (inbound, domestic and outbound)
- B. Number and trips and overnights of inbound visitors by means of transport
- C. Number of establishments and capacity by forms of accommodation (collective and private)
- D. Number of establishments in tourism characteristic industries classified by number of employed persons.

Some deviations from the proposed structure of TSA RMF for T10 are present: incomplete data on occupancy rate and second home, different classification scheme for means of transport, absence or aggregated data on number of establishments for certain tourism characteristic activities).

## 6.5 Other tables beyond the 10 RMF-TSA-tables

There are not other tables.

## 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

The role of TSA in assessing the importance of the tourism sector in the economy is recognised. The TSA was seen as starting point for a future tourism economic impact model that can show the effects of changes in pattern of visitors and tourism consumption. The pilot exercise provided insight into the data collection, data availability, coverage and reliability. A number of recommendations were formulated for future work. The major shortcomings were as follows: the available data sources do not provide sufficient detail on the structure of tourism expenditure, especially for domestic tourism expenditure and same-day visitors in general. It is also recognised that the GFCF in tourism industries should be improved.

## 7 TSA country results

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

In 2000 6.2 mn inbound tourists and 655 th inbound same-day visitors visited ROI. Tourists stayed in average 7.6 overnights there and spent a total of 3.6 bn Euro, that is about 75 Euro per diem. The largest component in their consumption basket, about 1 bn Euro went to transport (mainly international transport provided by Irish carries) over 25 percent is spent on food and drink and 19 percent on accommodation. Same-day visitors account for 2.7 percent of total inbound expenditure and more than 50 percent of that is spent on transport services, mainly international carriers.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

In 2000 about 82 mn domestic trips were estimated, the great majority of them (76.7 mn) are same-day trips. Same-day visitors spend nearly 57 percent (around 1.8 bn Euro, additional 654 th Euro due to domestic expenditures of resident visitors travelling to a different country) of the total domestic tourism purchases. As their behaviour was not directly surveyed but instead estimated from related sources, the results should be handled with care. Food and beverages represents the highest share in consumption with 43 percent. There were about 5.5 mn domestic tourist that stayed on average 3.8 overnights. Their total tourism expenditure of domestic tourists travelling within the country was 706 mn Euro. The estimated amount spent per diem per visitors in ROI, was with about 34 Euro lower than the similar figures in the UK or in Northern Ireland. Accommodation services are the ones that contribute with 32 percent the greatest part to the consumption structure. About 21 percent of total domestic expenditure is made when resident visitors are travelling to a different country.

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

Outbound visitors in 2000 made nearly 4.4 mn trips. Of these, 3.8 mn trips were made by tourists and 600 th by same-day visitors. 36.3 million overnights (9.6 overnights per trip on average) have been registered. Outbound visitors spent a total of 2.6 bn Euro abroad. The structure of their expenditure is not surveyed directly, but according to the TSA estimates, as far as tourists are concerned, accommodation services represented about 21 percent and food and beverage 35 percent. As far as same day visitors are concerned, they represent 2 percent of total outbound tourism consumption the greater share of their consumption, about 43 percent, goes to food and beverage.

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

The use of second homes is the only new information recorded on table 4. 25 mn Euro are estimated as imputed rent, 652 Euro per dwellings, around 15 Euro per overnights, considering six weeks per year of tourism use. Consumption in kind is not estimated. In 2000 total internal tourism expenditure in ROI was 6.8 bn Euro. About 28 percent refers to food and beverages expenditure, 27 percent to transport services and 18 percent to non specific products.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

The Irish pilot TSA rows present the use of the products of tourism industries. Supply and demand are balanced so that a share of tourism consumption can be related to total supply. In the hotel and restaurant industry 50 percent of output was consumed by visitors, 48 percent in air and water transport, 27 percent in miscellaneous tourism services. At macroeconomic level, two tourism related ratios can be derived for 2000. The tourism share of total expenditure in tourist related industries, 4.8 percent (6803/140016). The total tourism consumption expenditure related to GDP as final demand was 6.6 percent (6803/102972). The contribution of tourism is simply estimated as ratio of internal tourism supply to total supply at market prices. It is equal 2.3 percent.

### **7.6 TSA-table 7: Employment in the tourism industries**

In 2000 there were 75014 persons actually employed in tourism, about 5 percent of the total number of employed in total economy. 48 percent of those employed in tourism industries were female workers.

## 7.7 Country specific TSA data sheet

|   |                |                    |                  |
|---|----------------|--------------------|------------------|
| Reference year of following TSA-Tables  | 2000           |                    |                  |
|   |                | in mn Euro         |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                |                    |                  |
| Total inbound tourism consumption   |                |                    |                  |
| same-day visitors   | 99             |                    |                  |
| tourists  | 3538           |                    |                  |
| all visitors  | <b>3637</b>    |                    |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                |                    |                  |
| Total domestic tourism consumption  |                |                    |                  |
| same-day visitors   | 2434           |                    |                  |
| tourists  | 707            |                    |                  |
| all resident visitors   | <b>3141</b>    |                    |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                |                    |                  |
| Total outbound tourism consumption  |                |                    |                  |
| same-day visitors   | 41             |                    |                  |
| tourists  | 2603           |                    |                  |
| all visitors  | <b>2644</b>    |                    |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                |                    |                  |
| Total internal tourism consumption (T1 & T2)  | 6778           |                    |                  |
| Total internal tourism consumption (in cash and in kind)  |                |                    |                  |
| including tourism business expenses   | 6778           |                    |                  |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 6803           |                    |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                |                    |                  |
| <b>Internal tourism consumption by products</b>   | <b>6803</b>    |                    | T-ratios (in %)  |
| A.1 Characteristic products   | 5584           |                    | 4                |
| 1 Accommodation services  | 2407           |                    | 51               |
| 2 Food and beverage serving services  | 434            |                    | 2                |
| 3 Passenger transport services  | 1824           |                    | 32               |
| 4 Travel agency, tour operator and tourist guide service  | 167            |                    | 4                |
| 5 Cultural services   | 405            |                    | 27               |
| 6 Recreation and other entertainment services   | 0              |                    | 0                |
| 7 Miscellaneous tourism services  | 348            |                    | 2                |
| A.2 Connected products & B. Non specific products   | 1219           |                    | 2                |
| <b>Total final consumptions by private households (national)</b>                                  | <b>47286</b>   |                    |                  |
| <b>Total Output (national)</b>  | <b>291786</b>  |                    |                  |
| <b>Total Output of activities</b>   | <b>291786</b>  | GVA                | T-shares (in %)  |
| 1 Hotels and similar  | 4806           | 2840               | 50               |
| 2 Second home ownership (imputed)   | 25             | 18                 | 100              |
| 3 Restaurants and similar   | 23294          | 3295               | 2                |
| 4 Railways passenger transport  | 3065           | 2398               | 17               |
| 5 Road passenger transport  | 0              | 0                  | 0                |
| 6 Water passenger transport   | 2699           | 676                | 48               |
| 7 Air passenger transport   | 0              | 0                  | 0                |
| 8 Passenger transport supporting services   | 0              | 0                  | 0                |
| 9 Passenger transport equipment rental  | 0              | 0                  | 0                |
| 10 Travel agencies and similar  | 4714           | 1050               | 4                |
| 11 Cultural services  | 1519           | 855                | 27               |
| 12 Sporting and other recreational services   | 20788          | 9005               | 2                |
| Tourism connected & non specific industries   | 230875         | 19782              | 2                |
| <b>Total Value Added (national)</b>   | <b>102973</b>  |                    |                  |
| <b>Tourism Valued Added</b>   | <b>3003</b>    |                    |                  |
| TSA-table 7: Employment in the tourism industries   |                |                    |                  |
|   |                | employed employees | female employees |
| <b>Total employment in the tourism industries</b>   | <b>75014</b>   | <b>0</b>           | <b>35752</b>     |
| 1 Hotels and similar  | 37541          | 0                  | 22387            |
| 2 Second home ownership (imputed)   | 706            | 0                  | 357              |
| 3 Restaurants and similar   | 417            | 0                  | 140              |
| 4 Railways passenger transport  | 9725           | 0                  | 1117             |
| 5 Road passenger transport  | 0              | 0                  | 0                |
| 6 Water passenger transport   | 6365           | 0                  | 2447             |
| 7 Air passenger transport   | 0              | 0                  | 0                |
| 8 Passenger transport supporting services   | 0              | 0                  | 0                |
| 9 Passenger transport equipment rental  | 0              | 0                  | 0                |
| 10 Travel agencies and similar  | 1554           | 0                  | 622              |
| 11 Cultural services  | 8155           | 0                  | 3445             |
| 12 Sporting and other recreational services   | 2375           | 0                  | 1126             |
| <b>Total Employment (national)</b>  | <b>1670700</b> |                    |                  |

IE



**LV**

## Country report for Latvia



## 1 General Introduction

Mrs. Edite Miežite [mailto:Edite.Miežite@csb.gov.lv] from the Central Statistical Bureau (CSB) of Latvia (www.csb.gov.lv) is responsible for the implementation of the national TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

From 2000 to 2002 Latvia compiled studies concerning the structure and initial conditions for a TSA system and a first effort to fill in seven tables was made. Later on a feasibility study for the reference year 2004, co-financed by the EU grant, was implemented. For that very year a full fledged TSA is planned either. The former results of the period 2000 to 2002 cannot be compared with the actual model due to different data sources and evaluations methods. Thus, the new TSA was built in such a way that it will be comparable to possible future versions.

#### 1.1.2 Experience in TSA compilation

The Latvian TSA considers all tables except of T8 and T9. The compilation results are shown on a highly detailed level. The reference year is 2004. The TSA is not compiled every year so far. It is planned to compile every year since 2004, as these years are important for the development of the Latvian economy.

#### 1.1.3 Responsibility of the TSA compilation

The National Statistical Institute (NSI) of Latvia, more precisely the CSB, is responsible for the compilation of the TSA.

### 1.2 The inter-institutional platform

Latvia has an operating inter-institutional platform for tourism statistics consisting of the following organisations: The Ministry of Economics, the units in charge of business statistics and of National Accounts (NA) compilation within the NSI as well as the Institute of Economics (Latvian Academy of Sciences). The latter acts as a subcontractor and is involved in the TSA calculations. Additional cooperation exists between the CSB and the Central Bank in order to find an alternative way to obtain border crossing data for inbound tourism when sample surveys after the implementation of the Schengen agreement (end of 2007) would have become difficult. Furthermore, Portugal was chosen as a donor country and has given practical recommendations regarding data and practices, especially in connection with second homes, package tours and supply side information.

## 1.3 The dissemination of the TSA exercise

### 1.3.1 Availability of the country TSA

The calculations and tables of the Latvian TSA are for internal use only and therefore publicly not available. Besides this there has been prepared an analytical report of the TSA results in Latvia that will be disseminated in the near future.

In database [www.csb.gov.lv](http://www.csb.gov.lv) there are published results for the main indicators of Latvian TSA.

### 1.3.2 Responsibility for the dissemination

The unit in charge of Tourism Statistics within the NSI, the CSB, is responsible for the dissemination.

### 1.3.3 Content of the publication

The indicators available in the online database:

- Share of national tourism expenditure in internal tourism expenditure.
- Share of gross value added in tourism characteristic industries in total gross value added.
- Tourism gross value added in total gross value added.
- Share of characteristic tourism industries in GDP.
- Share of tourism characteristic industry output in total output.
- Share of inbound tourism expenditure in export of goods and services.
- Share of outbound tourism expenditure in import of goods and services.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The Latvian TSA uses sources of information that are consistent with the list of Tourism Characteristic Products (TCP) in the RMF. The NACE classification is used and then reconciled with RMF. To be consistent with international classification the NACE codes are adapted to activities and products.

### 2.2 Measurement of domestic tourism expenditure

The main data sources to measure domestic tourism derive from a household survey regarding travel behaviour. The survey distinguishes between domestic and outbound consumption, same-day, short (1-3 nights) and long trips (more than 3 nights) as well as overnight business trips. Furthermore it considers the kind of accommodation, the means of transport, and the destination and used travel services (travel agencies, package tours). By contrast, expenditure are only enquired as bulk sum so that tourism product expenses are not available in detail. Since 2009 expenditure will be available in detail as it is for inbound and outbound visitors.

## **2.3 The handling of the definition of "visitors" in empirical practice**

### **2.3.1 Leaving one's usual environment**

The question of being visitor by leaving one's usual environment is on the one hand left to the judgment of the person completing the questionnaire. On the other hand it depends on the crossing of the administrative border. Both criteria apply to domestic same-day and overnight tourists as well as outbound and inbound tourists. The administrative border is defined as the border of the district in case of domestic tourism. For outbound and inbound tourism the state border is valid. Interviewers are instructed and provided with the instruction material (practical examples as well) regarding usual environment.

### **2.3.2 Business visitors and the fact of being remunerated**

Business visitors that are remunerated from the country visited are not excluded from all kinds of visitors but they are included in the total flow of visitors across the State border (border crossings) and during the interview only personal expenses (excluding those for accommodation, transport and paid by the employer) are included in total expenditure scope.

## **2.4 The scope of tourism consumption expenditure**

The traveller surveys on inbound and outbound tourists ask for expenses previous to and during the trip separately. With respect to outbound tourism the purchase of cars (before and during the trip) is additionally collected. Besides, consumer durables are only included as a bulk sum under the subject "purchases (including shopping tax free area)" and not differentiated in single-purpose or multi-purpose.

## **2.5 Implementation of SNA93 based National Accounts results**

In the Latvian National Accounts (NA) supply and use tables (SUT) are integrated. They show 59 different products and 59 industries classified according to CPA and NACE classification. The SUT are regularly calculated by the NA/IOT division with 1998 being the latest publication year. Furthermore, NA include neither detailed information on product related nor on consumption uses (COICOP) related final household consumption expenditure.

## **2.6 Measurement of the "travel" item in the Balance of Payments**

Travel is not measured by a banking settlement system. Main results estimated from border surveys for inbound and outbound travellers.

## **2.7 The measurement of timeshare tourism**

Timeshare tourism is not measured in Latvia.

## **2.8 Availability of new surveys in the near future**

New surveys are planned to achieve a higher level of detail with regard to tourism related expenditure and to the accommodation sector. Furthermore, CSB has added new questions on

travel agencies and tour operators in order to collect information about package tour components and their value with 2008 as starting year.

### **3 The handling of TSA specific problems**

#### **3.1 Consideration of the services of travel agencies and tour operators "net"**

Latvia does consider the net value of the services of travel agencies and tour operators by doing a best estimate considering tourism experts opinion. In doing so it is based upon the OECD Manual acting on the recommendation of the Portuguese colleagues.

#### **3.2 Consideration of the distribution margins**

Distribution margins are considered by using estimates of experts.

#### **3.3 The Treatment of "second homes"**

Dwellings are considered second homes when they are vacation homes visited for recreation, vacation or other activities which are not remunerated within this place. Data is available from National Accounts and the household budget survey. Experts account for additional information and estimates. They also contribute the estimates for the imputed rents.

#### **3.4 The measurement of tourism business expenses**

Latvia measures tourism business expenses within the household survey under point F Overnight business trips within Latvia (including meetings, business trips, attendance at courses, conferences etc., excluding regular trips to work). As the expenses are only recorded as a bulk sum they are not in line with the guidelines of SNA93. Since 2009 the expenses of business travellers will be available in detail.

## **4 The TSA tables for tourism consumption**

#### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The Latvian TSA measure inbound tourism and distinguish between same-day visitors and overnight tourists. The information about consumption also considers different means of transportation. The products are differentiated between specific and non specific whereas the specific ones are again subdivided in characteristic and connected products. Data are mainly derived from the travel Balance of Payments (TBoP) on inbound visitors (credit), sample surveys at 20 international arrival and departure points (on roads, in long-distance trains, at the airport and at ports) as well as from accommodation statistics.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Table 2 for domestic tourism consumption distinguishes between overnight tourists and same-day visitors. Residents travelling within the country and those being on the way to a destination abroad are separated as well. Furthermore, the consumption is shown separately

by means of transport. Products are again differentiated between specific and non specific products, with the tourism specific products subdivided in characteristic and connected products. The aforementioned CPA classification is also applied (see 4.1). The main data sources to measure domestic tourism derive from a household survey regarding travel behaviour. Besides that other data sources like accommodation statistics (enterprise survey) and national population sample surveys carried out in respondents' homes are available. The domestic consumption part of outbound trips is measured using demand related information, sample surveys at international arrival and departure points. The information is completed by estimates of experts.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Details concerning visitors, products and consumptions are as valid as in the aforementioned sections 4.1 and 4.2. The relevant data sources are the travel Balance of Payments (TBoP) on outbound visitors (debit) and the sample surveys at international arrival and departure points.

### **4.4 Estimating same-day visitors expenditure**

Same-day visitor expenditure are estimated using border surveys.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

The Latvian TSA include table 4 for internal tourism consumption but its components relate not to visitors final consumption in kind, tourism social transfers in kind and business tourism expenses. Just a separation of distribution margins that are estimated by experts based on industries of NA is considered. Tourism business expenses are totally included within internal tourism consumption (T1 and T2).

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

Latvia compiles table 5 by using business and National Accounts statistics in order to identify the product specific output of industries. Industries and activities as well as products are classified on a NACE 4-digit level. Based on the above-mentioned statistics the TSA also include the product specific intermediate input structure by industry. Furthermore, the value added was estimated decomposed according to the TSA-RMF in compensation of employees, other tax less subsidies on production and gross operating surplus. Distribution margins were separated as well. It should be noted that T5 and the national SUT are at the moment not related (except for totals).

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The Latvian TSA establish TSA-table 6 as recommended in the TSA-RMF and does strictly apply the proposed framework.

### **5.2.2 General characteristic of the data**

Following the questionnaire the main statistical source of TSA-table 6 is the Latvian Supply and Use Table. If there is a structure of SUT available then it is a case but as the results of 1998 were not appropriate for the 2004 there was incomplete SUT used along with the estimates of the experts.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

Table 6 is not used to establish TVA but the product specific tourism ratios on supply in the calculation of tourism shares by industry. This has neither been done by taking the identified product specific tourism ratio directly. Rather, an expert used the results of the previous year calculations as well as the actual ones to choose the ratio for the main product and the weighted average. The ratios then are established separately for each cell of the supply side within the TSA. Tourism business expenses are totally included within internal tourism consumption. The Value Added of the Tourism industry is calculated according to the "Tourism Value added of tourism industries" (TVATI).

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

Table 7 showing the employment in the tourism industries according to the TSA-RMF framework is restricted to total employment in tourism industries. Total employment in turn is distinguished between number of jobs and number of employed persons. The method applied to measure that is based on Full Time Equivalents. Additionally, data differentiated by gender is also provided. Structural Business Statistics form the necessary data basis.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 is not compiled.

### **6.3 TSA-table 9: Tourism collective consumption**

Table 9 is not compiled.

### **6.4 TSA-table 10: Non monetary indicators**

Table 10 is compiled within the Latvian TSA showing most of the indicators proposed of the RMF. This includes the number of trips and overnights by types of tourism and categories of visitors, the number of inbound tourism arrivals and overnights by means of transport and the

number of establishments and capacity by forms of accommodation. The number of establishments in tourism characteristic and tourism connected activities classified according to the number of employed persons are excluded. Furthermore, the TSA systematically relate tourism consumption to the number of trips and overnights. Reference is also made to the average expenditure by trips and overnights.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

There are no other tables than those already mentioned and there are no additional tables planned either.

### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The most crucial problems occur in the small amount of available adequate data especially with regard to the level of detail and the timeliness. To overcome some of the difficulties additional questions have been added on the travel agency and tour operator survey. A study visit to Portugal that served as donor country due to its extensive experiences in TSA was further undertaken to receive practical advice in the handling of second homes, package tours and supply side data. The accession to the Schengen agreement end of 2007 confronted the CSB with problems concerning the border crossing survey. Possible solutions are to use data out of the road movement register in cooperation with development of methodology with the Central Bank. Currently the previous methodology is replaced with records from road movement registers and counting done by interviewers distinguishing between residents and non residents. On general, receiving data on domestic tourism consumption is difficult (no detailed expenses available, only from 2009) and thus is the reconciliation of supply and demand related information. Further problems emerge from the reconciliation of TSA-results with NA-statistics. Regarding the border survey, the interviews are carried out in airport, trains, at the border checkpoints with Russia and Belarus.

## **7 TSA country results**

### **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

In 2004, the consumption of all non-resident visitors reached 135 mn Euro (in current prices of 2004 and an average annual exchange rate of 1 EUR = 0.7028 LATS) whereas about 92.3 percent accounted for overnight tourist (125 mn Euro) and only 7.7 percent to same-day visitors (10 mn Euro).

### **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Total domestic tourism consumption of all resident visitors amounted to 143 mn Euro in Latvia in 2004. 60.1 percent (86 mn Euro) were represented by same-day visitors and 39.9 percent (57 mn Euro) by tourist.

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

158 mn Euro were spent on visits abroad. Thereof 20.7 percent can be assigned to same-day visitors and 79.3 percent to tourists.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Total internal tourism consumption reached 263 mn Euro in 2004.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

In 2004 characteristic products represented 77 percent of internal tourism consumption and their share in supply was 33 percent. Food and beverage serving services, passenger transport services and accommodation services contributed with 33 percent, 22 percent and 17 percent respectively the biggest part of the characteristic products. The tourism ratios of supply of those three amounted to 46 percent, 16 percent and 100 percent. With regard to the domestic supply total output amounted to 10.6 bn Euro leading to 121 mn Euro direct TVA. The highest output was produced by restaurants and similar (97 mn Euro), sporting and other recreational services (90 mn Euro) and the road passenger transport (73 mn Euro). Related to the year 2004 the share of TVA accounted for 2.6 percent.

### **7.6 TSA-table 7: Employment in the tourism industries**

According to the results of TSA table 91955 persons were employed in the tourism characteristic industries in 2004, whereas employees took a share of 99.6 percent. Thus, tourism contributes 9.0 percent to the overall employment (total Latvian employment: 1.0 mn). The most labour-intensive tourism industries were restaurants and similar (19 th people), cultural services (17 th people) and the railway passenger transport (16 th people). 53 percent of the employees in the tourism sector were women. Especially in the industries hotels (and similar), restaurants (and similar), travel agencies (and similar) and cultural services the share of female employees is very high (more than 60 percent) and amount to nearly 80 percent in the travel agencies.

## 7.7 Country specific TSA data sheet

|   |                    |                  |                 |
|---|--------------------|------------------|-----------------|
| Reference year of following TSA-Tables  | 2004               |                  |                 |
|   | in mn Euros        |                  |                 |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                    |                  |                 |
| Total inbound tourism consumption   |                    |                  |                 |
| same-day visitors   | 10                 |                  |                 |
| tourists  | 125                |                  |                 |
| all visitors  | <b>135</b>         |                  |                 |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                    |                  |                 |
| Total domestic tourism consumption  |                    |                  |                 |
| same-day visitors   | 86                 |                  |                 |
| tourists  | 57                 |                  |                 |
| all resident visitors   | <b>143</b>         |                  |                 |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                    |                  |                 |
| Total outbound tourism consumption  |                    |                  |                 |
| same-day visitors   | 33                 |                  |                 |
| tourists  | 125                |                  |                 |
| all visitors  | <b>158</b>         |                  |                 |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                    |                  |                 |
| Total internal tourism consumption (T1 & T2)  | 278                |                  |                 |
| Total internal tourism consumption (in cash and in kind)  |                    |                  |                 |
| including tourism business expenses   | 263                |                  |                 |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 263                |                  |                 |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                    |                  |                 |
| <b>Internal tourism consumption by products</b>   | <b>263</b>         |                  | T-ratios (in %) |
| A.1 Characteristic products   | 201                |                  | 33              |
| 1 Accommodation services  | 35                 |                  | 100             |
| 2 Food and beverage serving services  | 66                 |                  | 46              |
| 3 Passenger transport services  | 44                 |                  | 16              |
| 4 Travel agency, tour operator and tourist guide service  | 14                 |                  | 100             |
| 5 Cultural services   | 11                 |                  | 29              |
| 6 Recreation and other entertainment services   | 31                 |                  | 34              |
| 7 Miscellaneous tourism services  | 1                  |                  | 3               |
| A.2 Connected products & B. Non specific products   | 61                 |                  | 0               |
| <b>Total final consumptions by private households (national)</b>                                  | <b>3301</b>        |                  |                 |
| <b>Total Output (national)</b>  | <b>11836</b>       |                  |                 |
| <b>Total Output of activities</b>   | <b>10567</b>       | GVA              | T-shares (in %) |
| 1 Hotels and similar  | 35                 | 20               | 0               |
| 2 Second home ownership (imputed)   | 0                  | 0                | 0               |
| 3 Restaurants and similar   | 97                 | 30               | 0               |
| 4 Railways passenger transport  | 17                 | 4                | 0               |
| 5 Road passenger transport  | 73                 | 39               | 0               |
| 6 Water passenger transport   | 16                 | 6                | 0               |
| 7 Air passenger transport   | 50                 | 15               | 0               |
| 8 Passenger transport supporting services   | 32                 | 18               | 0               |
| 9 Passenger transport equipment rental  | 8                  | 4                | 0               |
| 10 Travel agencies and similar  | 12                 | 7                | 0               |
| 11 Cultural services  | 27                 | 15               | 0               |
| 12 Sporting and other recreational services   | 90                 | 48               | 0               |
| Tourism connected & non specific industries   | 10005              | 4407             | 0               |
| <b>Total Value Added (national)</b>   | <b>4682</b>        |                  |                 |
| <b>Tourism Valued Added</b>   | <b>121</b>         |                  |                 |
| TSA-table 7: Employment in the tourism industries (in number of persons)                          |                    |                  |                 |
|   | employed employees | female employees |                 |
| <b>Total employment in the tourism industries</b>   | <b>91955</b>       | <b>91605</b>     | <b>48300</b>    |
| 1 Hotels and similar  | 3533               | 3497             | 2336            |
| 2 Second home ownership (imputed)   | 0                  | 0                | 0               |
| 3 Restaurants and similar   | 19283              | 19097            | 13998           |
| 4 Railways passenger transport  | 15614              | 15614            | 5980            |
| 5 Road passenger transport  | 14581              | 14575            | 4853            |
| 6 Water passenger transport   | 631                | 629              | 162             |
| 7 Air passenger transport   | 742                | 742              | 237             |
| 8 Passenger transport supporting services   | 6616               | 6592             | 1252            |
| 9 Passenger transport equipment rental  | 548                | 541              | 240             |
| 10 Travel agencies and similar  | 2004               | 1982             | 1588            |
| 11 Cultural services  | 16851              | 16815            | 10476           |
| 12 Sporting and other recreational services   | 11552              | 11521            | 7178            |
| <b>Total Employment (national)</b>  | <b>1018000</b>     |                  |                 |

LV



# SK

Country report for Slovakia



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Though there is a political interest in tourism, and consequently in the compilation of the TSA, this project is not, for the moment, reflected in the Slovak National Statistical Programme. However, the NSI, which is the institution directly in charge of this statistical operation, has already started the work towards the implementation of the Slovak TSA by year 2012. The statistical authorities carried out the corresponding feasibility study on the implementation of the TSA in year 2005, and the project will be entirely financed by the Slovak public administration, since Slovakia is not benefiting from the EU grant programmes.

The NSI is still working on the implementing of a full-fledged pilot version of the TSA, which is expected to be concluded by 2012. During this four year period, the TSA team will focus in the improvement of the statistical sources, due to the fact that some relevant information is missed, and in the drafting of the methodology to be applied. Also during this period the Slovak NSI will work to overcome some practical limitations referred to the funding of the project and the scarcity of qualified staff.

The implementation process of the Slovak TSA is being undertaken gradually in three phases:

- The first stage aims at setting up the statistical and methodological grounds towards the compilation of the Slovak TSA were set up. To this purpose tables 1 to 4 have been experimentally compiled with information referred to year 2003-2006;
- In the second step the statistical sources and the approaches adopted are being revised and improved to fulfil with the TSA requirements. Also during this stage a preliminary comparison between supply and demand is being carried out to identify the mutual differences;
- The last phase of the implementation process will focus in revising tables 1 to 6 with the most updated information and table 7 and 8 will be compiled for the first time. This stage will imply the shift to full-pledge system of the Slovak TSA.

#### 1.1.2 Experience in TSA compilation

The Slovak National Statistics Institute (Statistical Office of the Slovak Republic / Bratislava) started to work in year 2005 on the implementation of the Slovak TSA. Albeit this project is being led by the NSI, an external private consultancy enterprise called INFOSTAT (Institute of Informatics and Statistics) is co-operating with the NSI in establishing the grounds for implementing the TSA and for compiling the tables. At this moment the TSA team is working on setting up the statistical and data sources framework and the TSA methodology.

Therefore, at the present state of art, there is not any official data on TSA publicly available, although some work has already been done in the compilation of some TSA-RMF tables. In this moment, the demand tables 1 to 4 for the reference period 2003-2006 were compiled. The

information from various sources were gathered and analysed. The compilation of the supply side tables, that summarises the production and generation of income of the tourism characteristic industries (TSA-MRF table 5 and 6), was compiled for year 2005, taking as starting point the structure of production and intermediate consumption provided by the year 2005 SUT. Some preliminary works has been initiated on the estimation of the employment (Table 7), GFCF (Table 8) and non-financial tables (Table 10).

### 1.1.3 Responsibility of the TSA compilation

Although for the time being the TSA project has not been included within the Slovak National Statistical Programme, currently some works towards the implementation of the Slovak TSA have already been initiated. At present these works are being led by the Slovak National Statistics Institute, thus it is expected that the Tourism Statistics Department of this institution will be directly responsible of compiling the Slovak TSA. Within the NSI itself, several units are involved in the implementation of the TSA: National Accounts, Tourism Statistics and Business Statistics. As mentioned before, it is foreseen that the Tourism Statistic Department of the SNSI will compile and disseminate TSA estimates with the co-operation of INFOSTAT (is a partially subsidised organisation set up by the SNSI) and the Ministry of Economy, which is responsible for the state tourism policy of the Slovak republic.

## 1.2 The inter-institutional platform

To guarantee the co-ordination with other tourism statistics related institutions an inter-institutional platform, in which both the public administration and the private sector are represented, was set up. From the public sector side the following institutions participate in this platform:

- The NSI (+INFOSTAT) as institutions in charge of the project. Within the NSI a working group has been created to ensure the co-ordination of the different units involved. In particular, the department that form this working group are the National Accounts Department that is being in charge of compiling the Slovak SUT.
- Ministry of Economy of the Slovak Republic (The Tourism Board)
- The Border Control Authority.
- The Central Bank of Slovakia that estimates the travel item of the Balance of Payments.
- From the private sector side the tourism business associations are also co-operating in this project.

## 1.3 The dissemination of the TSA exercise

### 1.3.1 Availability of the country TSA

As it has been already mentioned in point 1.1.2, the Slovak TSA tables have not been publicly disseminated. For the time being only a subset of the TSA tables and the draft version of the methodology papers have been filled in for internal use by INFOSTAT and SOSR (NSI). In the future, when TSA tables are produced regularly, the Tourism Statistics Department of the SNSI will be responsible for disseminating TSA results on a yearly basis.

### 1.3.2 Responsibility for the dissemination

As mentioned in the previous point, it is expected the Tourism Statistics Department to be the unit directly responsible for compiling and disseminating the Slovak TSA results. Tourism statistics is carried out by Tourism Statistics Section within Department of Market Services Statistics. At this moment no decision has been taken regarding the means to be used to publish the results.

### 1.3.3 Content of the publication

The implementation process of the Slovak TSA was conceived in a gradual way. At present the efforts are being devoted to the estimation of those TSA tables that are considered as the core of the TSA (tables 1 to 6, 7). Thus, for the first publication it is not foreseen to incorporate any sort of TSA extensions (such as regional estimates, indirect effects, free-time activities, forecasts, etc), and the TSA tables will be referred to annual national data. In the medium or long term, when the compilation process of the TSA will be totally consolidated, some TSA extensions could be broached.

### 1.3.4 Level of detail of the publication

The Slovak TSA is in its initial phase and no decision has been taken on the level of detail of the future publication. In the first publication the methodological note on the compilation of TSA will be added to the publication.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

In general, the Slovak TSA uses standard statistical classifications and nomenclatures - Industrial Classification of Economic Activities, SK-NACE and Classification of Products by Activity, SK-CPA. The classifications that are being used in the experimental Slovak TSA for inbound tourism are in line with the products classification proposed by the TSA-MRF. . Accommodation services comprise both hotel services and second home imputed services, these two products are explicitly included within the list of Slovak tourism characteristic products classification. The breakdown of international and domestic transport services is not reflected in the classification, as they are not considered as two different products. However, the split between domestic and international passengers transport could be easily obtained by using data from the Balance of Payments. In the Slovak classification cultural and recreational services are deemed as a unique product, instead of two separate products as proposed in the TSA-MRF products classification.

### 2.2 Measurement of domestic tourism expenditure

Apart from the information on domestic tourism consumption by products provided by the SUT themselves there is one basic source of information. A household survey which aims at analyzing the tourism behaviour of Slovak residents. This survey provides also data on tourism consumption by products. Expenditures are asked by the different tourism products

basically at TCP/CPA 2 digit level of aggregation. They are divided into 5 component spending categories: tour/travel package, accommodation, boarding, transportation and other (shopping, recreational, cultural and sporting activities, insurance, etc.). However, it should be clarified that for estimating the expenditure on passengers transport services by means of transport and also for travel agency and tour-operator services, the 4 digit level of the CPA is needed,

To conclude, it should be pointed out that the Slovak household survey on tourism collects information on domestic and outbound trips carried out by residents in Slovakia. On this way, expenditure data (breakdown by tourism products) required for compiling TSA-MRF tables 2 and 3 are gathered.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

One of the main problems related to tourism statistics is the practical definition of usual environment, due to the fact that its definition within the international methodologies is rather subjective. To sort out this inconvenience, it has been necessary to adopt a more operational definition, which is based on three criteria that have to be fulfilled simultaneously:

- The crossing of an administrative border. In the case of domestic tourism consumption the criterion is the crossing of the municipality borders. On the contrary, for inbound and outbound tourism, as the international visitors always cross an administrative border (the national borders), this criterion does not allow to distinguish between visitors and non visitors, and this separation has to be made by applying the other two criteria.
- The second criterion is the frequency of the trips. Those places that the household visits at least once a week are considered to be part of the household usual environment (even second homes).
- Minimum distance travelled.

#### **2.3.2 Business visitors and the fact of being remunerated**

The sources of information available do not take into account the fact of being remunerated within the place visited for delimiting tourism. According to the TSA-RMF visitors that receive remuneration, either in cash or in kind, within the place visited do not fall within the scope of tourism. The application of this criterion for the correct definition of tourism poses some practical difficulties: on the one hand, in many occasions the purpose of the visit is a combination of different purposes on the other hand it is not clearly defined what is understood as "remuneration in kind". For these reasons it would be fairly complex to tackle this issue on the surveys and as its incidence over the total figures is almost negligible, it has been decided to ignore this problem. Broadly, business tourists (with at least one overnight stay) belong to tourism concept according to international methodology and therefore they are covered in the Slovak TSA. Same-day business trips are, for the time being, neglected.

### **2.4 The scope of tourism consumption expenditure**

The surveys set up or used for TSA purposes ask for information regarding the tourism consumption expenditure by tourism characteristic products. In these surveys the respondents are requested to provide the total expenditure linked to the trip, regardless if the payment has

been made before, during or after the trip thus in an implicit way the so-called pre-trip expenses are included in the TSA figures. Concerning valuable goods no questions are posed in the surveys on this topic, but it might happen that the expenditure on these types of goods be included within the other expenditure category. In this respect it should be underlined that there is not a precise definition on which goods have to be considered as valuable goods. Finally, the Slovak TSA includes the purchasing of tourism single-purpose consumer durable goods which are exclusively used during trips, but it does not include multipurpose consumer durable goods such as cars, boat, etc. Expenditures spent while doing shopping need special treatment.

## **2.5 Implementation of SNA93 based National Accounts results**

The latest published Supply and Use Tables (SUT) in Slovakia are referred to the year 2005. These tables officially identify 60 products and 60 activities (the internal working matrix of production consists of products on 4 digit level of CPA). According to the ESA95 new transmission program, all member states are obliged to submit to EUROSTAT the SUT on a yearly basis particularly, in year T the SUT for year T-3 will have to be transmitted. Furthermore, the new transmission program also establishes the minimum level of detail to be reported (60 products and 60 industries) and the obligation of producing a symmetric table every five years. Obviously the Slovak TSA will benefit from these statistical requirements and from the reduction in the timeliness.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

The Central Bank of Slovakia is the institution in charge of compiling the Balance of Payments, whose estimation of the travel item is basically based on the "Bank Report System" combined with some additional sources of information concerning means of payments and tourism expenditure statistics. The commercial banks are obliged to report to the Central Bank information on the transactions between resident and non-residents. These transactions are classified according to the nature of the transaction, being tourism one of the possible codes. Apart from the code devoted to tourism, the Central Bank uses information on the exchange of currencies and also on the utilization of credit cards issued by non-resident banks. As supplementary sources of statistical information it is worth mentioning those that are carried out by the NSI: frontier border survey, household tourism survey and the survey to tourism services providers. Travel item is specified under the item of export/import of services in BoP data.

## **2.7 The measurement of timeshare tourism**

The relevance of timesharing in the Slovak economy is rather limited, for this reason an explicit estimation of this phenomenon has not been carried out. Furthermore, at the present situation of the implementation of the TSA, there are some other more significant issues to tackle, whose incidence in the tourism estimations are much more important. Instead of timeshare, the phenomenon of the second homes ownership (mostly cottages) in the Slovak Republic is well known and is expanded.

## 2.8 Availability of new surveys in the near future

In the future provision is made to improve the existing surveys or to develop new sources of statistical information, aiming at filling some of the more significant current information gaps. On the one hand, some efforts will be devoted to ameliorate and increase the level of detail of tourism expenditure by products on the surveys addressed to Slovak residents as well as foreign visitors. At present the statistical sources fail at providing information on tourism expenditure with the detail of products recommended by the international methodologies. This is an important limitation that hinders the supply and demand balancing because of the scarce information available. On the other hand, the present sources of information on domestic tourism cannot provide data on same-day visitors. Consequently, due to the relevance of these short trips in Slovakia, the estimation of the expenditure carried out by same-day visitors is considered as one of the main priorities to be broached in the TSA estimation process. To this aim, it is planned to improve the domestic tourism survey by introducing some additional questions on same-day visits, or to undertake a specific investigation to fill this lack of information.

## 3 The handling of TSA specific problems

### 3.1 Consideration of the services of travel agencies and tour operators "net"

In the pilot demand tables package tours were valued on a gross basis, which is in line with National Accounts valuation principle, and thus no adjustment in the consumption structure by products has been undertaken to apply the net valuation of package tours, as proposed by the international TSA methodologies. Nevertheless, during 2008, the net valuation of package-tours on the exploratory tables was applied, using the Structure Business Statistics (SBS) data of the Slovak Republic. To make the corresponding adjustments, the SUT had to be modified, by changing intermediate consumption to final consumption and reducing production in the same amount, so the GVA of tour-operator industry has remained unchanged. Most of the pieces of information needed to make these adjustments are already available in the SUT themselves. In fact these pieces of information have been previously required to estimate the production and generation of income accounts for the tour-operators industry.

### 3.2 Consideration of the distribution margins

In the demand tables that have been already estimated as an exploratory exercise, tourism consumption is valued at purchasers prices.. In fact, this is a National Accounts issue, due to the fact that prior to the supply and demand balance within the scope of the SUT, estimates of the net taxes on products and trade margins by final uses (intermediate consumption, households consumption, gross fixed capital formation etc.) have to have been previously solved, given that according to National Accounts methodology demand variables are valued at purchasers prices while supply ones are valued at basic prices. In the Slovak TSA distribution margins are measured and estimated separately and are recorded in retail trade (i.e. connected) industries.

### 3.3 The Treatment of “second homes”

The Slovak TSA uses data from National Accounts on imputed rent of owner-occupied home services to estimate the imputed rent of second homes. A cost method of calculation is used in this process. In order to do this, National Accounts data are complemented with information from the household side for being able to know the use of the second homes. Nonetheless, not every visit to secondary dwelling is considered to be tourism activity.

### 3.4 The measurement of tourism business expenses

The Slovak surveys on tourism addressed to resident households some specific questions referred to the business trips made on behalf of their employers both within Slovakia (domestic business trips) and abroad (outbound tourism consumption). Business trips are also included in border survey. With this information it is possible to obtain estimations on the expenditure on some tourism characteristic products by type of tourism. However, it should be noticed that most of the expenditure on business trips should be recorded from the National Accounts perspective as intermediate consumption of the resident production units. In consequence, it is rather likely that the intermediate tourism consumption of the most relevant tourism products (passengers transport, hotels, travel agencies, etc) be linked to business trips. In this sense, National Accounts could be also considered as an information source to estimate business trips. For the time being business trips cover trips with at least one overnight stay; no same-day business trips are collected or estimated in the Slovak TSA.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Concerning table 1, which measures inbound tourism consumption, the most updated table is referred to the year 2006 and the structure is very much in line with TSA-MRF table 1. On the one hand, the Slovak table 1 distinguishes between the expenditure made by same-day visitors and by tourist. In this respect, it should be borne in mind that, due to the central location of the Slovak Republic, same-day visitors are rather relevant both in terms of physical flows (almost two thirds of the total number of visitors are same-day visitors (including transit)) as well as in monetary terms (the expenditure of same-day visitors accounts for about 19 per cent of the total inbound tourism consumption). On the other hand, regarding the product classification used in table 1, the products listed are quite similar to the breakdown proposed by TSA-MRF table 1, the only deviation concerns cultural, and sport and recreational services that are considered as a single tourism product instead of two different products. Moreover, the Slovak exploratory version of table 1 includes also the categories tourism characteristic products and tourism connected products.

The sources of information used to estimate inbound tourism consumption are numerous. Firstly the inbound border survey which has been discontinuously conducted in period 2003-2005 and 2007. This survey is able to provide information by purpose of the trip (being "business trips" one of the purposes listed), category of visitor, and/or by type of accommodation. Unfortunately, there is no information by means of transportation used to arrive in the Slovak Republic. Secondly the travel item of the Balance of Payment which uses,

in its turn, some of the sources utilized to compile table 1: the border survey, the survey of travellers at accommodation establishments and the survey of tourist providers. Inbound tourism consumption by type of visitor and by product is calculated as average expenses per person and day multiplied by average number of overnight stays. Total number of visitors going to the Slovak Republic is estimated using data from accommodation establishment statistics.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

The exploratory Slovak version of table 2 differs from the one proposed by the TSA-MRF on the categories of visitors. The breakdown between tourist and same-day visitors is not applied, mainly because the statistical measurement of the expenditure of the latter by products has not been undertaken yet. The estimations of domestic same-day visitors pose many statistical problems and, accordingly, the quality of these estimates is rather limited. At the present state of art of the Slovak TSA domestic same-day visitor expenditure is not deemed as a key issue and the efforts are devoted to other more relevant aspects of the TSA. Concerning the products considered in table 2, it should be underlined that the level of detail in table 2 is identical with table 1. Accommodation services are split into hotels and second home services, passenger transport services are not broken down by mean of transport and cultural, sports and recreational services are published within the only one category. Fuel and other goods are distinguished within the connected products. The expenditure of same-day visitors, as mentioned before, is not included in the estimates of table 2. Domestic tourism consumption of Slovak residents is differentiated between the purpose of the trip (two categories are taken into account: on holidays and business trips).

For estimating table 2 many different sources have been used, being the most relevant one the resident household survey called "Survey of holiday and business trips", information from the supply side (such as accommodation establishments survey), and data already available within National Accounts framework as the household final consumption and the output of those products whose demand is totally related to tourism phenomenon (basically accommodation services, some passenger transport and travel agencies). Finally, regarding the incorporation of domestic tourism consumption linked to outbound trips, it should be underlined that, although no questions are posed on this aspect in the surveys the expenditures on the most relevant products are implicitly included within the domestic tourism consumption estimates. The redistribution of that part of expenses paid in the Slovak Republic provided by non-resident units (firms) is estimated.

#### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The Slovak table 3 follows exactly the same structure than table 2: It has the same level of detail by products and by category of visitors (breakdown in visitors on holiday trips and on business trips). Concerning the tourism characteristic products, five categories have been taken into account: accommodation services, passenger transport services, food and beverage serving services, travel agency and tour-operator services, and other services. Moreover, fuel and other goods are separated as the connected products. Similarly to table 2, the estimates of table 3 do not include the expenditure carried out by same-day visitors. The debits of the travel item of the Balance of Payments are estimated by using, among some other sources, a frontier survey and a resident household survey on tourism that are also utilized to compile table 3.

#### 4.4 Estimating same-day visitors expenditures

As explained in the previous points, only expenditure related to inbound same-day trips has been broached in the Slovak exploratory demand tables. The reason for estimating the total number of inbound same-day visitors and their expenditure by products is owed to the high relevance of this sort of trips in the Slovak economy, as a consequence of its central geographical location (it should be borne in mind that same-day visitors accounts for almost two thirds of the total inbound arrivals and in monetary terms about 19 per cent of the tourism revenues are generated by these visitors). The estimates related to inbound same-day visits are based on the information provided by the inbound frontier survey combined with some other sources of information, such as the survey on tourism providers, a sample survey on visitor destinations, etc. Domestic same-day visitor expenditure might be relevant in relative terms to total domestic tourism consumption, notwithstanding that the household tourism survey does not collect, for the time being, any information on same-day visits, due to the statistical difficulties that the estimation of these short trips poses. Outbound same-day visitor consumption is neither estimated in the exploratory table 3. In this particular case, this expenditure is irrelevant for measuring the impact of tourism in the Slovak economy, since the demand linked to this expenditure is satisfied by non-Slovak production units.

#### 4.5 TSA-table 4: Internal tourism consumption by products and types of tourism

The level of detail by products in table 4 depends obviously on the products that have been considered in tables 1 and 2. Therefore, the maximum product detail that table 4 is able to provide is the following products breakdown: accommodation services, passenger transport services, food and beverage serving services, travel agency and tour-operator services, other services, and connected products as fuel and/or other goods). At present table 4, as all the exploratory demand tables, have been compiled at purchasers' prices and package-tours are valued on a net basis. The presented Slovak table 4 does not include a column devoted to other components of visitor consumption (tourism transfers in kind and tourism business expenditure), although it should be recalled that domestic tourism consumption includes implicitly the expenditures on business trips.

### 5 The TSA tables for production and supply and use

#### 5.1 TSA-table 5: Production accounts of tourism industries and other industries

Basic source for the compilation of TSA table 5 are detailed data from NA which are conducted mainly using structure business surveys. The supply and use tables are being reconciled at 2 digit-level of NACE and CPA classification (more accurately at level of 60 industries and 60 products). Moreover, not disseminated version is broken-down by 4 digit-level of products according to CPA classification (about 400 products). Unfortunately, industries are not available (officially) version broken-down in more detail (in case of travel agencies/operators (NACE 63.30) the basic data were used). Additional adjustments of data of other industries (55, 60, 92) need to be done. For all that, the characteristic and connected industries and products are chosen following the recommendation in the TSA-RMF manual.

Table 5 is compiled in common recommended way; even intermediate consumption is split into the components. Trial year is 2005.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

A structure of TSA table 6 in the Slovak TSA follows a recommendation in the TSA-RMF document. It is extension version of TSA table 5 and therefore it suffers from the same weaknesses as table 5 (i.e. insufficient breakdown of activities).

### **5.2.2 General characteristic of the data**

Data in supply tables are at the same level of detail as for table 5; data in final use tables (i.e. taxes, subsidies, import) are not distinguished by particular industries. They are aggregated as far as industries concerned but at detail level as for products. Connected as well as non-specific industries/products are put together to separate columns and rows. Then, a calculation of the share of internal tourism consumption is done for each industry/product or for their groups.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

Tourism gross value added is calculated on the basis of tourism share of internal tourism consumption in supply of each product. The same shares are applied to total gross value added of characteristic industries on 2 digit-level. So, the tourism gross value added can be measured for each industry and for total economy as well. Since the net tourism taxes (i.e. taxes less subsidies on tourism products) can be measured separately the tourism gross domestic products could be estimated.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

The exploratory estimation of employment in the tourism industries has been already undertaken. The Slovak Labour Accounts and Labour force survey are the main sources of information for compilation of this table. Figures are arranged by tourism characteristic industries. Connected and non-specific industries are not set up. Data will be available in division into employees and self-employed people.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Compilation of table 8 has not been carried out. However, the sources of data have been tested and the future cooperation with National Accounts Department in this respect has been established. Since there is not a clear guideline on treatment of gross fixed capital formation in the international methodologies the estimation of this element is not a top priority.

### 6.3 TSA-table 9: Tourism collective consumption

As in the international methodologies there is not a precise recommendation on the recording of tourism collective consumption, the compilation of table 9 will be tackled in future stages of the TSA implementation project.

### 6.4 TSA-table 10: Non monetary indicators

At present, all the efforts of the Slovak TSA team are focused on the compilation of the core set of TSA tables. However, the Slovak TSA will systematically relate tourism consumption with number of trips, number of overnights, final household consumption expenditure as well as with the average expenditure by trips and overnights. At present, the pilot version provides information on overnights and number of visitors (table 10a). Average expenditures are not obtained but it can be easily calculated. The formation of sub-tables 10b-d has not been planned up to now.

### 6.5 Other tables beyond the 10 RMF-TSA-tables

At present, all the efforts of the Slovak TSA team are focused on the compilation of the core set of TSA tables. Other tables or additional tables about description of economic significance of the tourism industry are not published.

### 6.6 The general benefit of the country TSA and main problems in the compilation of the TSA

Benefits of the TSA compilation cannot be observed yet. A statement about the main problems is also not possible so far.

## 7 TSA country results

Due to the fact that the data set for the year 2005 is more complete, the attached table (par. 7.7) contains the results for this year.

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

The most outstanding result of table 1, which has been already commented, is the extremely high relevance of same-day visitors both in physical and in monetary terms: Over a total number of approximately 17 mn visitors, almost 11 mn are same-day visitors. Regarding the monetary flows, about 19 percent of the tourism revenues in 2006 are owned to same-day visitor consumption. Total inbound visitor consumption amounted to 1879 mn Euro. Another unexpected result is the high expenditure on the non-tourism specific products that accounts for over 20 percent of the total tourism revenues. This result may indicate that there might be a product highly demanded by non-resident visitors, which has not been classified as tourism specific product. In this case, it would be advisable to consider the product concerned as a tourism characteristic product.

## **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Domestic tourism consumption by products is split in business and holiday tourism consumption whereas the former accounts for over 25 percent of total tourism consumption and the latter for the remaining 75 percent. As such total domestic tourism consumption summed up to 1402 mn Euro. Among the products, passenger transport services (there is not information available by means of transport) is the most demanded one, around 30 percent of the total domestic tourism consumption. On the contrary, the relevance of accommodation services and food and serving services is quite low, 17 and 15 percent respectively. Finally, the category "other goods", that includes non-tourism characteristic products accounts for over 18 percent of total domestic tourism consumption (in comparison to over 20 percent for inbound tourism (see previous point)).

## **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

In 2006 outbound total tourism consumption added up to 1122 mn Euro of which about 20 percent is related to business trips of Slovak residents abroad and 80 to outbound holiday trips. An unexpected result is the fairly low demand of passenger transport services in comparison with the demand of this product in table 2. While passenger transport services take a part of 30 percent in total domestic tourism consumption, the same services account for mere 15 percent in the case of the outbound tourism.

## **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Total internal tourism consumption adds up to 3281 mn Euro (including imputed rent) in 2006, of which 44 percent is linked to domestic tourism consumption (1402 mn Euro), and the remaining 56 percent (1879 mn Euro) is due to inbound tourism consumption. The most demanded products, apart from the category non-tourism characteristic products commented in point 7.1, are passenger transport services, which accounts for about 21 percent of the total internal consumption, food and beverage serving services (almost 17 percent) and accommodation services (19 percent).

## **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

Table 6 was not yet calculated for the year 2006. In 2005 tourism internal consumption amounted to 3041 mn Euro. 2128 mn Euro (70 percent) can be assigned to characteristic products, 913 mn Euro (30 percent) to connected and non specific ones. Main parts of expenditures on characteristic products were spent on passenger transport services (32 percent), accommodation services (26 percent) and food and beverage serving services (25 percent). Tourism gross value added totalled 935 mn Euro in 2005.

## **7.6 TSA-table 7: Employment in the tourism industries**

Table 7 was not compiled.

## 7.7 Country specific TSA data sheet

|   |                    |                  |                 |
|---|--------------------|------------------|-----------------|
| Reference year of following TSA-Tables  | 2005               |                  |                 |
|   | in mn Euro         |                  |                 |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                    |                  |                 |
| Total inbound tourism consumption   |                    |                  |                 |
| same-day visitors   | 326                |                  |                 |
| tourists  | 1373               |                  |                 |
| all visitors  | 1700               |                  |                 |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                    |                  |                 |
| Total domestic tourism consumption  |                    |                  |                 |
| same-day visitors   | 0                  |                  |                 |
| tourists  | 0                  |                  |                 |
| all resident visitors   | 1341               |                  |                 |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                    |                  |                 |
| Total outbound tourism consumption  |                    |                  |                 |
| same-day visitors   | 0                  |                  |                 |
| tourists  | 0                  |                  |                 |
| all visitors  | 1091               |                  |                 |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                    |                  |                 |
| Total internal tourism consumption (T1 & T2)  | 3041               |                  |                 |
| Total internal tourism consumption (in cash and in kind)  |                    |                  |                 |
| including tourism business expenses   | 3373               |                  |                 |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 0                  |                  |                 |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                    |                  |                 |
| <b>Internal tourism consumption by products</b>   | <b>3041</b>        |                  | T-ratios (in %) |
| A.1 Characteristic products   | 2128               |                  | 0               |
| 1 Accommodation services  | 564                |                  | 0               |
| 2 Food and beverage serving services  | 530                |                  | 0               |
| 3 Passenger transport services  | 674                |                  | 0               |
| 4 Travel agency, tour operator and tourist guide service  | 77                 |                  | 0               |
| 5 Cultural services   | 83                 |                  | 0               |
| 6 Recreation and other entertainment services   | 120                |                  | 0               |
| 7 Miscellaneous tourism services  | 79                 |                  | 0               |
| A.2 Connected products & B. Non specific products   | 913                |                  | 0               |
| <b>Total final consumptions by private households (national)</b>                                  | <b>27692</b>       |                  |                 |
| <b>Total Output (national)</b>  | <b>110503</b>      |                  |                 |
| <b>Total Output of activities</b>   | <b>0</b>           | GVA              | T-shares (in %) |
| 1 Hotels and similar  | 0                  | 0                | 0               |
| 2 Second home ownership (imputed)   | 0                  | 0                | 0               |
| 3 Restaurants and similar   | 0                  | 0                | 0               |
| 4 Railways passenger transport  | 0                  | 0                | 0               |
| 5 Road passenger transport  | 0                  | 0                | 0               |
| 6 Water passenger transport   | 0                  | 0                | 0               |
| 7 Air passenger transport   | 0                  | 0                | 0               |
| 8 Passenger transport supporting services   | 0                  | 0                | 0               |
| 9 Passenger transport equipment rental  | 0                  | 0                | 0               |
| 10 Travel agencies and similar  | 0                  | 0                | 0               |
| 11 Cultural services  | 0                  | 0                | 0               |
| 12 Sporting and other recreational services   | 0                  | 0                | 0               |
| Tourism connected & non specific industries   | 0                  | 0                | 0               |
| <b>Total Value Added (national)</b>   | <b>43814</b>       |                  |                 |
| <b>Tourism Valued Added</b>   | <b>935</b>         |                  |                 |
| TSA-table 7: Employment in the tourism industries (in number of persons)                          |                    |                  |                 |
|   | employed employees | female employees | male employees  |
| <b>Total employment in the tourism industries</b>   | <b>0</b>           | <b>0</b>         | <b>0</b>        |
| 1 Hotels and similar  | 0                  | 0                | 0               |
| 2 Second home ownership (imputed)   | 0                  | 0                | 0               |
| 3 Restaurants and similar   | 0                  | 0                | 0               |
| 4 Railways passenger transport  | 0                  | 0                | 0               |
| 5 Road passenger transport  | 0                  | 0                | 0               |
| 6 Water passenger transport   | 0                  | 0                | 0               |
| 7 Air passenger transport   | 0                  | 0                | 0               |
| 8 Passenger transport supporting services   | 0                  | 0                | 0               |
| 9 Passenger transport equipment rental  | 0                  | 0                | 0               |
| 10 Travel agencies and similar  | 0                  | 0                | 0               |
| 11 Cultural services  | 0                  | 0                | 0               |
| 12 Sporting and other recreational services   | 0                  | 0                | 0               |
| <b>Total Employment (national)</b>  | <b>0</b>           |                  |                 |

SK



SI

Country report for Slovenia



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

At the beginning of the 1980ies tourism was already recognized as an important economic sector in Slovenia, when the first strategic plan of tourism development was prepared. This plan was based on empirical findings of Input-Output (IO) analysis and corresponding multipliers of overall economic effects of tourism. In 1999 empirical studies of tourist consumption pointed that official tourism statistics (limited mainly to non-monetary indicators, i.e. physical indicators such as guest nights) cannot provide a valid picture of economic size of this sector and its impact on economy. Slovenian Tourism strategy 2002-2006 stressed the importance of systematic monitoring of economic importance of tourism on economy with particular attention to TSA methodology. Consequently, the Slovenian government financed a feasibility study of TSA implementation in 2001 for the reference year 2000. In 2003, Ministry for Economy started the "Implementing TSA in Slovenia project" for 2000 which featured close cooperation between Ministry for Economy, Ministry for Education, Science and Sport, Statistical Office of the Republic of the Slovenia (SORS) and the International Tourism Institute, as a contractor. The project was co-financed by the European Commission and Slovenian government. Tables 1, 2, 4, 5, 6, 7 and partially 10, mainly at aggregate level were developed. Ministry for Economy has decided to continue with TSA work, and supported the compilation of a TSA for Slovenia for the reference year 2003 and the extrapolation of these results for the year 2006 (SI TSA 2003), therefore. In this project all basic TSA tables were developed for 2003, except T8 and T9. Both direct and indirect effects were calculated, using input-output tables of the Slovenian economy. The data reported in the questionnaire however, cover only direct effects. The Statistical Office of the Republic of Slovenia is going to carry out the TSA project as part of its programme of work beginning in 2010 or 2011 with the TSA tables for the year 2009. (Frequency: 3 years period).

#### 1.1.2 Experience in TSA compilation

After the initial phase of Slovenian TSA 2000, the development of Slovenian TSA 2003 reached a level of full-fledged TSA. This is proven by a highly harmonized methodology with the existing TSA Manuals and their methodological requirements (mainly the "Recommended Methodological Framework on TSA" (TSA-RMF) and the "European Implementation Manual on TSA" (EIM)) as well as a complete TSA Standard table 6. When developing Slovenian TSA 2003, the highest priority and research attention was also given to appropriate methodological treatment of specific features of tourism in Slovenia in order to provide valid, relevant and quality results for decision makers and researchers in Slovenia and internationally. The principal features of tourism in Slovenia are: diversified (heterogeneous) tourist supply alleviating seasonal peaks, some specific tourist product developed (gambling), geographically small size and easy accessible country with open borders with a high number

of transit and same-day visitors, relatively high propensity of residents to travel abroad. These characteristics required innovative methodological approaches and additional data collection beyond the traditional statistical resources. As a starting point Slovenian TSA 2003 exploited Slovenian TSA 2002 which was considerably upgraded by using additional and more advanced methods and data.

### **1.1.3 Responsibility of the TSA compilation**

The project was conducted under the main responsibility of Ministry for Economy, the Directorate for Tourism and the Institute for Socioeconomic and Business Evaluation, Faculty of Economics University of Ljubljana as a contractor. Other partners (SORS, Slovenian Tourist Board, Bank of Slovenia and Institute of Macroeconomic Analysis and Development) contributed to the project furthermore, other experts were also consulted.

## **1.2 The inter-institutional platform**

A "Project Advisory Committee" (PAC) was set-up in order to supervise project activities and give expert guidance. The Committee was led by the Head of Directorate for Tourism and composed by representatives of the Ministry for Economy, SORS, the Bank of Slovenia, the Slovene Tourist Board and the Institute of Macroeconomic Analysis and Development as well as partners from the Tourism and Hospitality Chamber. The Members of the Committee met several times during the project, dealing with various issues of development of Slovenian TSA 2003 methodology and other related questions.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

Currently the following documents are available on the web site of the Ministry for Economy. [http://www.mg.gov.si/si/delovna\\_podrocja/turizem/raziskave\\_in\\_razvoj/](http://www.mg.gov.si/si/delovna_podrocja/turizem/raziskave_in_razvoj/): presentation of the concept of TSA and main results for Slovenian TSA 2003 (18 slides and 17 slides), both in Slovenian language summary description of the project in Slovenian language, 5 pages, and in English, 7 pages. Related to Slovenian TSA 2003 detailed TSA-standard tables are not published, but these tables can be obtained by request.

### **1.3.2 Responsibility for the dissemination**

The dissemination is under the general responsibility of the Ministry for Economy which launched several actions in order to promote a general knowledge about TSA and achievements in Slovenia. Among other actions, a successful workshop "Measurement of economic impact of tourism" in the countries of "Central European Initiative" (CEI) was organized in October 2007. Results of the Slovenian TSA 2003 project were also presented to various stakeholders of tourism in Slovenia in various occasions.

### **1.3.3 Content of the publication**

A paper version of the Slovenian TSA 2003 will be published in June 2008. Presently, the publication is at the stage of technical editing. The publication is designed as a shortened version of the final project report of Slovenian TSA 2003. It will consist of the following chapters: introductory explanation of TSA analysis of the direct impact of tourism (by number

of visitors and of overnights) internal tourist consumption outbound tourist consumption tourism employment output and tourism value added (TVA) overall economic impact of tourism international and time comparison of tourism. Furthermore, key methodological explanations and all filled in standard TSA-tables will be included. The publication will be written in Slovene language, an English summary with tables will supplement the publication.

#### **1.3.4 Level of detail of the publication**

The publication will have about 100 pages, and available free of charge on internet. It is important to mention that all tables will be published as originally developed. Information on data sources used will be presented in a list, and not classified by assessed categories.

#### **1.3.5 Publications**

Ministry of the Economy (2004): Implementation of TSA in Slovenia.

Ministry of the Economy (2008): Economic Importance of Tourism in Slovenia in 2003 and Extrapolation of trends to 2006.

<http://www.stat.si>

<http://www.slovenia.info>

[http://www.mg.gov.si/si/delovna\\_podrocja/turizem/raziskave\\_in\\_razvoj/](http://www.mg.gov.si/si/delovna_podrocja/turizem/raziskave_in_razvoj/)

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

As a basic classification for the compilation of the TSA tables international standard classifications are used (TCP/CPA, TCA/NACE), mainly broken down to the 2-digit level. Only "sport and recreational service" - "gambling industry" is classified as a separate item. Services of travel agencies and of tour operators are not shown separately nautical marinas are treated as accommodation services and not as sport and recreational ones. Since data on tourist consumption collected by official statistical, surveys on tourism are not classified accordingly to this classification, other data sources were used. In order to harmonize these data with the standard classifications different procedures were used.

### **2.2 Measurement of domestic tourism expenditure**

Domestic tourism expenditure was indirectly measured, via the production side. In principle, data on production/supply for each type of domestic services were collected then the share of domestic consumption by categories of tourists was assessed, using different data and methods. As a main source, data on production value from SUT tables were used at the level of group industries (3-digit level - for accommodation services, food and beverage serving services, water transport services, travel agency services). Data on turnover, taken from the database of business reports were used for the assessment of road transport services, passenger transport equipment rental and maintenance service of passenger transport. For railway services, cultural and sport services, gambling industry and air transport additional

secondary data were collected from enterprises. Services in kind (secondary homes, social transfers) were assessed. A special methodology was developed for measuring the consumption of gasoline as a tourism connected product of high importance. For other tourism connected products (food and beverage, telecommunication and photo services) data from surveys were taken or estimated.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

The compilation of Slovenian TSA 2003 follows the recommendation that the "usual environment consists of the direct vicinity of home and place of work or study and other places frequently visited". The implementation of this principle does not present a problem for identification international visitors (criteria - border crossing). Problematic is a frequent travelling abroad of resident people living in the vicinity of a border. Moreover, the separation of resident tourists and other residents is difficult, consequently the distinction between tourism and non-tourism consumption. With this regard official statistics applies criteria of frequency (less than 10 trips in the period of three months) and minimum distance (25 kilometres) in the quarterly survey travel of resident population. In preparing Slovenian TSA 2003 these criteria were considered too arbitrary and mechanical, so that the distinction between trips of resident visitors and other non-tourism trips is based mainly on expert estimates (cultural, sport services), secondary data (number of permanent tickets indicating important share of resident visitors of swimming pools) or primary data collected by ad hoc surveys (gambling), therefore.

#### **2.3.2 Business visitors and the fact of being remunerated**

Business visitors who are remunerated at the place visited are not treated separately in Slovenian TSA 2003 and consequently their expenses are not excluded. The compilers of TSA consider that the number of international visitors being remunerated in Slovenia is negligible. Resident business visitors are all counted as tourists regardless who covers their expenses at the place visited. Although it is admitted that the share of resident business visitors travelling and being reimbursed abroad is increasing, the absence of reliable data prevented to introduce this distinction into TSA compilation.

### **2.4 The scope of tourism consumption expenditure**

In principle, the scope of tourism expenditures is measured according to TSA-RMF regardless the time of realisation (before, during, after the trip) and nature of payment. However, pre-trip expenses and high value items of single-purpose and multi-purpose consumer durable goods are not covered in the TSA 2003. Post-trip expenses are covered partially (photography services). We see the opportunity to improve coverage of tourism expenditure by including official statistics data on expenditure for some items of single-purpose consumer durable goods (e.g. mobile homes, caravans, boats).

### **2.5 Implementation of SNA93 based National Accounts results**

The key link between Slovenian TSA 2003 and SNA 93 is built by Supply-Use Tables (SUT). According to the regulation on implementation of European national and regional accounts 1995 SUT tables have to be compiled yearly and symmetric IO tables for every five years.

Currently, data for 2005 are available for SUT and for IO tables in Slovenia. Data are published for 30 industries (sections and subsections of NACE rev.1 and CPA). For Slovenian TSA 2003 SORS is providing more detailed data (60 industries and products for several industries/products data at compilation level of 230 industries and 260 products was made available for TSA reason). Industries are defined as groups of enterprises with the same principal activity. Detailed methodological explanations could be found at [http://www.stat.si/eng/metodologija\\_pojasnila.asp?pod=3](http://www.stat.si/eng/metodologija_pojasnila.asp?pod=3). The part of the expenditure side of NA, which is relevant for TSA is "Final Household Consumption Expenditure" (FHCE). National statistics disseminate FHCE data according to the COICOP classification (at 3 digit level) see: [http://www.stat.si/eng/tema\\_ekonomsko\\_nacionalni\\_bdp1.asp](http://www.stat.si/eng/tema_ekonomsko_nacionalni_bdp1.asp) These data were not exploited for TSA compilation, although they could serve (at least) as a tool for plausibility checks of used data.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

The Balance of Payments (BoP) is compiled by the Bank of Slovenia on the basis of the 5th edition of BPM, issued in 1993 by IMF. Data on travel - used for Slovenian TSA 2003 - were based on monthly available data on transactions (taken from "International Transaction Reporting System") combined with estimates of buying foreign currency and cheques from non-residents, estimates for expenses for trips abroad (separately for Croatia) and for cross border shopping. From 2006 onwards a new methodology is used based on statistical surveys of non-resident tourists and trips of the resident population, survey of tourist arrivals and overnights, and the number of border crossings.

## **2.7 The measurement of timeshare tourism**

Time share tourism is disregarded in Slovenian TSA 2003. The reason is very modest development of this type of tourism in Slovenia.

## **2.8 Availability of new surveys in the near future**

The mid-term programme of official statistics 2008-2012 does not foresee new surveys for tourism. The main orientations of tourism statistics in Slovenia is further harmonization with the new EU regulation on tourism statistics (which also recognizes the importance of TSA), improved data quality and reducing response burden. With this regard several amendments will be implemented into the existing surveys on tourism: more detailed expenditure breakdown for resident and non-resident visitors distinction between same-day visitors and overnight tourists in surveys on non-resident tourists surveys on non-resident tourist will be carried out in different periods of the year and not only in the summer season survey on operating income and expenditures for travel agencies which was carried out in 2003 will be implemented on regular basis methodological revision of item travel in BoP (already in force from 2006) the harmonization of culture statistics and a survey on selected tourist sights in order to remove duplicate collection of the same data. The Slovenian Tourist Board will continue to perform ad hoc surveys for specific tourist groups (hiking and mountaineering, spa tourists, etc).

### **3 The handling of TSA specific problems**

#### **3.1 Consideration of the services of travel agencies and tour operators "net"**

In the frame of tourism demand travel agencies are the intermediaries in the purchase of tourist services (food, accommodation, transport), including some additional characteristic tourist services. The TSA methodology requires the separate treatment of additional tourist services, provided by the industry of tourist agencies. The "net contribution" of tourist agencies and tour operators for Slovenian TSA 2003 was assessed by SUT data on supply of travel agencies. The "net contribution" of travel agencies in the total supply value was estimated by using data taken from business reports. These estimates were validated in interviews with professionals from travel agencies and tour operators. The net value of services of travel agencies and tour operators was allocated among different categories of tourists on the basis of data, which were taken from statistical surveys of Slovenian travel agencies (TU - AGEN). It has to be noted that SORS performed a special (non-regular) survey, so-called TU-14 - P with a sampling frame of all licensed tourist agencies and tour operators for 2003. In this way, also units with travel agencies services as secondary activity were captured. This is - in our view - the main reason for divergence between the Slovenian TSA 2003 estimate of net value for travel agencies (31.2 mn Euro) and the survey data (36.7 mn Euro).

#### **3.2 Consideration of the distribution margins**

The treatment of goods in tourism supply requires the decision, which part of the purchase price should enter the calculation of tourism value added and other aggregates. The calculation of value added can take into account either total value of a product or only the margins of the intermediaries. TSA-RMF does not give decisive advice and leaves the solution to the countries. Since Slovenia is a small and highly open economy with a significant share of imports the arbitrary decision was taken for Slovenian TSA 2003 to treat all goods as imported ones and consequently account for intermediaries margins only the respective data were taken from SUT tables. This solution could be justified by the considerable share of fuel among value of supplied goods. Nevertheless, future TSA compilation should examine the share of imported goods (particularly food) in total supply.

#### **3.3 The Treatment of "second homes"**

The value of domestic consumption of services, provided by secondary homes was measured through imputed rents. The starting point for estimation was national accounts data on total value of imputed rents for households. The total value of imputed rents was reduced by the share of surface of "leisure and recreational houses" related to total surface of dwellings (2.8 percent). The data on dwelling surface were taken from "Population and Housing Census 2002".

#### **3.4 The measurement of tourism business expenses**

Methodological information on business expenses in Slovenian TSA 2003 is rather scarce and incomplete. The need for inclusion of business expenses as a part of tourist consumption is emphasized in the report and also the note is given that business expenses were not taken into account when computing indirect effects of tourism (since business expenses are part of intermediate consumption in SNA). According to the compilers of Slovenian TSA 2003 data

from quarterly statistical surveys on travel of the resident population, from surveys on non-resident tourists and from database of business records were used for assessing scope of domestic business travel.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Table 1 corresponds to the respective recommendations in terms of the definitions used and the applied classifications scheme. Some minor deviations have been noted regarding classification of products (See 2.1) but this does not change statement of respective compliance. Data on inbound tourist consumption were primarily derived from the estimates on domestic tourist consumption, using various methods and data sources for identification the number of non-resident visitors or their share in total consumption (see 2.2). Special attention was paid to measure separately the number and consumption of the same-day visitors and the transit visitors as a baseline data source a survey on cross border traffic was used. This allowed a distinction between overnight tourists and same-day and transit tourists. The number of transit visitors was estimated on the basis of the administrative evidence of border crossings. For transit visitors and other categories of visitors data on consumption of gasoline, road tolls and convenience shopping was estimated using the combination of various data sources (from Highway authorities, from petrol companies, from research on travel flows and habits in Slovenia) and special estimation techniques designed for Slovenian TSA 2003.

### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Table 2 in Slovenian TSA 2003 summarises domestic consumption in the way as required by TSA-RMF using standard definitions and TCA (NACE)/TCP (CPA) classification (mainly at 2 digit level). The distinctive feature of this table is an expenditure breakdown by same-day visitors and tourists into two groups: resident visitors travelling within a country and those travelling to a different country. The main data sources for division of these two groups of resident visitors were the survey of Slovenian travel agencies and quarterly survey on travel of resident population. However, the key challenge for the compilation of Table 2 was how to delineate same-day visitors' consumption (outside usual environment) from residents' consumption (inside their usual environment) by type of tourist services. This exercise is specially complicated for food and beverage serving services, cultural services, sport and recreational services. Since no appropriate official statistics data are available, various data sources and methods were used by groups of services. For instance: data on expenditures for cultural services were estimated using the data from a survey on visit of selected tourist sights for resident and non-resident visitors together with direct information of operators on admission fees and related tourist expenses. The share of same-day visitors was calculated using information from another survey, carried out by Slovene Tourist Board. The key data for measuring tourist expenses for food and beverage services were the difference between turnover per capita in restaurants in tourist and non-tourist municipalities. The categorisation of municipalities was carried out on the basis of number of yearly tourist overnights.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The main data source for compilation Table 3 was the survey on travel of resident population. Since this survey does not provide outbound expenditure data according to the TCA (NACE)/TCP (CPA) classification, table 3 gives only a rough picture of the total and by broad service groups. Total sum of outbound tourism consumption was checked by data from BoP. The estimate for outbound consumption for same-day visitors is based on the share of number and expenditures of same-day resident visitors, travelling abroad for 2006, since these data are collected by a survey on travel of resident population from 2006 onwards. The breakdown by main TCA/TCP groups was done on the basis of outbound consumption structure for Switzerland (in the absence of other data). The compilers of Slovenian TSA 2003 consider the reliability of outbound tourism consumption data by groups as questionable.

### **4.4 Estimating same-day visitors expenditures**

Expenditure of same-day resident visitors travelling abroad was primarily estimated using data from quarterly surveys on travel of resident population (see 4.3). For estimating expenditure of same-day visitors travelling within the country a variety of methods and data sources were used: for instance, for railway and water transport services and some others, share of expenditure of same-day visitors in total tourist expenditure in the country was estimated, mainly with assistance of experts. For certain services (cultural services, gambling, air) additional data on expenditure were collected from companies and associations. More comprehensive estimation methods were developed for some important connected products (gasoline, food and beverage in retail) and non-specific products (general retail). The expenditure of tourist services for inbound tourism consumption was estimated similarly (see 4.1).

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Being the integration of the TSA tables 1 - 3, table 4 traces all methodological features of its component tables. The additional part represents data on other components of visitors' consumption. Following the TSA-RMF, these components relate to visitors' final consumption in kind, tourism social transfers in kind and business tourism expenses. Review of table 4 in Slovenian TSA 2003 discovers that non-cash component of tourism consumption are covered by a few components only: second homes services on own account or for free (see 3.3) and cultural services. The size of tourism social transfers in kind is estimated by the data on amount of subsidies granted by the Ministry for Culture. A more complete picture of internal consumption in Slovenia would be achieved if additional social transfers in kind will be accounted for (e.g. subsidies for health services in SPA).

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

Paramount data source for compiling TSA-table 5 were the most recent IO-tables and SUT tables for 2003, prepared by SORS. Several adaptations of originals statistical tables available mainly at 3-digit level of NACE Rev. 2 were needed achieving consistency with TSA

classifications and concepts (for instance, subtraction of data for student residence halls for industry 55.2, valuation of travel agencies on the basis of distribution margin). The format of the table 5 corresponds to large extent to the required one in TSA-RMF and EIM. In the full project report for Slovenian TSA 2003, table 5 is published in two versions: in the core text, table 5 is displayed in an integrated form together with table 6 (in Euro). In the annex, the full table (commented here) is published in Slovenian tollars. In columns, output of tourism industries, tourism connected and non-specific industries are shown accordingly to the proposed classification scheme. Summary columns of total output of domestic producers in basic prices and purchase prices close this part of table. Output of industries is broken down by tourist specific products (for some classification exemptions see 2.1) in rows. Aggregates for connected and non-specific products and totals are summarized in basic prices in rows. This part of the table is extended by splitting the data of output into its component parts (intermediate consumption and total value added by its constituents), only for characteristic tourism industries, but not for connected and other industries. Output classified by major NACE sections is also missing.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The principal role of table 6 is to organize data in a way that computation of key aggregates of TSA, Tourism Value Added (TVA) and tourism demand will be feasible. In order to achieve this outcome, the output is classified by tourism characteristic products, and for each of them the share of tourism is established. The last row of this part of the table is total output (at basic prices), which is in fact the closing row of table 6 in Slovenian TSA 2003. Compared to the proposed structure of the table, rows of intermediate consumption (at basic prices) and gross value added at basic prices by its components are not given here. Additionally, to the missing block related to the value added by activities, table 6 lacks output classified by major NACE sections as well. The columns are organized by tourism characteristic industries, tourism connected and non-specific industries. The column of total output at basic prices aggregates output over activities. Two columns are added (import and value of taxes less subsidies on products) in order to obtain total output at purchasers prices. The column of this aggregate is applied to the following column related "internal tourism consumption", which is resulting as the "ratio of tourism demand on supply", calculated in the last column of table 6. In the annex of the project report the described structure of table 6 is given (in Slovenian tollars), while in the core text part of this table is presented in Euro (see 5.1).

### **5.2.2 General characteristic of the data**

The majority of the data of tables 5 and 6 were obtained from SUT tables. These tables are fully harmonized with ESA 95 standards. For the compilation of these data, a number of relevant data sources are used: statistical surveys, administrative data from registers, government, tax authorities and a special survey on output structure is carried out periodically. At the lowest level, data for 230 NACE activities and 260 CPA products and services are available. From that part, SUT table represents a solid data basis for the construction of tables 5 and 6 in Slovenia. However, TSA methodology needs certain

adaptations of SUT data. This is the case of treatment the import in table 6, which relates to some marginal cases of imports purchased within the country. The amounts in the table raise some doubts on appropriate conception of this category in Slovenian TSA 2003.

### 5.2.3 Calculation of Tourism Value Added (TVA)

Methodological explanations on calculation of "Tourism Value Added" (TVA) are rather modest the fact that entering data into calculation, TVA is not included in table 6 furthermore, considering some inconsistencies regarding currency used and some typing errors (or others) in table 5 a evaluation is hindered. Additionally, submitted information from the compilers point out that TVA in Slovenian TSA 2003 is calculated in two ways: First, the "ratios of value added in output" are calculated at disaggregated level of SUT Tables. Then they are applied to the categories of "internal tourism consumption" and summarized over categories. Under the assumption that all goods consumed by tourist come from import, value added is calculated on the basis of distribution margin. Business expenses are excluded from TVA as well as evaluation of tourism industries is net of the amounts paid to travel agencies. The tourism GDP was also calculated as TVA corrected for taxes on products minus subsidies related to "internal tourism consumption". The share of tourism GDP in total GDP is considerably higher (4.9 percent) compared to that of tourism value added (3.8 percent). It could be contributed to the dominant character of tourist industries producing mainly services and products for final consumption. They are levied with much higher taxes than intermediate products. In addition, consumption of products by international visitors in the country (export of services) is levied by value added taxes, while the same products exported are free of taxes.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

Employment in the tourism industries is presented in Slovenian TSA 2003 according to the TSA-RMF requirements. The core of table 7 consists of the number of employment broken by status in employment (number of persons in paid employment and other employed persons) and by gender for tourism industries. These data were obtained from "Statistical register of employment" (SRDAP). This register provides reliable, accurate and update information of paid employment and self employed persons, but does not include data on temporarily working persons. Therefore, the number of jobs was estimated by subjective method of increasing the number of employment for 15 percent. The number of direct employment created by tourist demand was also measured for tourist industries by applying tourist ratios (internal tourism consumption to total supply) to the number of employment. The number of "full time equivalents" (FTE) was not assessed.

### 6.2 TSA-table 8: Tourism gross fixed capital formation

Table for tourism gross fixed capital formation was not created for Slovenian TSA 2003. At this stage of development of Slovenian TSA, only draft methodology was designed. TSA methodology recommends to structure tourism gross fixed capital formation by transactors (tourism industries, government and others) and by type of assets and for tangible assets by tourist industries. Two possible approaches are advised to be implemented: to measure total gross fixed capital consumption by tourist industries and to measure gross fixed capital

formation of tourism specific capital goods. The compilers of Slovenian TSA 2003 are in favour of the first approach. They identified possible data sources by tourist industries. In general, they propose to use secondary data of associations and representative companies of tourism industries. However, the well developed official statistics on gross fixed capital formation could also be a valuable source for compilation table 8 in Slovenia.

### **6.3 TSA-table 9: Tourism collective consumption**

Table 9 related tourism collective consumption was not created for Slovenian TSA 2003. According to the recommendations it is foreseen that this table expose tourism collective consumption by tourism supporting activities performed by different level of government. The key problem of implementing this table is the absence of relevant data. Compilers of Slovenian TSA 2003 outline the possible approach for compilation table 9 in Slovenia. They argue that the breakdown of tourism collective consumption by level of government is not sensible because of geographically small size of the country, non-existence of regions as government-administrative entities and general shortage of appropriate data at municipality level. The strategy, how obtaining data, is outlined: institutions responsible for performing or monitoring certain activities are considered.

### **6.4 TSA-table 10: Non monetary indicators**

Table 10 in Slovenian TSA 2003 contains all required non-monetary data: number of trips and overnights by type of tourism, categories of visitors and duration of the stay, forms of accommodation by capacities and occupancy rate, means of transport used by residents (for travelling abroad and in the country) number and the size of the enterprises belonging to tourism industries. Some minor deviations from the proposed structure were observed in two cases (data on non-residents travelling by means of transport and for number of enterprises in tourism connected industries are not given). The completeness of table 10 is the result of well-developed non-monetary statistics of tourism with the long lasting tradition of carrying out surveys (mainly on physical indicators) more than fifty years.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

SI TSA 2003 is enriched by three segments: TSA extrapolation for 2006, assessment of total (direct and indirect) economic effects of tourism and extended analysis for gambling industry in Slovenia. Extrapolation focused on internal tourism consumption and employment (tables 1, 2, 3, 4, 7 for 2006 are prepared). The 2006 extrapolation was carried by identification of extrapolation factors (growth rate of turnover by industries, growth rate of number of visitors and growth rate of consumer price index). Mathematical modelling was also used for estimating missing data. Indirect effects of tourism were calculated using IO-model of the Slovenian economy, which is based on the symmetric (product - product) IO matrix of the Slovenian economy disaggregated into 60 groups for 2001. The initial matrix was prepared by SORS and used then for computation matrix of technical coefficients which were in turn used for computation of the Leontief inverted matrix, i.e. the multiplier matrix. For Slovenian TSA 2003 the Type II multipliers, also called SAM multipliers were used. Recognising the importance of gambling industry for tourism in Slovenia, in-depth analysis was conducted for this sector.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The Slovenian TSA 2003 is an important step further in the development of a comprehensive, reliable, relevant and comparable TSA in Slovenia as proven by following benefits and achievements: development of the whole set of TSA tables except tables 8 and 9 estimation of overall effects of tourism application of extremely vast range of data sources, many of them obtained as secondary and primary data as interviews and special surveys data used as source for checking the reliability of used data in the frame of international recommendations, sensible adaptations of methodology to specific features of Slovenian tourism with some innovative approaches (measurement of same day visitors and transit visitors, gambling industry) with some minor exemptions, Slovenian TSA 2003 comply with TSA-RMF and EIM. The identified problems trace the path for the forthcoming compilation of Slovenian TSA, which is planned to be carried out by SORS for 2009. The key suggestions are the following: strengthen the demand side of statistics, amend statistical surveys with monetary data and same-day visitors, exploit to a larger extent the available official statistical data sources), remedy other identified deficiencies as feasible.

## **7 TSA country results**

### **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The consumption of non-resident tourists and same-day visitors reached 1157 mn Euro (233.75 SIT = 1 Euro) 43.2 percent was due to non-resident same-day visitors (incl. the transit), 56.8 percent from non-resident overnight tourist. Non-resident visitors spent 61.2 percent on characteristic tourist products, mainly on accommodation services (18.9 percent) and gambling (17 percent). Tourism connected products and services represent 22.3 percent of total inbound tourism consumption with the dominant share of fuel and food/beverage. The share of non-specific products is 16.5 percent.

### **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

In Slovenia in 2003 total domestic tourism consumption of all travelling residents amounted to 933 mn Euro and was almost equally divided among same-day visitors and tourists. A high share of same-day visitors in domestic tourist consumption confirms one of the characteristics of domestic tourism in Slovenia the main reasons for doing same-day trips are recreational/cultural activities or dining outside. When interpreting these data, it has to be taken into account that the calculated share of same-day visitors consumption could be influenced by imprecise criteria for delineating resident tourists from resident consumers (within their usual environment). Resident tourists spent for trips within Slovenia 749 mn Euro and for travel abroad 184 mn Euro.

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Total consumption of resident tourists abroad reached 744 mn Euro as domestic tourist consumption, only the share of overnight tourist consumption was much higher (72.4 percent). The most important items of tourist characteristic products are accommodation

services (18.1 percent), food and beverage serving services (14 percent) and passenger transport services (19.9 percent). These items account for more than half of outbound tourist consumption. It should bear in mind that this breakdown is a rough estimate due to lack of relevant data.

#### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

In Slovenia 2003 the total internal tourism consumption reached 2167 mn Euro. According to TSA methodology this consumption covers in cash expenses (having dominant share of 96.5 percent) only a minor part could be allocated to in-kind consumption (second home services and subsidies for culture). Within internal tourism consumption tourist consumption of non-resident visitors (55.4 percent) exceeds consumption of resident visitors (44.6 percent). The structure of total internal tourism consumption exposes relative importance of tourist connected and non-specific products in tourist consumption in Slovenia, reaching almost two fifth of total internal tourism consumption.

#### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

In 2003 total domestic supply of tourism characteristic industries reached 2542 mn Euro, connected industries added 2466 mn Euro and non-specific industries 42286 mn Euro. A breakdown by tourist characteristic industries show that the most important activities are passenger transport services (28.4 percent) and food and beverage serving services (27.6 percent). Comparison of internal tourist consumption with total supply of all industries provides information on share of total supply consumed by tourists (e.g. tourist ratios). Tourist ratios range from 1 percent (for miscellaneous tourism services and non-specific products) and 12 percent (maintenance and repair services) to 100 percent in the industry of travel agencies and secondary homes as all supplied services are consumed by tourists. In Slovenia in 2003 tourism produced 824 mn Euro of TVA and 1229 mn Euro of tourism GDP representing thus 4.9 percent of total GDP in Slovenia.

#### **7.6 TSA-table 7: Employment in the tourism industries**

In 2003 the total number of employment in tourist industries accounted for 78939, of which 30624 were women and 48675 were men. The share of paid employment reached about two third of total employment (64.2 percent). If the number of seasonally and sporadic jobs is accounted for, the total number of persons employed in tourism industries rise to 91353. These numbers include also persons engaged in production used for non-tourist consumption. "Net effect" of tourist-demand-created-employment in tourist industries can be assessed by applying "tourist ratios" to the employment. Tourist demand created 30644 direct jobs (for employed and self-employed persons) and accounted for 3.9 percent of total employment in Slovenia.

## 7.7 Country specific TSA data sheet

|   |               |              |              |
|---|---------------|--------------|--------------|
| Reference year of following TSA-Tables  | 2003          |              |              |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |               |              |              |
| Total inbound tourism consumption   |               |              |              |
| same-day visitors   | 500           |              |              |
| tourists  | 657           |              |              |
| all visitors  | <b>1157</b>   |              |              |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |               |              |              |
| Total domestic tourism consumption  |               |              |              |
| same-day visitors   | 466           |              |              |
| tourists  | 466           |              |              |
| all resident visitors   | <b>933</b>    |              |              |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |               |              |              |
| Total outbound tourism consumption  |               |              |              |
| same-day visitors   | 205           |              |              |
| tourists  | 539           |              |              |
| all visitors  | <b>744</b>    |              |              |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |               |              |              |
| Total internal tourism consumption (T1 & T2)  | 2090          |              |              |
| Total internal tourism consumption (in cash and in kind)  |               |              |              |
| including tourism business expenses   | 2091          |              |              |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 2167          |              |              |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |               |              |              |
| <b>Internal tourism consumption by products</b>   | <b>2167</b>   |              | T-ratios     |
| A.1 Characteristic products   | 1311          |              | 44           |
| 1 Accommodation services  | 392           |              | 98           |
| 2 Food and beverage serving services  | 288           |              | 30           |
| 3 Passenger transport services  | 228           |              | 27           |
| 4 Travel agency, tour operator and tourist guide service  | 34            |              | 100          |
| 5 Cultural services   | 66            |              | 31           |
| 6 Recreation and other entertainment services   | 286           |              | 67           |
| 7 Miscellaneous tourism services  | 17            |              | 3            |
| A.2 Connected products & B. Non specific products   | 856           |              | 0            |
| <b>Total final consumptions by private households (national)</b>                                  | <b>13568</b>  |              |              |
| <b>Total Output (national)</b>  | <b>49905</b>  |              |              |
| <b>Total Output of activities</b>   | <b>49905</b>  | GVA          | T-shares     |
| 1 Hotels and similar  | 313           | 0            | 0            |
| 2 Second home ownership (imputed)   | 49            | 0            | 0            |
| 3 Restaurants and similar   | 687           | 0            | 0            |
| 4 Railways passenger transport  | 79            | 0            | 0            |
| 5 Road passenger transport  | 174           | 0            | 0            |
| 6 Water passenger transport   | 2             | 0            | 0            |
| 7 Air passenger transport   | 117           | 0            | 0            |
| 8 Passenger transport supporting services   | 347           | 0            | 0            |
| 9 Passenger transport equipment rental  | 7             | 0            | 0            |
| 10 Travel agencies and similar  | 106           | 0            | 0            |
| 11 Cultural services  | 275           | 0            | 0            |
| 12 Sporting and other recreational services   | 231           | 0            | 0            |
| Tourism connected & non specific industries   | 44752         | 0            | 0            |
| <b>Total Value Added (national)</b>   | <b>21309</b>  |              |              |
| <b>Tourism Valued Added</b>   | <b>824</b>    |              |              |
| TSA-table 7: Employment in the tourism industries   |               |              |              |
| <b>Total employment in the tourism industries</b>   | <b>78939</b>  | <b>50676</b> | <b>20163</b> |
| 1 Hotels and similar  | 8951          | 8375         | 5366         |
| 2 Second home ownership (imputed)   | 0             | 0            | 0            |
| 3 Restaurants and similar   | 20967         | 8084         | 4883         |
| 4 Railways passenger transport  | 2300          | 2300         | 482          |
| 5 Road passenger transport  | 21707         | 10082        | 1376         |
| 6 Water passenger transport   | 30            | 0            | 0            |
| 7 Air passenger transport   | 586           | 585          | 241          |
| 8 Passenger transport supporting services   | 7742          | 7707         | 1311         |
| 9 Passenger transport equipment rental  | 75            | 74           | 20           |
| 10 Travel agencies and similar  | 1914          | 1765         | 1067         |
| 11 Cultural services  | 10252         | 7952         | 4214         |
| 12 Sporting and other recreational services   | 4415          | 3752         | 1203         |
| <b>Total Employment (national)</b>  | <b>801383</b> |              |              |

SI

# UK

Country report for United Kingdom



## 1 General Introduction

In the past the UK Department for Culture, Media and Sport was responsible for the British TSA. The Tourism Intelligence Unit in the Office for National Statistics now has responsibility. Mr. Sean White [mailto: [sean.white@ons.gsi.gov.uk](mailto:sean.white@ons.gsi.gov.uk)] is responsible in the area of TSAs.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

The UK Tourism Satellite Accounts - First Steps Project (September 2004) compiles the first experience in TSA. When the project was developed some work had been done on the TSA: in 1998, the Department for Culture, Media and Sport (DCMS) had already developed a feasibility study for the UK TSA and, at the beginning of 2003, a TSA technical workshop was held in Glasgow aiming to examine the next steps towards the construction of UK, Ireland and sub national TSAs. The first steps project was commissioned by DCMS and also supported by VisitScotland, Welsh Assembly Government, Northern Ireland Tourism Board and European Commission (2005 Grant Programme). The final report was presented by DMCS and prepared by Cardiff Business School. The major responsible for technical development of the UK TSA was the Welsh Economy Research Unit (Cardiff Business School). Strathclyde University also participated, for the employment estimations. The main objectives of this project concerned the estimation of a pilot TSA for UK, by defining the methodological framework and references (TSA-RMF) and identifying the main data inputs, in order to provide a strategic action plan of further research steps to improve TSA. This project was part of a work that considered the compilation of the experimental TSA for English Regions, by Cardiff Business School, Strathclyde University, the Christel DeHann Tourism and Travel Research Institute, from Nottingham University Business School, while other provinces i. e. Scotland Wales and Ireland compiled their own TSAs. The experimental version of the TSA for the English Regions is compiled in the document First Steps Tourism Satellite Account Project: English Regions (August 2005). There was also a third project commissioned by the Cardiff Business School for the First Steps Crown Dependencies TSA scoping project.

#### 1.1.2 Experience in TSA compilation

The pilot TSA experience for 2000 was the first exercise in TSA of UK. In this study, tables 1-6 and 10 were compiled for the year 2000, but is it not possible to say that this is a full fledged TSA since table 4 is only a sum up of tables 1 and 2, without including the total part of the other components of tourism consumption: this column only includes imputed rents for second homes used for tourism purposes business tourism expenditures of the resident corporations (intermediate consumption in National Accounts (NA)) are not compiled. UK TSA for 2000 includes also a module for employment, despite of not compiling table 7. The outcomes of these estimates were additionally used extrapolating tourism value added of the benchmark 2000, based on the evolution of tourism consumption, obtaining Tourism Value

Added for 2001 - 2003. Tourism Employment estimates were also published for 2001 - 2003 in the format of table 7.

### **1.1.3 Responsibility of the TSA compilation**

The TSA technical and methodological work was done by Cardiff Business School, with the support of Strathclyde University, on behalf of Department for Culture, Media and Sport.

## **1.2 The inter-institutional platform**

The project was carried out by Cardiff Business School and Strathclyde University faculty, with the cooperation of UNWTO experts. The project was commissioned by DMCS and also counted with the support of VisitScotland, the Welsh Assembly Government, the Northern Ireland Tourist Board and the European Commission. TSA advisory group was funded in 2003 as a broad based advisory group including the representation of the different institutions on TSA projects, such as DCMS, ONS, Northern Ireland Tourism Board, Visit Scotland, Wales Tourist Board, Welsh Assembly, Visit Britain, UNWTO, North West Regional Development Agency, Republic of Ireland Representation, Department of Enterprise, Trade and Industry, Academics. This group has been established in order to advise and promote coordination and consistence between TSAs.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

The TSA is freely available on paper and via internet, at the website: [www.culture.gov.uk](http://www.culture.gov.uk).

### **1.3.2 Responsibility for the dissemination**

The Tourism Intelligence Unit in the Office for National Statistics now has responsibility for the dissemination.

### **1.3.3 Content of the publication**

The publication consists of executive summary and thorough presentation of the TSA methodology, international experience, discussion of the available sources of statistical data in the UK, special issues concerning compilation of the particular TSA tables and outcomes of the TSA for 2000. The results are supplemented by projected tourism value added for years 2001 - 2003 and recommendations for the future developments concerning TSA for the UK. The report available on the website does not contain the outcomes of the employment module because it was compiled later.

### **1.3.4 Level of detail of the publication**

The First Steps on the TSA for UK presents the TSA compilation methodology, highlights the common themes and techniques between countries and the assumptions to solve special issues (i.e. net valuation of the package tours), data review of statistical sources is also considered. The main results for UK TSA 2000 are presented and supplemented by advanced figures of tourism value added for 2001 - 2003. This report does not contain the outcomes of the employment module, but these last figures were published later. The main output of the First

Steps for the TSA of the English Regions is computation of TGVA by regions, balancing tourism demand and supply side estimates by region. Regional tourism consumption, tourism ratios on supply, and tourism employment, by characteristic industries, are also available for 2000. Additional estimates were made for regional figures on tourism GVA and employment for 2001 - 2003, based on the national extrapolation methodology of the benchmark year estimates.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

TSA classifications are derived from the classifications of the NA supply and use table (SUT) that include principal products as a percentage of total industry output (123 products and industries). Characteristic industries are classified at the national classification SIC92 (2, 3 digit level). For products, it is considered the correspondence between TCP - CPA and classification of household consumption expenditures at COICOP (maximum 4 digit level). Tourism data sources compile expenditure data on a restricted number of product groups, which obliges to disaggregate these data based on the cross examination between the different data sources for household consumption by products (tourism and non tourism) with reference to the products groups for the surveys. UK TSA product classification respects the TSA list of TCP, with some aggregations. Connected products are also part of tourism products. The remaining item is non-tourism products. Main TCA and TCP classifications are symmetrical.

### **2.2 Measurement of domestic tourism expenditure**

Data used for measurement of domestic expenditure come mainly from household surveys: tourism survey that is conducted once a year and involves problems with memory and survey on day visits. The data were supplemented by information from a survey on household spending and for disaggregation consulted with reports on consumption of relevant products. The data used in TSA came from surveys in the reference year for overnight trips and two different surveys on day visits conducted in 1998 and 2002/03. Sampling procedure, low response rate and inadequacy of expenditure detail impacts the accuracy of the data. The domestic tourism expenditure does not include expenses generated by same day business trips. Table 2 shows tourism expenditure (in cash) separately for the following categories of visitors: same-day visitors and tourists travelling for holiday, business and VFR/other purpose.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

The practical definition of leaving the usual environment was included in the UKTS and on survey on day visits. For day visits, leaving one's usual environment concerns trips lasting more than 3 hours and not taken on a regular basis. In TSA report reference is made on the fact that the criteria duration has been chosen as the main criteria to qualify trip as a tourism trip.

### **2.3.2 Business visitors and the fact of being remunerated**

Since the main data sources for tourism demand are the UKTS and the International Passenger Service (IPS), data for business tourism expenditures is provided by visitors, concerning the 9 category groups and are considered as final consumption. Business tourism expenditures of corporations are not covered.

## **2.4 The scope of tourism consumption expenditure**

Tourism consumption expenditure covers all household (resident and non resident) final consumption expenditures linked to tourism trips, including business trips (except for same day trips) and imputed rents for second homes. Tourism consumption in kind is not included. Pre and post trip expenditures of the UK resident visitors when travelling abroad are included. No specific treatment is made on the purchase of consumer durables (single and multi purpose). This issue was considered as one of those that need further clarifications by international agencies.

## **2.5 Implementation of SNA93 based National Accounts results**

The TSA was developed in conformity with the National Accounts (NA). The NA tables were heavily used as an input for TSA. In the UK NA data is of high quality and thus is the most important reference for TSA compilation. SUT of NA are used to compile domestic, outbound (see 2.2) and inbound tourism consumption in the UK TSA and, with Input-Output make matrix, are a key data source for the estimation of TSA tables 5 and 6. NA variables (production, intermediate consumption, household private consumption, public consumption etc.) are classified by 123 industries and 123 products. Due to the restrictions of the SUT on the treatment of production in SUT (see 2.1) additional work has to be done in order to use SUT for compiling tables 5 and 6.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

The BoP is compiled by ONS. The Travel item is equivalent to the UK travel accounts of the SUT, The estimates are based primarily on the international passenger survey. For package tourists, estimates of the transport elements are deduced from the reported total package costs. Estimates of the expenditure of UK residents visiting the Republic of Ireland and of Irish residents visiting the UK have been covered by the survey since the second quarter of 1999. Prior to this, data were derived from statistics published by the Irish Central Statistics Office.

## **2.7 The measurement of timeshare tourism**

There is not explicit measurement of timeshare tourism.

## **2.8 Availability of new surveys in the near future**

The TSA compilers defined some recommendations on data quality improvements in the existing surveys concerning a higher detail level of tourism expenditure and the harmonisation of the expenditure disaggregation of the different tourism demand surveys (UKTS, GB Day Visits Survey and IPS). It is not clear if these recommendations were taken into account.

### 3 The handling of TSA specific problems

#### 3.1 Consideration of the services of travel agencies and tour operators "net"

The TSA follows RMF as net treatment of tour operators and travel agencies services is concerned. Nevertheless, this is a complex process, due to the different treatment of package tours (PT) within IPS, which reports expenditure net of margins, and UKTS, which does not differentiate between the value of the component products and the margins. The decomposition of package tours was based on the different data sources for outbound, inbound and domestic tourism and on SUT. For TSA table 3, data from IPS and UKTS, with information on the spending of the residents overseas from SUT, was used to estimate the total value of the PT and of the different components of the package (individual value). Margins were estimated in accordance to the IPS estimate of 15 percent of the total value of the PT. For tables 1 and 2, data from UKTS and IPS was used to estimate the total value of the PT. the value of the different components of the package (individual value) was estimated according to information on the spending of the non residents within UK and UKTS. Margins were estimated by applying the weight of 12 percent on the total value of the PT, based on the ABI, SUT and some industry expertise. For outbound tourism, the allocation to the reference economy of the PT consumption was based on the propensity to consume imported products (i.e. transport services) for domestic and inbound packages - data from ABI and from DCMS (from Pink Book) was considered.

#### 3.2 Consideration of the distribution margins

The distribution margins were derived from UK SUT for all goods purchased by visitors. UK SUT includes information on distribution margins for domestically produced goods and imported products. For TSA tables 1, 2, 3 and 4, there is a unique value for distribution margins for connected and non specific products (characteristic products are services there are no margins). In tables 5 and 6 distribution margins are reported aggregated for all products, concerning connected and non tourism products. There is also a separation of margins for domestic produced and imported goods in table 6.

#### 3.3 The Treatment of "second homes"

The information on second homes was provided by NA data, the housing census and the 2001 census of population and household survey (UKTS) for static caravans. The figure was discounted to account for second homes located in major cities that are likely used for non touristic purposes and supplemented by information on static trailers from UK tourist survey. The notional rents were estimated as the fraction of the rent value calculated per household. In the case of static caravans a special discount rent as compared to that computed for second homes was used.

#### 3.4 The measurement of tourism business expenses

The corporate business expenses are not included in TSA because of the lack of relevant data. Tourism Business expenses that can be classified as final demand are included into final consumption in cash (TSA tables 1, 2 and 3). For inbound visitors, the UK TSA treats

business tourism as final demand. Regarding domestic visitors, the business tourism expenditure is considered final consumption, discounting corporate purchases of business tourism products (accommodation, restaurants, transports, e.g.) (see 2.3.2). Conceptually, the corporate spending with business trips should be considered as intermediate consumption and, consequently, be part of TSA table 4. Business tourism is considered, essentially, as a demand phenomenon, without any validation with the supply side statistics (use tables from NA or annual business inquiry, ABI).

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Table 1 covers the consumption expenditure of all categories of inbound visitors, i.e. same-day visitors and tourists although it does not follow the RMF format since the two groups are not shown separately. Rather, consumption is presented by purpose of the visit: holiday, business and VFR/other. The products have been divided into tourism specific products (characteristic and connected products) and non tourism products. The products classification of table 1 differs from the one proposed by RMF to what concerns the aggregation of cultural and recreational services as well as the classification of connected products that are normally treated as characteristic in TSA-RMF (insurance, finance and health services). Non-tourism products cover goods, services and trade margins. The main data source for compiling table 1 is IPS. This survey provides data for inbound tourism expenditures (not split by type of visitors) by 16 category products (such as accommodation, alcohol, transport, clothing, food and other consumables). The allocation of expenditure to the TSA product classifications is also based on NA data on the household final consumption on non resident household expenditure in the UK by 123 products (see 2.1.). Additional sources are the Input-Output table (IOT) of Scotland and the UK occupancy survey. This table considers the net valuation of PT and presents distribution margins for the total of non tourism products (see 3.1 and 3.2).

### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

The structure and the content of table 2 are similar to those of table 1. This table compiles consumption of resident visitors travelling within the UK and that part of expenditure of residents going abroad that can be attributed to the UK economy and may concern pre and post trip expenditures. The main data sources are UKTS that compiles data for tourist expenditure in 9 groups of products and the day-visits survey. The former version of the UK day visits survey distinguished between 9 groups of expenditure as well, while in the latest one 12 groups of products are considered (see 2.2). These data are supplemented by information from expenditure and food surveys (family spending), that contain some categories of expenditure which are relevant in terms of domestic travel, UK travel account and the household final consumption expenditure at COICOP heading in order to disaggregate the data on tourism expenditure into TSA products (see 2.1). This table considers the net valuation of PT and presents distribution margins for the total of non tourism products (see 3.1 and 3.2).

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 has been fully compiled although it is not the obligatory element of TSA. It differs from that format proposed in RMF because it does not make distinction between same-day visitors and tourists giving combined data for both categories. The list of products follows the format used in tables 1 and 2. The compilation of TSA table 3 considers different data sources, such as IPTS, UKTS, UK SUT data on UK resident household expenditure abroad by COICOP heading. Table 3 considers the net valuation of PT and presents distribution margins for the total of non tourism products (see 3.1 and 3.2).

### **4.4 Estimating same-day visitors expenditures**

Data on same-day visitor expenditure cover all groups of visitors, resident and non resident, except those people travelling for business purposes within the country. Expenditure of same day international visitors is not shown separately.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

TSA table 4 is mainly a synthesis of tables 1 and 2, supplemented by a column on the other components of tourism consumption limited to imputed rents for holiday homes however the estimate should be treated with caution because there are no data allowing to classify second homes as holidays ones and to attribute to them the proper level of rents. The other components of tourism consumption in kind have been omitted similarly as consumption linked to the corporations' expenditures on business trips.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

TSA table 5 generally follows the format proposed in the RMF. The key data sources are UK SUT and the ABI. The upper part of the table shows the production account at basic prices, by industry and tourism products (123 industries and products) and is supported by a supply table. UK SUT show only the share of the principal product in the industry output information on the distribution of the remaining output of that product is not included. The level of detail by product/industry groups of SUT is also insufficient for TSA compilation. Additional work could be done allocating the remaining product output to the other industries based on the 1990 IOT Make matrix and on a bridge table between a different Standard Industrial Classification (SIC80) and the actual industry groups. But SIC80 is unlikely to represent the current data for the services sectors and, therefore, correspond to NA and TSA industry classifications. By this, UK TSA has some difficulties with the consistency with the list of TCP/TCA since for some industries/products there is a one to one relation to industry/product which results in the fact that table 5 has data filled in mainly for the diagonal cells. The allocation of tourism product supply by industries has been made with the use of available data from other countries with similar economies. The lower part of table 5 refers to intermediate consumption (IC) and used data from UK Use tables (constructed using ABI,

Purchases Inquiry, etc.). IC is presented in 7 categories of inputs. The derived TSA SUT for production and IC by industries and products concerning the TSA classifications are based on data from ABI. Value added is a balance item and mixed income is included within gross operating surpluses, as in NA. Net valuation of PT is considered. Margins for production are included but not divided in connected and non specific products.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The structure of the table does not consider the recommendations of RMF format. This table does not include the separate columns of tourism related product output for each industry, which implies that the tourism share of each industry is not reported. Tourism share of output per industry can be estimated by multiplying industry output of that product by tourism ratio on supply for that product. Other components are in line with table 6 RMF standards taking into account the UK specific classifications on products and industries for TSA purposes.

### **5.2.2 General characteristic of the data**

As production and imports are concerned the data generally came from the SUT of NA. For demand, the main data came from tourism and passenger statistics although for international tourism some data was provided by the NA (figures compiled in table 4). The table reconciles data from independent sources, balancing supply and demand figures. When data from demand side exceeded the figures delivered by NA the TSA compilers decided to stick to the demand data - that was the case of expenditure on restaurant and bars services. This table considers the net valuations of PT. Margins are a unique figure for non-tourism products but consider the separation between domestically produced and imported goods.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

The tourism supply of a given product in all industries is calculated using that ratio. When its share in the output of the industry is established that share is applied to calculate the tourism value added for that industry. The calculation of TVA is based on the assumption that the tourism value added is proportional to the ratio of tourism demand on supply: TVA is calculated by multiplying the ratio of tourism-related output on total output (tourism ratio on supply) by the total gross value added for each industry. As the RMF does not suggest any method to calculate TVA this is the simplest. It should be stressed that the TSA for the UK takes into account mainly value added of industries classified at 2-digit-level, taking the risk of including a significant share of non tourism output. TVA for the UK includes value added on products purchased by visitors. That part of TVA has been estimated on the assumption that proportion between domestically supplied goods and imported ones acquired by visitors is the same as for the whole economy. Additionally TVA for 2001 - 2003 has been extrapolated based on changes in consumption estimated according to principles applied in the TSA 2000.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

The TSA does not contain TSA table 7. Despite this, UK TSA compiles a module on Employment for tourism related industries, though these estimates have been only partial. Data for this module includes categories within table 7 related to the analysis of jobs by gender, occupational structure and status on employment. Additional estimates were made for 2001 - 2003.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 has not been compiled.

### **6.3 TSA-table 9: Tourism collective consumption**

Table 9 has not been compiled.

### **6.4 TSA-table 10: Non monetary indicators**

The TSA contains three tables (of four proposed in RMF):

1. Number of visits and nights by type of tourism and category of visitor
2. Inbound tourism: Number of visits by means of transport
3. Number of establishments in tourism characteristic and tourism connected activities

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

During the last years for some of the regions in the United Kingdom first versions of regional TSAs have been estimated.

### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The TSA compilation allows critical revision of the existing information on tourism demand and supply being a reconciliation tool for related statistics used for TSA compilation. TSA supplies consistent information on tourism contribution to the economy and gives opportunity to spread knowledge on tourism functions among institutions normally not involved in these activities. The most crucial problems related to the TSA compilation are related to the lack of adequate data for compilation of TSA especially concerning the level of detail proposed in RMF, to the significant time lag between the publication of the TSA outcomes and the reference year and to the lack of international comparability partly due to gaps and inconsistencies in the application of TSA-RMF.

## 7 TSA country results

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

In 2000, UK total inbound tourism expenditure equalled 9.8 bn Euro (in current prices of 2000 and an average annual exchange rate of 1 EUR = 1.6407 GBP). Due to the specific geographical situation inbound same-day-visiting activities seem to have no significance relevance. Total inbound consumption totals by holiday purpose represent around 35 percent of the total (3.35 bn Euro). Inbound business tourism sums up to 3.0 bn Euro (30 percent) and visiting friends and relatives correspond to 35 percent (3.4 bn Euro). Inbound tourism consumption of tourism products equals 7.1 bn Euro (73 percent).

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

In 2000, domestic tourism consumption of overnight tourists when travelling within the UK summed up to 3.8 bn Euro whereas the domestic portion of outbound tourism was 9.0 bn Euro (20 percent of total domestic tourism consumption). Domestic tourists and same-day visitors together contributed 44.3 bn Euro. Domestic tourism consumption of same day visitors when travelling within UK was 19.4 bn Euro. Total consumption of tourist products equalled 28.3 bn Euro, of which 28 bn Euro concerned characteristic products.

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

In 2000, total outbound tourism consumption was 14.8 bn Euro, of which tourism products represented around 78 percent of this total (11.6 bn Euro). Consumption of characteristic products corresponded to 11.2 bn Euro. Due to the specific geographical situation outbound same-day-visiting activities seem to have no big relevance.

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

In 2000, total internal consumption summed up 54.6 bn Euro, being internal consumption in cash 54.1 bn Euro (99 percent). Other components of internal consumption refer only to imputed rents and totalled 0.5 bn Euro. Total internal consumption of tourist products represented around 4095.7 bn Euro of which characteristic products contributed with 34.6 bn Euro.

### 7.5 TSA-table 6: Domestic supply and internal tourism consumption by products

Table 6 presents the tourism ratio on supply (in percentage): For tourism products tourism ratio is 11.1 Characteristic Products: 25.3 Accommodation Services: 71.5 Restaurant, bar and catering services (excl. canteens): 42.9 Passenger transport services: 18.9 Travel agency and tour operator services: 99.6 Recreation, cultural and other entertainment services: 9.9 Tourism connected products: 0.8 non tourism products: 1.2. Tourism ratio on the total domestic supply corresponds to 3.8 percent. This value corresponds to the weight of tourism value added (TVA) in total UK gross value added (GVA). In 2000, TVA was 19.5 bn Euro.

## 7.6 TSA-table 7: Employment in the tourism industries

In 2000, total employment in tourism-related industries corresponded to 3.9 mn (3.3 mn employees). employment on tourism industries represented 14.2 percent of UK employment, of which 1.38 mn of employed persons were in restaurants and bars, around 760 th in cultural and recreation industries and 380 th in hotels and accommodation. After the application of tourism industry dependence ratios (3.8 percent) to employment, 1.32 mn workers were related to tourism economy.

## 7.7 Country specific TSA data sheet

|   |                 |                |                 |
|---|-----------------|----------------|-----------------|
| Reference year of following TSA-Tables  | 2000            |                |                 |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                 |                |                 |
| Total inbound tourism consumption   |                 |                |                 |
| same-day visitors   |                 | 0              |                 |
| tourists  |                 | 0              |                 |
| all visitors  |                 | <b>9799</b>    |                 |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                 |                |                 |
| Total domestic tourism consumption  |                 |                |                 |
| same-day visitors   |                 | 19358          |                 |
| tourists  |                 | 24920          |                 |
| all resident visitors   |                 | <b>44278</b>   |                 |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                 |                |                 |
| Total outbound tourism consumption  |                 |                |                 |
| same-day visitors   |                 | 0              |                 |
| tourists  |                 | 0              |                 |
| all visitors  |                 | <b>14781</b>   |                 |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                 |                |                 |
| Total internal tourism consumption (T1 & T2)  |                 | 54077          |                 |
| Total internal tourism consumption (in cash and in kind)  |                 |                |                 |
| including tourism business expenses   |                 | 54077          |                 |
| including other components of visitors consumption in kind<br>(without tourism business expenses) |                 | 54619          |                 |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                 |                |                 |
| <b>Internal tourism consumption by products</b>   | <b>54619</b>    |                | <b>T-ratios</b> |
| A.1 Characteristic products   | 34537           |                | 25              |
| 1 Accommodation services  | 6036            |                | 72              |
| 2 Food and beverage serving services  | 10960           |                | 43              |
| 3 Passenger transport services  | 13026           |                | 19              |
| 4 Travel agency, tour operator and tourist guide service  | 1299            |                | 100             |
| 5 Cultural services   | 3216            |                | 10              |
| 6 Recreation and other entertainment services   | 0               |                | 0               |
| 7 Miscellaneous tourism services  | 0               |                | 0               |
| A.2 Connected products & B. Non specific products   | 20083           |                | 0               |
| <b>Total final consumptions by private households (national)</b>                                  | <b>363574</b>   |                |                 |
| <b>Total Output (national)</b>  | <b>1094198</b>  |                |                 |
| <b>Total Output of activities</b>   | <b>978672</b>   | <b>GVA</b>     | <b>T-shares</b> |
| 1 Hotels and similar  | 9329            | 6              | 59              |
| 2 Second home ownership (imputed)   | 543             | 0              | 100             |
| 3 Restaurants and similar   | 21309           | 13             | 40              |
| 4 Railways passenger transport  | 5505            | 2              | 15              |
| 5 Road passenger transport  | 21103           | 11             | 8               |
| 6 Water passenger transport   | 2944            | 1              | 35              |
| 7 Air passenger transport   | 8590            | 3              | 63              |
| 8 Passenger transport supporting services   | 22475           | 8              | 2               |
| 9 Passenger transport equipment rental  | 9465            | 5              | 2               |
| 10 Travel agencies and similar  | 2158            | 2              | 58              |
| 11 Cultural services  | 0               | 0              | 0               |
| 12 Sporting and other recreational services   | 29469           | 14             | 10              |
| Tourism connected & non specific industries   | 845811          | 0              | 0               |
| <b>Total Value Added (national)</b>   | <b>512894</b>   |                |                 |
| <b>Tourism Valued Added</b>   | <b>19504</b>    |                |                 |
| TSA-table 7: Employment in the tourism industries   |                 |                |                 |
| <b>Total employment in the tourism industries</b>   | <b>3866600</b>  | <b>3366300</b> | <b>0</b>        |
| 1 Hotels and similar  | 379600          | 348900         | 0               |
| 2 Second home ownership (imputed)   | x               | x              | 0               |
| 3 Restaurants and similar   | 1381000         | 1294700        | 0               |
| 4 Railways passenger transport  | 50400           | 50000          | 0               |
| 5 Road passenger transport  | 626800          | 469500         | 0               |
| 6 Water passenger transport   | 123200          | 121000         | 0               |
| 7 Air passenger transport   |                 | 0              | 0               |
| 8 Passenger transport supporting services   | 234700          | 218900         | 0               |
| 9 Passenger transport equipment rental  | 172200          | 162000         | 0               |
| 10 Travel agencies and similar  | 138200          | 128000         | 0               |
| 11 Cultural services  |                 | 0              | 0               |
| 12 Sporting and other recreational services   | 759500          | 573400         | 0               |
| <b>Total Employment (national)</b>  | <b>27162000</b> |                |                 |
|   |                 |                | UK              |

## **C) Member States of the EU with the status „First Compilation Started“, and first empirical results**



# BE

Country report for Belgium



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Belgium has some knowledge about TSA. The feasibility study "Preparation et realisation d une etude de faisabilite en vue de l implementation d un Compte Satellite du Tourism" was carried out by IDEA Consult. OGM conducted the interviews made within the study. This study was co-financed by an EU grant programme and its final report was ready in June 2003. The believe that the implementation of the TSA is a demanding process was the reason for carrying out the feasibility study, ordered by the ministries of tourism of four institutions: the Commission of the French community of the Region of Brussels-capital city, the German speaking language community, the Flemish Government and the Region of Wallonia. Three aspects were evaluated in the feasibility study, both for the national and regional TSA dimensions: methodological/technical, organizational and budgetary. A pilot TSA exercise was not compiled within the feasibility study. Presently, Belgium has already final results for the regional TSA for its three regions: Brussels-capital, Wallonia and Flanders for the year 2002. Some of the items still have to be refined.

#### 1.1.2 Experience in TSA compilation

Three regional TSA, one for each region in Belgium, have been compiled for the first time for the reference year 2002. The compiled tables are Tables 1, 2, 4, 5 and 6.

#### 1.1.3 Responsibility of the TSA compilation

OPT is in charge of TSA activities in Belgium. The compilation of the three TSAs is under the responsibility of the Regional Tourism Boards, Office de Promotion du Tourisme de Wallonie et de Bruxelles and Toerisme Vlaanderen (Flemish Board of Tourism), and the Ministry in charge of Tourism. In the case of Flanders, Toerisme Vlaanderen delegates to the Flemish Centre for Tourism Policy Studies of the Catholic University of Leuven and to IDEA Consult, the same consultant enterprise that carried out the feasibility study for Belgium.

### 1.2 The inter-institutional platform

There is no explicit institutional platform for tourism statistics in Belgium but it can be considered that the institutions involved in tourism statistics form regional or national platforms. For instance, at a national level there is the National Statistical Institute (NSI) that compiles statistics related to accommodation services, the National Bank, that compiles the Balance of Payments, and the Federal Planning Bureau, that makes studies and projections on economic policy issues. At a regional level, there are respective partnerships between the Office de Promotion de Tourisme Wallonie-Bruxelles (OPT) + Toerisme Vlaanderen, and the

Westvlaamse Economische Studiebureau (WES) that provides several market studies or surveys on tourism behaviour, the Observatoire du Tourisme a Bruxelles, the Observatoire du Tourisme Wallon, that carry out their own specific studies, and the Flemish Centre for Tourism Policy Studies of the Catholic University of Leuven. Concerning the TSA, the institutional platform is formed by a formal agreement between RTBs and the Regional Ministries in charge of Tourism. Regional tourism offices, OPT and Toerism Vlanderen, also have a formal agreement.

### **1.3 The dissemination of the TSA exercise**

#### **1.3.1 Availability of the country TSA**

Although there are already final results for the three regions they are not publicly available. Only the feasibility study for a national TSA is available but this document does not include any kind of estimations.

#### **1.3.2 Responsibility for the dissemination**

There is no TSA dissemination.

#### **1.3.3 Content of the publication**

Presently, there is no TSA publication however its format and content are being discussed. Regarding the format issue there probably will be a joint publication, Brussels-Wallonia-Flanders, even if there will be three specific reports. It is also discussed to have a report for Belgium.

#### **1.3.4 Level of detail of the publication**

There is no TSA publication, for the time being.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

The detailed classifications of the data sources used in the TSA compilation have a different level of consistency with the tourism characteristic products from the RMF. The lack of consistency is found in the transport services, data sources from the demand side do not allow the distinction between local transport and international transport. Supply side data is used in order to overcome this issue. This means that for activities there is a greater detail in terms of transport even though their classification is still not as detailed as recommended in TSA-RMF. The TSA standard product and activities classifications are to be used to compile the regional TSA in Belgium as far as possible. From National Accounts (NA), 48 products and 23 industries, at an unpublished level, were used in the TSA compilation.

### **2.2 Measurement of domestic tourism expenditure**

Domestic tourism consumption is estimated using volume indicators and average daily expenses. This is done for tourists and same-day visitors that travel for other purposes than

business domestic tourism is only compiled in the case of overnight tourism. Volume indicators refer to the number of nights spent that can be derived from the national tourism survey "Tourism behaviour of the Belgian" (2002) (WES 2002). Average total daily expenses per person and the structure of consumption by products is given by the data source "Socioeconomic impact of tourism in the province of Luxembourg" made available by the "Federation touristique du Luxembourg Belge" (FTLB) 1996-97. Concerning same-day visitors, the volume indicator is the number of same-day trips and the average total expenses per trip, per person and the structure by product category are given by FTLB. FTLB and WES do not have a direct relation to tourism characteristic products or the CPA but they provide aggregated versions of the TSA products for those correspondences may be done. FTLB, used for product breakdown concerning inbound as well as domestic tourism consumption, has the following expenditure items: hotels and similar, food and beverage, road passenger transport, performing arts, museum and other cultural, sports, recreational and other amusement services and connected products. WES also has items for supporting passenger transport and maintenance and repair.

## **2.3 The handling of the definition of "visitors" in empirical practice**

### **2.3.1 Leaving one's usual environment**

For the definition of usual environment, criteria such as minimum distance travelled or crossing an administrative border are not used (except for inbound and outbound visitors when crossing the frontier of Belgium - taking into account the criterion of frequency - they automatically leave their usual environment). Frequency is the main criterion. As an example, WES explicitly defines for its surveys that tourism trips are those that happen without regularity. Daily and routine displacements are excluded.

### **2.3.2 Business visitors and the fact of being remunerated**

As far as domestic and inbound tourism expenses are concerned, there is an attempt to exclude visitors that are remunerated within the place visited, both for tourists and same-day visitors. As regular same-day trips are excluded this applies also to home-work trips.

## **2.4 The scope of tourism consumption expenditure**

The scope of tourism in the regional TSA in Belgium includes pre-trip and post-trip expenses of the outbound trips which is the domestic component of outbound trips like for instance travel insurance. It is also estimated the amount of transport expenditure in Belgium when travelling abroad. The Household Budget Survey is the data source used for these estimates. Consumer durables goods, neither single nor multi purpose, are not included in the Belgium TSA. Though, in national accounts publications on household expenditure there are specific items under leisure and culture that refer to durables for leisure purposes as mobile-homes and boats and non-durables goods as camping products.

## **2.5 Implementation of SNA93 based National Accounts results**

The Belgium Central Bank (BNB) compiles Supply-Use tables (SUT) for Belgium according to ESA95 on a regular annual basis. The latest one refers to the year 2004. The official

versions of SUT are published at A60 level for industries and P60 level for products thus displaying 59 different products and industries each. The internal calculation uses 121 levels of industries, which is the outcome of the aggregation of NACE-BEL. Based on SUT the Bureau du Plan compiles input-output tables (IOT) but they are not published. Presently, BNB does not compile SUT or IOT at a regional level except for some national accounts aggregates like gross value added by industry. At a regional level, the scenario is different in each region. In 2003, the Administration Planning and Statistiek from the Ministry of the Flemish community was compiling input-output tables for 2002 and they were expected by the end of 2004 Wallonia and the German language community were engaging in an exercise focused on the tourism supply side, compiling business statistics and also employment. Bruxelles had no plans in the way of having a SUT or IOT or any other similar exercise.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

BNB compiles Balance of Payments using bank information on credit cards used abroad, especially close to the national border. Many other statistics are used to compile BoP in Belgium: mirror statistics from partner countries for tourism exports and imports, accommodation statistics, national population sample surveys carried out in respondents home, passenger transport surveys and sample surveys of visitors in visitor destinations.

## **2.7 The measurement of timeshare tourism**

The country or its regions do not have specific information concerning time share in tourism accommodation.

## **2.8 Availability of new surveys in the near future**

There was no information regarding any specific survey foreseen for the future. However, Brussels-capital and Wallonia identified the need of a future market research capable of uniform assess of tourism expense components. This major market research should be representative for every tourism component in terms of purpose of the trip, type of visitor, type of product and origin of the visitor in order to provide even more reliable expense figures. This market research should also allow a closer approach to the TSA compilation needs (data and breakdowns). A closer cooperation between and with the several tourism research offices at a national and European level would also facilitate an approach to the TSA data needs. Besides, it would be very useful to ensure the update of the used tourism studies and surveys.

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

Regarding the valuation of the services of travel agencies, the regional TSA in Belgium follow the official Eurostat and UNWTO methodological directions and are therefore net valuated. The commission is allocated to the tour operators and travel agencies while the rest of the value of the entire package is redistributed according to the different items of the package (accommodation, transport, etc.), *Comportement touristique des Belges* from the

WES as well as the methodology used by the Netherlands for their TSA provide the necessary data sources.

### 3.2 Consideration of the distribution margins

It is recognised both in Table 1 and Table 2 that expenditure in connected and in non-specific products were not entirely considered in the TSA. However, a commercial margin is applied to connected products. The estimation of this margin is based on "The Use of Tables" for imported goods and relating to trade margins on information of the "Bureau Federal du Plan".

### 3.3 The Treatment of "second homes"

Second homes are not considered in the three regions TSA as it was for estimation procedures. Nevertheless, the national SUT include a product that refers specifically to own-occupied homes. Belgium also uses a household budget survey in its NA estimates and traditionally this data source has some information on the nature of the house, in terms of its use (permanent or second home and sometimes it may even be possible to know whether it is seasonally used).

### 3.4 The measurement of tourism business expenses

Tourism business expenses (TBE) are estimated both for resident and non-resident tourists. In the case of non-resident, they refer only to tourists that do not live in Belgium. Belgians living in another part than that of the regional TSA are nevertheless treated as residents. There is no estimation for same-day trips, neither for resident nor non-resident. TBE made by an employer in its region of residence in accommodation and transport services are registered in table 4 since they are considered as intermediate consumption of the economy of reference. Other kind of expenses that are not considered intermediate consumption in NA, are placed in table 1 or 2. Total domestic expenses of domestic and inbound overnight tourism with regard to other purposes are obtained by multiplying volume variables by average expenses. Volume variables are nights spent from the "Statistique du Tourisme et de l'hotellerie-INS" 2002 national survey within the category of business purposes. Estimations of average total expenses are based on market studies carried out by OPT. The breakdown by products categories is based on the survey carried out by Toerisme Vlaanderen "Reizen met kennis van zaken".

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Table 1 registers inbound tourism of non-residents, either from abroad or from other regions in Belgium according to the purpose of the trip - business and other - the type of visitor - tourist or same-day visitor - and by category of product - tourism specific products, tourism connected and tourism non-specific products. Characteristic products are detailed as in the TSA-RMF categories of product. There are also connected and non-specific products. The general method of estimation consists of taking some volume indicators, overnights in the

case of tourists and number of visits for same-day visitors, an indicator for average daily expenses and some structures for product breakdown. Regarding tourist residents in Belgium but non-residents in the region considered the data related to nights spent comes from WES 2002 regarding non-residents in the country the chosen data source is the nights spent from INS 2002 for all origin countries, except for the Netherlands, for which data from the Continu Vakantie Onderzoek (CVO) was preferred. Total daily average expenditure by person and the structure by type of product were given by FTLB96-97. Regarding same-day visitors, see 4.4.

#### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Table 2 registers domestic tourism of residents in the region of reference according to the purpose of the trip - business and other - the type of visitor - tourist or same day visit - and by category of product - tourism specific products, tourism connected and tourism non-specific products. Indeed, as far as business expenditures are concerned, domestic expenditures refer to all Belgians and not only those of the region considered (see 3.4). Moreover, business expenditures refer only to overnight visitors (see 4.4). Characteristic products are as detailed as suggested in the TSA-RMF relating to the categories of products. There are also connected and non-specific products. The main data sources used are: see 2.2 for domestic tourism-tourists, 3.4 for tourism business expenses and 4.4 for same day visitors.

#### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 has not been compiled.

#### **4.4 Estimating same-day visitors expenditures**

Same-day visitors expenses are estimated with the same methodology as tourists expenses using volume indicators, average total expenses and structures by type of product. Only expenses in tourism for other reasons than business were estimated. Regarding inbound same-day visitors the used methodology is as follows. If the visitor is a non-resident in the region but resident in Belgium, the used volume indicator is the number of same-day trips based on WES-2002 to which a correction factor is applied to compensate any forgotten trip that was not declared. In case the visitor is non-resident both in the region and in the country, the volume indicator is based on data from the "Nederlands Instituut voor Recreatie en Toerism" (NIRT) when the non-resident is Dutch and from other market studies when the non-resident has another nationality. Based on market studies carried out by "Observatoires du Tourisme in Wallonia and Bruxelles" total daily average expenditure by person is estimated. Based on the FTLB 96-97 and on the Dagrecreatie in Nederland 2002-03 from NIRT a breakdown by type of product is done. Regarding domestic tourism, the methodology is identical. The indicator of volume is the number of same-day trips from WES-2002 also adjusted by forgotten trips. Average total expenses per trip and per person come from FTLB-96-97. The structure by product category comes from FTLB or NIRT. The level of detail of product classification within the sources of product breakdown is not specified (only FTLB is, see 2.2) but whatever that detail is a correspondence is made to the TSA-RMF.

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Table 4 of the regional TSA comprises tourism business expenses of accommodation services and transport when these are considered intermediate consumption in the economy of

reference. It also comprises the in kind consumption of the households that are expenditure of the government. Tourism social transfers, concerning cultural, recreational and sporting services are estimated by applying a tourism ratio to individual consumption of the government (P31, according to ESA95). It can be identified within the Use table of the Supply-Use tables and that is part of household actual consumption. The product classification detail used is that of the TSA-RMF. Additionally, a separation of distribution margins and imported from domestic products has been realised. With reference to the distribution margins tables for imported goods and trade margins from the "Bureau Federal du Plan" have been used. To distinguish imported from domestic products country SUT and national account regional data on production by industry have been applied.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

At a regional level Belgium has experience in compiling TSA table 5. The relevant information about has been derived by results coming from SBS. For the two regions Wallonia and Brussels-capital first experimental results have been compiled.

### **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

#### **5.2.1 The general structure of the table**

The general feature of the tables is based on the TSA-RMF model. It considers the several characteristic industries and also a column for connected industries and another for non-specific industries. It includes a column with imports, net taxes on products and margins. Furthermore, it includes intermediate consumption and total value added. Finally, it registers tourism value added.

#### **5.2.2 General characteristic of the data**

The information about the data used for the compilation of table 6 is mainly coming from TSA table 4 and 5 as well as the national SUT framework. With regard to a regionalized compilation method the latter is difficult to receive.

#### **5.2.3 Calculation of Tourism Value Added (TVA)**

When ever it is not possible to estimate an amount of tourism consumption by the demand side, it is estimated by the supply side. That is the case of transport services by means of transport. In these cases, Wallonia and Brussels regions estimate their own tourism ratios by industry by tourism characteristic industry. Experts in the tourism sector previously estimated these ratios which were then applied to the production. It is assumed that tourism value added is derived by the same tourism ratios.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

Table 7 on employment has not been compiled.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 on gross fixed capital formation has not been compiled.

### **6.3 TSA-table 9: Tourism collective consumption**

Table 9 on tourism collective consumption has not been compiled.

### **6.4 TSA-table 10: Non monetary indicators**

Table 10 on non monetary indicators has not been compiled.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

Belgium does not compile any other tables than that already mentioned as the country is still in an initial phase of TSA compilation. It has to be mentioned that there is a great interest of the specific Belgian regions to establish regional TSA. Due to that the Belgium TSA seems to be subject to a bottom-up process being compiled by local initiatives with national coordination.

### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The main problems with the compilation refer to the limited cover of each of the available data sources this makes the job of confronting the information much harder and the TSA compilation more difficult. A single major market research representative for all dimensions of tourism expense is seen as a solution for this problem. The main benefit of the TSA is assessing the amount of value added in the region that is attributable to tourism and therefore the real impact of tourism in the economy and a better knowledge of the economy of the region.

## **7 TSA country results**

### **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

As the TSA is still in an initial phase there are not any results available yet.

### **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

For Wallonia, the tourism ratio on total regional value added is 1.8 percent and in Brussels-capital is 2.4 percent.

**IT**

## Country report for Italy



## 1 General Introduction

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### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

The conscience that the Tourism Satellite Accounts (TSA) are the adequate analytical tool for the economic analysis of the importance of Tourism was inherent to the main objectives of the feasibility study on the implementation of the TSA developed by the Italian Statistical Office (ISTAT- Istituto Nazionale di Statistica) and by the Italian National Tourism Administration (Direzione Generali per il Turismo, DGT, Ministero delle Attivita Produttive MAP) in 2002-2003. The main objectives of this feasibility study (The Italian Tourism Satellite account: a Preliminary Study about the Statistical Sources and Methodology) were the inventory and diagnosis of the existing sources of information and of the main methodological references of the Italian TSA. This project was a follow up of the first methodological approach of ISTAT on the implementation of TSA in 2001, which consisted of a preliminary analysis of definitions, classifications, methodologies and available data sources for the TSA compilation. After this feasibility study, ISTAT developed the first experience in the implementation of the TSA (Towards the implementation of the Tourism Satellite Account in Italy) by estimating TSA tables 1 to 5 for the reference period 2002. The main results should be considered as being an experimental version of the TSA tables 1 to 5. The two mentioned projects were granted by the European Commission. At present ISTAT is not developing any systematic production but is it planned to compile full-fledged TSA for Italy during the years 2008-2010.

#### 1.1.2 Experience in TSA compilation

TSA tables 1 to 5 were compiled for the year 2002 in course of the TSA implementation study. Attention should be given to: a) The highest level of aggregation of the results for the Consumption Tables 1 to 4 (2-digit level), due to the lack of detailed information on domestic tourism consumption (for tables 2 and 4). This situation also affects the reliability of tourism ratios for a possible Table 6 b) The compilation of table 5 according to the assumption of homogeneous production branches, providing data only for the main production of the industries (diagonal cells of the production matrix - not considering secondary productions) due to the inexistence of a supply - use matrix from National Accounts at the time of this project. This implies that it was not possible to compile table 5 for the whole economy and to carry out the reconciliation between tourism production and consumption. This also makes the calculation of tourism ratios difficult. The revision of the National Accounts estimates for the new benchmark year (2000) allowed the compilation of Supply-Use tables, being then possible to compile tables 5 and 6.

### **1.1.3 Responsibility of the TSA compilation**

The Italian Statistical Office and the National Tourism Administration DG-MAP are the main responsible entities for the compilation of the TSA for Italy. ISTAT is responsible for the methodological and technical issues and DGT/MAP for the technical supervisory. When developing the implementation project two more entities were evolved in the project: Ufficio Italiano Cambi (UIC) and Ciset (Centro Internazionale di Studi sull'Economia Turistica).

## **1.2 The inter-institutional platform**

The recognition of the importance of cooperation between other entities in the production of Tourism Statistics justified the setting up of an inter-institutional platform for the TSA implementation in Italy. During the development of the TSA implementation project, the Ufficio Italiano Cambi (UIC) and Ciset (Centro Internazionale di Studi sull'Economia Turistica) became part of the institutional group. These two institutions are important actors in the tourism statistical system. The UIC is responsible for the compilation of the Balance of Payments and for a survey on International Tourism for Italy. Ciset is responsible for the development of tourism research, mainly for the Tourism economic analysis.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

Since Italy is still in an experimental phase, estimates and results of the pilot experiences are not regularly disseminated and thus not publicly available. The main results of the TSA for 2002 and tables 1-5 for Italy nevertheless are published in the report "Towards the implementation of the Tourism Satellite Account in Italy". No other type of document or data is available though.

### **1.3.2 Responsibility for the dissemination**

The responsibility of disseminating new TSA data belongs to ISTAT as it is the compiler of the TSA for Italy.

### **1.3.3 Content of the publication**

The document "Towards the implementation of the Tourism Satellite Account in Italy" is a final report of the Italian TSA implementation project granted by the European Commission (DG Enterprise), in the Grant Programme for 2003. This document synthesizes the main methodological references of the pilot study on the implementation of the TSA. References are made to: the main Italian statistical data sources, to the concepts, methodological frameworks, specific issues (such as the net valuation of the package tours and the treatment of margins) and major problems identified in the compilation of the different tables of results. The first estimates for the tables 1 to table 5 for the year 2002 are presented.

### **1.3.4 Level of detail of the publication**

The results are presented in the recommended format of the TSA tables. The level of detail of the tables of results differs from table to table and depends on the level of disaggregation of the information collected by the data sources used in the compilation of the different tables

and on the availability of the required information. Tables are presented as being experimental versions of the TSA tables.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

The used classifications are based on the system of National Accounts, which are in turn based on UN and EU standards (SNA93 & ESA95). For tourism specific products, it was built a correspondence between the TSA classification and that of the UN - the Central Product Classification (CPC) - and that of the EU - the Classification of Products by Activity (CPA) - and also the UN Classification of Individual Consumption by Purpose (COICOP). For TSA tourism specific activities, it was also built a correspondence between the TSA classification and the UN international standard industry classification (ISIC rev3) and the Statistical Classification of Economic Activities in the European Union (NACE rev1).

### 2.2 Measurement of domestic tourism expenditure

Three major aspects were taken into account when compiling domestic tourism expenditures according to the available data sources:

- The residence of the visitor - Italy
- The destination of the trip - only within Italy (either for tourists or same day visitors, exclusion of any domestic tourist activity by residents who travelled abroad)
- The purpose of the trip - vacation or business.

This construction method can cause an underestimation of total domestic tourist consumption as it excludes any expense made by resident visitors who travelled abroad, frequent overnight stays outside the place of residence and business same-day expenditures and trips.

The main data sources are: travels and holidays, the Italian survey on resident tourism demand (ISTAT-D) and the survey on household consumption (SHC). In order to disaggregate the expenditure components "transport" and "other services or products" collected in ISTAT-D more complex estimations based on SHC were developed considering the nature of product and the time of the year they are consumed. A tourism ratio was also attributed for each product.

### 2.3 The handling of the definition of "visitors" in empirical practice

#### 2.3.1 Leaving one's usual environment

Within the ISTAT-D survey the "usual environment" concept is applied, i.e. the survey leaves out regular trips (trips toward the same destination which happen at least with a weekly frequency) including overnight stays outside the place of residence. Thus, on the demand side, the concept of usual environment has two dimensions: the frequency and the distance from the place of residence, whereas for the supply side the usual environment criterion is always associated to the place of destination. These different criteria mean a divergence when compared between data sources. That from ISTAT-D is different from the supply side (ISTAT-Supply) and from data from the Italian Exchange Office (UIC). It is estimated that

the divergence of concepts will affect mainly inbound and outbound tourism. Nevertheless, it is estimated that the domestic tourism is affected by 7 per cent (of trips).

### **2.3.2 Business visitors and the fact of being remunerated**

No statement was made about the handling of business visitors remunerated within the place visited.

## **2.4 The scope of tourism consumption expenditure**

As far as domestic tourism is concerned it is recognized that ISTAT-D, the reference data source, may underestimate data on expenditures in the case of pre and post trip expenses as well as when Italy is the secondary destination. It is also expected that this tourism survey does not capture all consumer durables purchased within a tourism context.

## **2.5 Implementation of SNA93 based National Accounts results**

During the compilation phase of the pilot TSA for 2002 supply-use tables were not available within the Italian NA. The Italian NA system for production was based on an Input-Output matrix with the assumption of a homogeneous production branch. This implies that in the NA the economic branches did not include secondary production. After the first exercise regarding the implementation of the ITSA it was stated on the final report that SUT were expected for the forthcoming change of the benchmark year of NA not least because it is an essential instrument to build TSA, especially Tables 5 and 6. In the meantime there are SUT for Italy. It displays 60 industries and products within the official version whilst 101 for each are shown for internal use. Since then SUT are regularly calculated with 2004 being the latest reference year. IO tables are symmetric. NA does provide a detailed analysis comprising 101 different products and 56 consumption uses. The following groups and products are explicitly named: accommodation services, food and beverage serving services, transportation, cultural and recreational services. It includes monetary consumption, consumption in kind and consumption of households whose expenses are imputed to households. There is a bridge matrix for the COICOP classification and the CPA classification and from this to the TSA product classification.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

The Italian Office of Exchange (UIC) conducts a survey since 1996 on international borders (road, railway, air and water). This survey provides the only analytical data on the Italian international tourism and its main purpose is to provide data to feed the estimations of the Travel item of Balance of Payments of Italy. This survey was found essential since the implementation of the Euro as the banking system could not respond entirely based on transactions reporting system.

## **2.7 The measurement of timeshare tourism**

No specific reference on the measurement of time-share units was found on the implementation report of the TSA.

## 2.8 Availability of new surveys in the near future

At the time of the implementation study in 2004 ISTAT-D included on an experimental basis two new questions in order to better serve the needs of the TSA. One of the questions is about package tours it will identify tourists who use them for their trips. The other is for the purpose of gathering information on real rental prices on private accommodation.

## 3 The handling of TSA specific problems

### 3.1 Consideration of the services of travel agencies and tour operators "net"

The treatment of the production of travel agencies is already considered in the National Accounting System according to ESA95. The handling with this specific problem in the implementation study of the TSA for Italy considers different types of approaches depending on the type of tourism due to the different type of available information. For tables 1 and 3 it was not possible to respect the correct net valuation of the package tour (PT) since there were not any data sources that allow the identification of the tour operators and travel agencies margins or the decomposition. The UIC survey on international tourism only collects data on the total amount of the PT and on the services included (accommodation, restaurants, and transports). The treatment of this data provides information about the product structure of the package (what products and its cost) but does not give any reference on the value of the intermediation margins of the PT and of the travel agencies: the values allocated to the single products of the decomposed PT include the margins. Despite this, the UIC survey does not provide any type of data concerning the residence of the suppliers of the services. Concerning table 2, the experimental version does not consider a net valuation of the PT. In order to obtain more and better information on PT, ISTAT decided to reformulate the survey on domestic tourism (survey on the Italians vacations and holidays) with the purpose of identifying the tourist who used PT and getting more information on the composition of this composite product.

### 3.2 Consideration of the distribution margins

Currently it is not possible to consider the treatment of the distribution margins. Despite of the different scenarios presented for this allocation, the present estimates do not consider the identification of the contribution of margins to the total value of consumption (tables 1-4) or production (table 5) at purchasers prices.

### 3.3 The Treatment of "second homes"

Dwellings are considered second homes in the Italian TSA if they are not the primary residence of a household. The criterion also applies if they are used as vacation home which are not remunerated within this place and/ or are visited occasionally for work reasons. The treatment of second homes (SH) in the TSA is based on the methodology of NA for the estimation of housing services (SH are part of the housing services). The NA estimates are the starting point for the treatment of SH in TSA. Imputed rents resulted from the average annual actual rent of the stock of dwellings that are actually used as holiday homes. For Italy, the

estimations for the benchmark year 1991 of the NA ought to be updated since now as there was more recent data from the housing census 2001. For Domestic tourism, the reformulation of the survey on vacations and holidays considered the collection of data concerning effective rents paid by households in private holiday homes during their vacations. The main purpose was to quantify the market value of the private accommodation and to have an estimation of the seasonal variations of the actual rents.

### **3.4 The measurement of tourism business expenses**

The ITSA considers ESA95 for the treatment of business tourism expenditures (BTE): expenditure made in accommodation and transport services by the business visitors are considered as Intermediate Consumption (IC) and so BTE. Other expenditures, even if reimbursed, are Final consumption (FC). BTE are estimated according to the country of residence of the visitors and of the company which provides the services. In ITSA, total BTE of inbound tourism is considered FC in Italy - Table 1. For outbound tourism, expenditures made by the resident company on accommodation services and transports are included in table 4 (they are IC) other expenditure is FC and is included in table 3. Transport services are included in table 4, if provided by a resident company in Italy. For resident visitors travelling in Italy, BTE are IC -table 4 - if provided by a resident company. Other expenditures are FC-Table1.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

Table 1 is compiled by type of visitor and by type of products. It includes tourism expenditures, made by non-residents that travel either for business or for vacations purposes. The main data source used in the compilation of Table 1 (and Table 3) is the Italian Office of Exchange Survey. It is conducted since 1996 on international borders (road, railway, air and water) by the Italian Exchange Office (UIC), an operational extension of the Italian Central Bank. The main purpose of this survey is to provide data to feed the estimations of the Travel item of the Italian Balance of Payments. In the survey international visitors are counted and several kinds of information regarding the tourism phenomenon including expenditures are displayed. Since 2002, this survey also collects data on tourism expenditures broken down by type of product: international and domestic transport services, accommodation, restaurants and bars, goods and other services. There is no information on the amount of margin within the service of Travel Agencies and Tour Operators and on the residence of the provider of the service. This information is used in Table 1 and it is adjusted when necessary. An identified problem is the product classification. The mentioned expenditures are adjusted from those of seasonal and frontiers workers.

### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

TSA-Table 2 compiles domestic tourism consumption by type of visitor and product. The most important aspects for compiling this table are already described on chapter 2.2. ISTAT-D is the data source of reference. It has figures for total expenditure and for resident tourists travelling only in Italy. It distinguishes expenditures on transport services broken down by means of transport from other services or products. It also has an item for travel agencies

expenditures. For other expenditure items more complex estimations were developed based on SHC. ISTAT-D has no data on expenditures for same-day visitors. The estimation for this type of visitor was based on the number of trips of same-day visitors on SHC information in order to acknowledge the type of expenditures made by excursionists and on per capita values from tourists. However, some consumption items as air transport services have been excluded. There is no data source and no kind of estimation for same-day visitors who travel by business purposes. Furthermore, tourism expenditures done by residents on their way to a destination abroad cannot be included because data are not available and it is not possible at the moment to undertake any kind of statistical measurement.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 is compiled by type of visitor (same-day and overnight tourists) and by type of products (specific and connected/ non-specific products). The information on outbound tourism expenses is provided by the UIC survey. Values about trips and overnights derive from ISTAT-D. The consumption expenditure is broken down on a TCP/ CPA 4-digit level except for Culture and Recreation. These products are shown as an aggregated category as disaggregated information is missing. The same applies to connected and non-specific products. Additionally, table 3 includes expenditures on items other than accommodation services or transport services that were made by Italian visitors travelling abroad by business purposes. Table 3 is not considered a central table on the TSA since it represents the economic impact on foreign countries and not on the economy of reference - Italy. It is therefore mainly compiled for information purposes.

### **4.4 Estimating same-day visitors expenditures**

Regarding resident same-day visitors the main data source on tourism of residents, ISTAT-D, does not provide detailed information on expenditures but show the number, the destination and aggregated expenses of the trips. Estimates of expenditures therefore base on the number of trips and on the expenditure structure of the Survey of Household Consumption to acknowledge the nature of the expenditure (kind of products). Furthermore, per capita expenses from overnight tourists are also used excluding however some services. ISTAT-D does not cover business same-day trips. These are thus not included in the TSA. As far as non-residents are concerned, estimates either for vacation and business purposes are compiled based on the UIC international survey.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

In terms of tourism business expenditures, see chapter 3.4. Table 4 shows expenditures of inbound and domestic consumption as well as expenditures in kind. The latter includes social benefits received from the public and received goods and services in kind (e.g. maps for free) although their values are quite small. A separation of distribution margins as well as of domestically produced and imported products is not considered. Table 4 also includes estimations of the imputation services for own-account second homes (see chapter 3.3).

## 5 The TSA tables for production and supply and use

### 5.1 TSA-table 5: Production accounts of tourism industries and other industries

Table 5 compiles the Production Account of tourism industries and other industries at basic prices. The main data source for this table is the supply-use matrix of the National Accounts at the highest level of breakdown for the classification of products and industries in order to facilitate the correspondence of the national classifications of products and industries with the international classifications of tourism specific products and tourism specific activities (from UNWTO and Eurostat). In 2003, the Italian National Accounts System was based on the homogeneous production unit, which only considered the main production (product) of the economic branch not taking into account the secondary productions. Because of this, Italian TSA table 5 only includes values in the diagonal cells, which corresponds to the consideration of a homogeneous production approach. In the Italian TSA table 5 total production and intermediate consumption at basic prices were only compiled for the characteristic industries. By these reasons, this table is not in accordance with the European Implementation Manual since table 5 should represent the total economy and include the total production (main and secondary) and intermediate consumption. Table 5 is expected to be updated after the methodological revision of the Italian System of National Accounts, which will provide SUT of the overall economy (with heterogeneous production units). It is not considered a net valuation of the package tours or the treatment of the distribution margins.

### 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

TSA table 6 has not been compiled for the Italian TSA.

## 6 Extensions to the monetary core TSA-tables

TSA-table 7 (employment in the tourism industries), TSA table 8 (Tourism gross fixed capital formation) and TSA table 9 (Tourism collective consumption) is not compiled. Most of the data which has to be included within TSA table 10 (non-monetary indicators) are principally available within the Italian statistical system and the regional accounting system.

### 6.1 The general benefit of the country TSA and main problems in the compilation of the TSA

An identified general benefit is that satellite accounts contribute to the development of national accounts. Besides this, tourism is one of the main sectors in the Italian economy. Italy is considered the third country of Europe in terms of tourism and TSA is considered as fundamental to acknowledge the economic weight of tourism within the economy.

The identified problem areas concern the lack of detail on tourism domestic consumption that leads to an underestimation of the aggregates. There also is not any information on pre-trip expenditures and data on resident same-day trips for business purposes is missing. Besides that data on the consumption of residents on their way to a destination abroad is not available too. Furthermore, information on the net valuation of package tours cannot be received.

## 7 TSA country results

At the moment there are only some aggregated national demand-side TSA figures available for the year 2002. Due to severe data gaps within the related surveys the complete TSA characteristic product structural detail is missing.

### 7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Inbound tourism expenditure reached 29.2 bn Euro in 2002, 47 percent of internal tourism consumption. Tourists were responsible for 92 percent (26.9 bn Euros) of this value whereas same-day visitors accounted for only 2.3 bn Euros.

### 7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

In 2002, domestic tourism consumption by resident visitors travelling inside Italy accounted for 32 percent of the total internal tourism demand and corresponded to 19.9 bn Euros. Same-day visitors contributed 2.1 bn Euro and tourists 17.8 bn Euros.

### 7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

Outbound tourism consumption was equal to 14.4 bn Euros. Tourists represented 96 percent (13.8 bn Euros), the other 4 percent (0.6 bn Euros) were spent by same day visitors.

### 7.4 TSA-table 4: Internal tourism consumption by products and types of tourism

Total tourism expenditure in cash and in kind in Italy for the year 2002 summed up to 62.3 bn Euros, of which 29.2 bn were spent by non resident visitors. This figure represented 8.1 percent of family domestic consumption estimated by the Italian NA. The other components of internal tourism demand (business tourism expenditures, second homes, and tourism social transfers in kind) represented around 21 percent of total internal tourism demand. In 2002, they reached the amount of 13.2 bn Euros.

### 7.5 TSA-table 6: Domestic supply and internal tourism consumption by products

Table 6 is not compiled.

### 7.6 TSA-table 7: Employment in the tourism industries

Table 7 is not compiled.

## 7.7 Country specific TSA data sheet

|   |                |                    |                  |
|---|----------------|--------------------|------------------|
| Reference year of following TSA-Tables  | 2002           |                    |                  |
|   | in mn Euro     |                    |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                   |                |                    |                  |
| Total inbound tourism consumption   |                |                    |                  |
| same-day visitors   | 2359           |                    |                  |
| tourists  | 26873          |                    |                  |
| all visitors  | <b>29232</b>   |                    |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors                  |                |                    |                  |
| Total domestic tourism consumption  |                |                    |                  |
| same-day visitors   | 2134           |                    |                  |
| tourists  | 17732          |                    |                  |
| all resident visitors   | <b>19865</b>   |                    |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors                  |                |                    |                  |
| Total outbound tourism consumption  |                |                    |                  |
| same-day visitors   | 570            |                    |                  |
| tourists  | 13833          |                    |                  |
| all visitors  | <b>14403</b>   |                    |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                        |                |                    |                  |
| Total internal tourism consumption (T1 & T2)  | 49097          |                    |                  |
| Total internal tourism consumption (in cash and in kind)  |                |                    |                  |
| including tourism business expenses   | 62287          |                    |                  |
| including other components of visitors consumption in kind<br>(without tourism business expenses) | 0              |                    |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                         |                |                    |                  |
| <b>Internal tourism consumption by products</b>   | <b>62287</b>   |                    | T-ratios (in %)  |
| A.1 Characteristic products   | 0              |                    | 0                |
| 1 Accommodation services  | 0              |                    | 0                |
| 2 Food and beverage serving services  | 0              |                    | 0                |
| 3 Passenger transport services  | 0              |                    | 0                |
| 4 Travel agency, tour operator and tourist guide service  | 0              |                    | 0                |
| 5 Cultural services   | 0              |                    | 0                |
| 6 Recreation and other entertainment services   | 0              |                    | 0                |
| 7 Miscellaneous tourism services  | 0              |                    | 0                |
| A.2 Connected products & B. Non specific products   | 0              |                    | 0                |
| <b>Total final consumptions by private households (national)</b>                                  | <b>771277</b>  |                    |                  |
| <b>Total Output (national)</b>  | <b>2514946</b> |                    |                  |
| <b>Total Output of activities</b>   | <b>0</b>       | GVA                | T-shares (in %)  |
| 1 Hotels and similar  | 0              | 0                  | 0                |
| 2 Second home ownership (imputed)   | 0              | 0                  | 0                |
| 3 Restaurants and similar   | 0              | 0                  | 0                |
| 4 Railways passenger transport  | 0              | 0                  | 0                |
| 5 Road passenger transport  | 0              | 0                  | 0                |
| 6 Water passenger transport   | 0              | 0                  | 0                |
| 7 Air passenger transport   | 0              | 0                  | 0                |
| 8 Passenger transport supporting services   | 0              | 0                  | 0                |
| 9 Passenger transport equipment rental  | 0              | 0                  | 0                |
| 10 Travel agencies and similar  | 0              | 0                  | 0                |
| 11 Cultural services  | 0              | 0                  | 0                |
| 12 Sporting and other recreational services   | 0              | 0                  | 0                |
| Tourism connected & non specific industries   | 0              | 0                  | 0                |
| <b>Total Value Added (national)</b>   | <b>1165418</b> |                    |                  |
| <b>Tourism Valued Added</b>   | <b>0</b>       |                    |                  |
| TSA-table 7: Employment in the tourism industries   |                |                    |                  |
|   |                | employed employees | female employees |
| <b>Total employment in the tourism industries</b>   | <b>0</b>       | <b>0</b>           | <b>0</b>         |
| 1 Hotels and similar  | 0              | 0                  | 0                |
| 2 Second home ownership (imputed)   | 0              | 0                  | 0                |
| 3 Restaurants and similar   | 0              | 0                  | 0                |
| 4 Railways passenger transport  | 0              | 0                  | 0                |
| 5 Road passenger transport  | 0              | 0                  | 0                |
| 6 Water passenger transport   | 0              | 0                  | 0                |
| 7 Air passenger transport   | 0              | 0                  | 0                |
| 8 Passenger transport supporting services   | 0              | 0                  | 0                |
| 9 Passenger transport equipment rental  | 0              | 0                  | 0                |
| 10 Travel agencies and similar  | 0              | 0                  | 0                |
| 11 Cultural services  | 0              | 0                  | 0                |
| 12 Sporting and other recreational services   | 0              | 0                  | 0                |
| <b>Total Employment (national)</b>  | <b>0</b>       |                    |                  |

IT

# RO

Country report for Romania



## 1 General Introduction

Mr. Cristi Frent [mailto:cristi\_frent@incdt.ro] from the National Institute of Research - Development in Tourism (INCDT, www.incdt.ro) is (unofficially) responsible for compiling the Romanian TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Romania is in an initial stage of TSA compilation having some parts of a feasibility study (2005 and 2008) already prepared and also an unofficial pilot TSA version carried out in 2004. Now the target is to improve the statistical basis in order to have a detailed data necessary for TSA compilation.

In 2005 INCDT carry out one part of a TSA feasibility study referring only to the description and diagnosis of System of tourism statistics in Romania as well as some proposals to improve the existing tourism statistics. This study received contribution from INS (National Institute of Statistics) and BNR (National Bank of Romania). The second part of the TSA feasibility study was completed in December 2008 by INCDT and it deals with some short general guidelines referring to the implementation alternatives, necessary activities, institutional construction and resources required. A full-fledged TSA on the other hand is not officially envisaged which originates from missing data and staff as well as a wanting background or affiliation to a national statistical program respectively. The preliminary pilot version was not financed by EU grant.

#### 1.1.2 Experience in TSA compilation

In 2004 there was a pilot (experimental) TSA carried out by INCDT together with National Account Department within National Institute of Statistics. The Romanian TSA within the pilot study considers all tables except of T3, T8 and T9. The reference year was 2001. In the pilot TSA a reconciliation table (Table 6) was also included and was provided by National Account Department within National Institute of Statistics (INS). The first 4 tables and Table 7 (Employment in tourism industries) were compiled by INCDT based on INS data.

#### 1.1.3 Responsibility of the TSA compilation

In the pilot TSA study the National Institute of Research - Development in Tourism (INCDT) and the National Accounts Department within the National Institute of Statistics were responsible for the TSA compilation. INCDT was responsible for the “conceptual work” of the TSA while INS was a data provider and responsible (unofficially) for compilation of table 5 and table 6.

### 1.2 The inter-institutional platform

Romania has no operating inter-institutional platform for tourism statistics. Nevertheless, the following organisations have been informally cooperating: National Administration for Tourism, National Institute of Statistics (INS) by unit in charge of National Accounts (NA)

compilation, unit in charge of Tourism Statistics, National Bank of Romania (BNR) by unit in charge of the Balance of Payments (incl. Travel BoP) compilation and National Institute of Research Development in Tourism (INCDT). International involved institutions were UNWTO und EUROSTAT. With regard to the provision of statistical data contracts also existed.

### **1.3 The dissemination of the TSA exercise**

#### **1.3.1 Availability of the country TSA**

The results of the Romanian TSA (pilot version) were publicly not available as they were for the internal use of the National Tourism Administration and the National Institute of Research Development in Tourism only.

#### **1.3.2 Responsibility for the dissemination**

There was limited dissemination for the National Tourism Authority by the National Institute of Research Development in Tourism.

#### **1.3.3 Content of the publication**

The pilot TSA was not officially disseminated as there was no publication for this. However the first part of the feasibility study published in 2005 is only available in Romanian language on the mturism.ro website and treats the description and analysis of the available tourism statistics data as well as some proposals to improve the existing tourism statistics.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

The Romanian pilot TSA uses sources of information that are consistent with the list of Tourism Characteristic Products (TCP) in the RMF as long as data is available.

### **2.2 Measurement of domestic tourism expenditure**

The main data sources to measure domestic tourism derive from a tourism household survey called ACTR survey. The survey distinguishes between total domestic and outbound expenditure but the breakdown of expenditures are cumulated (domestic + outbound). Total tourism expenditures do not comply with the TCP/CPA product level but are functionally broken down in the related purposes accommodation, transport, restaurant/bar/similar, recreational/cultural/sports, health, shopping, cosmetics/haircuts/beauty services and others.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

The question of being visitor by leaving ones usual environment depends on the crossing of the administrative border, the frequency and the concept of "vicinity". The first one applies to frontier administrative registering of persons arriving/leaving in/from Romania. The second

and the third criterion are valid in the case of domestic and outbound overnight tourism and applied in the tourism household survey. More precisely, crossing the administrative border of Romania means that the domestic/foreign visitor leaves/enters Romania. As regards frequency concept it is considered that places that are frequently (on average once per week or often) on routine basis visited are part of the usual environment of a person, even though they may be located at a considerable distance from the place of residence. In case of vicinity concept it is considered that places located close to the place of residence are part of the usual environment even though they may be rarely visited.

### **2.3.2 Business visitors and the fact of being remunerated**

Business visitors that are remunerated from the country visited are excluded in the case of domestic tourism with regard to overnight visitors.

## **2.4 The scope of tourism consumption expenditure**

Although the domestic tourism survey includes pre-trip expenditures there are no specific and separately treatment for consumer durables.

## **2.5 Implementation of SNA93 based National Accounts results**

The Romanian pilot TSA includes data of the supply-use (SUT) of the National Accounts (NA). 34 products and 34 industries are displayed in the official version of the SUT. The internally disseminated SUT sums up to 105 products and 105 industries. The SUT are regularly calculated with 2006 being the latest publication year at this moment. This also applies to the consumption uses. The use-table includes detailed information on final household consumption expenditure showing 105 different products concerning hotels, restaurants, railway transports, water transports, air transport, other transports, travel agencies, tourist assistance and auxiliary transportation services.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

Travel is measured by an adjusted banking settlement system using credit card reports, reports by travel agencies, hotels and international carriers, data on cross border transactions as well as other data sources and adjustments.

## **2.7 The measurement of timeshare tourism**

Timeshare tourism is not measured in Romania.

## **2.8 Availability of new surveys in the near future**

New surveys are currently initiated or planned to achieve a higher level of detail with regard to tourism related expenditures and the accommodation sector. Further surveys are also planned in connection with same-day visitors and travel agencies/tour operators. Thus in 2009 pilot version of the same-day visitors survey (domestic + outbound) and pilot version of survey on expenditure of non-residents accommodated in private tourism establishments are carried out being financed by PHARE funds. Moreover starting with 2009 a completely

changed survey on travel agencies is currently implemented. Also in 2009 the new ACNER survey (Survey on tourist expenditure of non-residents using collective accommodation establishments) is under way after the pilot version of this survey being carried out in 2008.

### **3 The handling of TSA specific problems**

#### **3.1 Consideration of the services of travel agencies and tour operators "net"**

In the pilot TSA in Romania it is not estimate the net value of the services of travel agencies and tour operators. In the future data on the composition of the package and the intermediate consumption within the production process can be derived from the revised survey on travel agencies and tour operators.

#### **3.2 Consideration of the distribution margins**

Distribution margins are considered by using an internal survey in order do get quarterly data on retail trade margins.

#### **3.3 The Treatment of "second homes"**

Second homes are not separately treated in the Romanian statistics. Such data would be available from a household budget survey and the Housing census. Rents are therefore only imputed for primary homes.

#### **3.4 The measurement of tourism business expenses**

Romania measures tourism business expenses according to the guidelines of SNA93. The results base on supply related information (mainly form Structural Business Survey) as well as data from balance sheets of companies.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The Romanian pilot TSA measured inbound tourism. No distinction was made between same-day visitors and overnight tourists as there was not any relevant survey. Nor did the information about inbound tourism activities considered any other specific detail like holiday and business trips, different types of accommodation, means of transport or the kind of expenditure. The products were differentiated between specific and non specific whereas the specific ones are not further subdivided in characteristic and connected products. With regard to their classification they are more or less broken down to a 2-digit-level product structure. In the pilot TSA survey data were mainly derived from accommodation statistics and a one-time ad-hoc survey of INCDT regarding the estimation of receipts in international tourism.

However starting with 2008 the new ACNER survey will provide complete data regarding the expenditure structure of foreign tourists.

## **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

In the pilot TSA table 2 for domestic tourism consumption displays only overnight tourists because the survey "Tourist demand of residents in Romania" covers only overnight tourists. Same-day tourists are thus excluded. It is planned to distinguish these two groups in the near future. Therefore a pilot survey will be carried out in the year 2009.

On the other hand, residents travelling within the country and those being on the way to a destination abroad are separated. Besides, the information on domestic tourism consumption is separately displayed as holiday and business trips, used accommodation, used means of transport and kind of expenditure. No information is given about the differentiation of products as well as the used product classification that differ from the TCP/CPA-digit-level. The main data sources to measure domestic tourism derive from a household budget survey as well as accommodation statistics. The domestic consumption part of outbound trips has not been measured in the survey and therefore not integrated in the pilot version of TSA table 2.

## **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

The Romanian pilot study did not analyse T3.

## **4.4 Estimating same-day visitors expenditures**

No survey concerning same-day visitors was available in the past. Same-day visitor expenditures were hence not estimated. The pilot 2009 survey on same-day visitors will provide the data necessary for domestic and outbound same-day trips.

## **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

The pilot version of Romanian TSA included table 4 for internal tourism consumption but its components related only to visitors final consumption in kind, not to tourism social transfers in kind and business tourism expenses. A separation of distribution margins was considered as well (see 3.2). Within the Romanian pilot TSA table 4 has only been a mere combination of T1 and T2.

# **5 The TSA tables for production and supply and use**

## **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The compilation of TSA-table 5 was done by National Accounts department within National Institute of Statistics. Due to missing statistical sources a decomposition of packages could not be realized within the pilot TSA. In the meantime the relevant survey for activities of tour operators and travel agencies has been enlarged for monetary based indicators on the structure of packages.

## 5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products

### 5.2.1 The general structure of the table

Though the Romanian pilot study established the TSA-table 6 as recommended in the TSA-RMF, table 6 did not strictly apply to the proposed framework. SUT was not used to identify the product specific output of industries. The main reason therefore was that the internal available SUT for the reference year 2001 does not fulfil the requirements of the TSA specific classifications. Industries/ activities have been classified on a 2-digit level according to NACE. Here too, work is still in progress.

### 5.2.2 General characteristic of the data

T6 will be established as recommended in the TSA-RMF.

### 5.2.3 Calculation of Tourism Value Added (TVA)

Table 6 is used to establish TVA. Within the Romanian pilot TSA the TVA has been calculated as a difference between production and intermediate consumption, using tourism shares applied to each specific and non-specific tourism products. The latter have not been directly derived from the product-specific demand-side tourism ratio on domestic supply but by a heuristic industry-specific analysis.

## 6 Extensions to the monetary core TSA-tables

### 6.1 TSA-table 7: Employment in the tourism industries

Labour Force Survey (LFS), accommodation Statistics and Structural Business Statistics form the data basis for this TSA table. In the pilot version of TSA, table 7 showing the employment in the tourism industries was not according to the TSA-RMF framework: It is restricted to total employment in tourism industries. Actually the indicator was “Stock of personnel existed at the 31st of December”. In this case the indicator was taken from business structural statistics (SBS) and the industries are somewhat different as it follows:

- Restaurants included also the category "Cafes, bars, canteens and other units where food is prepared"
- The category "Passenger transport supporting services" was equivalent with the category "Handling, and services annexed to transport"
- The category "Passenger transport equipment rental" was equivalent with the category "Renting cars and equipments without driver"
- Due to missing detail data the category “Transportation” contains employment data for passenger transportation as well as for freight transport companies

Furthermore, the country study does not provide any specific information like number of jobs and number of employed persons, Full Time Equivalents (FTE), indirect impacts of tourism on employment or more detailed data.

## **6.2 TSA-table 8: Tourism gross fixed capital formation**

Table 8 was not compiled.

## **6.3 TSA-table 9: Tourism collective consumption**

Table 9 was not compiled.

## **6.4 TSA-table 10: Non monetary indicators**

Table 10 was compiled within the Romanian TSA showing the indicators proposed of the RMF. This included the number of trips and overnights by types of tourism and categories of visitors, the number of inbound tourism arrivals by means of transport, the number of establishments and capacity by forms of accommodation (no information on private accommodation existed) as well as the number of establishments in tourism characteristic and tourism connected activities classified according to the number of employed persons.

## **6.5 Other tables beyond the 10 RMF-TSA-tables**

There are no other tables than those already mentioned and there are no additional tables planned either.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

The most crucial problems occur due to the small amount of available adequate data especially with regard to the level of detail, the timeliness and domestic as well as inbound tourism consumption. Thus, the reconciliation of supply and demand related information was difficult. Further problems emerge from the reconciliation of TBoP information with T1 and T3 as well as of TSA-results with NA-statistics. General difficulties result from the cooperation with other organisations.

# **7 TSA country results**

## **7.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The consumption of all non-resident visitors reached 810 mn Euro (in current prices of 2001 and an average annual exchange rate of 1 EUR = 26.02689 Lei) in 2001.

## **7.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Total domestic tourism consumption of all resident visitors amounted to 888 mn Euro in Romania in 2001.

### **7.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 was not compiled.

### **7.4 TSA-table 4: Internal tourism consumption by products and types of tourism**

Total internal tourism consumption reached 1862 mn Euro in 2001.

### **7.5 TSA-table 6: Domestic supply and internal tourism consumption by products**

In 2001 characteristic products represented 84 percent of internal tourism consumption. Accommodation services and travel agencies/tour operators/tourist guide services contributed with 48 percent and 19 percent respectively the biggest part of the characteristic products. The tourism ratios of supply of those two amounted to 60 percent and 93 percent. In comparison tourism had only a part of 1 percent in the supply of connected and non specific products. Overall, this implicates a share of 4 percent of internal tourism consumption in the total final consumption by private households. With regard to the domestic supply direct TVA amounted to 879 mn Euro. Related to the 2001 gross value added (40 bn Euro) the share of TVA accounted for 2.2 percent.

### **7.6 TSA-table 7: Employment in the tourism industries**

According to the results of this TSA table 380323 persons were employed in the tourism characteristic industries in 2001, whereas employees took a share of 92.5 percent. Thus, tourism contributes 8.2 percent to the overall employment (total Romanian employment: 4.6 mn). The most labour-intensive tourism industries were the road transport (130 th people) and the railway transport (nearly 100 th people). It has to be mentioned that this transportation sector includes also freight transport.

## 7.7 Country specific TSA data sheet

| Reference year of following TSA-Tables   | 2001           |               |                  |
|--|----------------|---------------|------------------|
|  | in mn Euro     |               |                  |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors                |                |               |                  |
| Total inbound tourism consumption  |                |               |                  |
| same-day visitors  | 0              |               |                  |
| tourists   | 0              |               |                  |
| all visitors   | <b>811</b>     |               |                  |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors               |                |               |                  |
| Total domestic tourism consumption   |                |               |                  |
| same-day visitors  | 0              |               |                  |
| tourists   | 0              |               |                  |
| all resident visitors  | <b>889</b>     |               |                  |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors               |                |               |                  |
| Total outbound tourism consumption   |                |               |                  |
| same-day visitors  | 0              |               |                  |
| tourists   | 0              |               |                  |
| all visitors   | <b>0</b>       |               |                  |
| TSA-table 4: Internal tourism consumption by products and types of tourism                     |                |               |                  |
| Total internal tourism consumption (T1 & T2)   | 1698           |               |                  |
| Total internal tourism consumption (in cash and in kind)                                       |                |               |                  |
| including tourism business expenses  | 1689           |               |                  |
| including other components of visitors consumption in kind (without tourism business expenses) | 1862           |               |                  |
| TSA-table 6: Domestic supply and internal tourism consumption by products                      |                |               |                  |
| <b>Internal tourism consumption by products</b>  | <b>1270</b>    |               | T-ratios (in %)  |
| A.1 Characteristic products  | 1067           |               | 12               |
| 1 Accommodation services   | 508            |               | 60               |
| 2 Food and beverage serving services   | 196            |               | 22               |
| 3 Passenger transport services   | 138            |               | 3                |
| 4 Travel agency, tour operator and tourist guide service                                       | 204            |               | 93               |
| 5 Cultural services  | 0              |               | 0                |
| 6 Recreation and other entertainment services  | 9              |               | 4                |
| 7 Miscellaneous tourism services   | 12             |               | 1                |
| A.2 Connected products & B. Non specific products  | 203            |               | 1                |
| <b>Total final consumptions by private households (national)</b>                               | <b>30867</b>   |               |                  |
| <b>Total Output (national)</b>   | <b>87381</b>   |               |                  |
| <b>Total Output of activities</b>  | <b>8596</b>    | GVA           | T-shares (in %)  |
| 1 Hotels and similar   | 727            | 485           | 0                |
| 2 Second home ownership (imputed)  | 81             | 81            | 0                |
| 3 Restaurants and similar  | 849            | 254           | 0                |
| 4 Railways passenger transport   | 342            | 176           | 0                |
| 5 Road passenger transport   | 589            | 319           | 0                |
| 6 Water passenger transport  | 9              | 5             | 0                |
| 7 Air passenger transport  | 207            | 90            | 0                |
| 8 Passenger transport supporting services  | 246            | 155           | 0                |
| 9 Passenger transport equipment rental   | 5              | 5             | 0                |
| 10 Travel agencies and similar   | 200            | 125           | 0                |
| 11 Cultural services   | 0              | 0             | 0                |
| 12 Sporting and other recreational services  | 84             | 40            | 0                |
| Tourism connected & non specific industries  | 5257           | 38334         | 0                |
| <b>Total Value Added (national)</b>  | <b>40068</b>   |               |                  |
| <b>Tourism Valued Added</b>  | <b>880</b>     |               |                  |
| TSA-table 7: Employment in the tourism industries (in number of persons)                       |                |               |                  |
|  | employed       | employees     | female employees |
| <b>Total employment in the tourism industries</b>  | <b>380323</b>  | <b>351858</b> | <b>0</b>         |
| 1 Hotels and similar   | 27950          | 25254         | 0                |
| 2 Second home ownership (imputed)  | 0              | 0             | 0                |
| 3 Restaurants and similar  | 61874          | 50101         | 0                |
| 4 Railways passenger transport   | 95595          | 95458         | 0                |
| 5 Road passenger transport   | 130428         | 121936        | 0                |
| 6 Water passenger transport  | 5776           | 5532          | 0                |
| 7 Air passenger transport  | 3875           | 3736          | 0                |
| 8 Passenger transport supporting services  | 32151          | 30170         | 0                |
| 9 Passenger transport equipment rental   | 2340           | 1912          | 0                |
| 10 Travel agencies and similar   | 9695           | 8009          | 0                |
| 11 Cultural services   | 0              | 0             | 0                |
| 12 Sporting and other recreational services  | 10649          | 9750          | 0                |
| <b>Total Employment (national)</b>   | <b>4609976</b> |               |                  |

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## **D) Member States of the EU with the status „First Compilation Started“, and no empirical results**



# BG

Country report for Bulgaria



## 1 General Introduction

Mrs. Lidia Sandeva [mailto:LSandeva@NSI.bg] from the National Statistical Institute is responsible for the implementation of the Bulgarian TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

At present, the compilation of the Bulgarian TSA is deemed one of the top priorities within the Bulgarian statistical system. The statistical relevance of the economic analysis of tourism is acknowledged by including the TSA in the Bulgarian National Program of Statistical Surveys for the year 2008. So far the Bulgarian statistical authorities carried out a feasibility study with 2006 as reference year. The TSA implementation project will be totally funded by the Bulgarian public institution as Bulgaria is not benefiting of EU grants devoted to the implementation of TSA in the member states. Although the Bulgarian NSI has already been working towards the compilation of the TSA, the project is still in a very early stage, in which the TSA team is working on the data basis and the methodological aspects linked to the TSA. As a consequence, exploratory TSA tables have not been estimated for the time being. Nevertheless, some work on estimating the demand tables is expected to be commenced during this year. Actual problems occur due to the lack of tourism data which is why the efforts are devoted to the setting up of new and the improvement of existing statistical sources. Other difficulties arise in the scarcity of resources, mainly in the shortage of qualified staff. Until these two obstacles have been overcome, the statistical authorities cannot fix the date for a first full-fledged pilot TSA.

#### 1.1.2 Experience in TSA compilation

As mentioned in point 1.1.1, the Bulgarian TSA project is still in an early stage. The experience in the compilation of TSA is therefore rather limited at present and tables have not yet been compiled fully. The TSA Bulgarian project has been conceived as a three stage process: During the first stage the Bulgarian experts familiarized themselves with the TSA concepts, classifications, international methodologies and experiences of other countries with already existent TSA. There also has been cooperation with the Spanish TSA compilation team from the NSI National Accounts department based on two study visits each taking three days. This first stage resulted in the translation of the WTO, OECD and Eurostat "TSA-RMF" into Bulgarian language, being crucial in order to ensure the correct understanding of the international methodology by the experts of both national accounts and tourism statistics. After the identification and collection of the necessary data as well as the improvement of existent data sources (second stage) the Bulgarian experts will work on the compilation of the exploratory demand tables (TSA-RMF tables 1 to 4) in the last phase. Once the estimation of these tables will be fully accomplished, the efforts will be devoted to estimate the supply side variables (TSA-RMF table 5) and the balancing of supply and demand (table 6). For the end of next year it is expected to conclude with the exploratory estimate of the TSA core tables. Notwithstanding, it should be highlighted that the resources devoted to the TSA project are fairly limited and this could give rise to unexpected delays in the project.

At present TSA team starts experimentally complete TSA's tables 1, 2 and 3 with existing data for 2006. Although a draft version on table 7 has been already compiled, the source used is basically the Labour Force Survey, due to the fact that SUT do not provide data on employment by industry for the time being.

### **1.1.3 Responsibility of the TSA compilation**

According to the Bulgarian National Statistical Programme for the year 2008, the NSI Tourism Statistics unit within the Bulgarian National Statistic Institute will be responsible for the compilation and dissemination of the TSA. However, it should be underlined that the NSI National Accounts unit is participating and cooperating in the development of the TSA, aiming to ensure the consistency of the TSA estimates with National Accounts data and recording criteria. This responsibility of the TSA compilation will not be shared with other public (neither the National Bank nor the State Agency of Tourism) or private tourism related institutions.

## **1.2 The inter-institutional platform**

Bulgaria has already set up an inter-institutional platform for the tourism related statistics. This platform is composed of public institutions. From the Bulgarian NSI side the Tourism Statistic and the National Accounts unit are involved. The former one presents the department in charge of estimating the TSA and the latter acts as a supporting unit in the compilation process. The other public institutions which co-operate in this project are the Central Bank (specifically the Balance of Payments unit as responsible for the estimation of the travel item) and the State Agency for Tourism. It should be pointed out that neither the local tourism administrations nor the regional statistical offices participate in the TSA project. . At present, the inter-institutional co-operation mainly focuses on the discussion of the methodologies to be applied to the tourism surveys.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

Data on the TSA have not been published yet. For the time being no decision has been taken about the expected publication year of the first pilot TSA for Bulgaria.

### **1.3.2 Responsibility for the dissemination**

Regarding the dissemination policy, it is foreseen that the Tourism Statistic Department itself be in charge of disseminating the data on TSA.

### **1.3.3 Content of the publication**

It has not been decided yet. However, for the first Bulgarian TSA the efforts will be fully devoted to the compilation of the core of the TSA tables (that is to say TSA-RMF tables 1 to 6) and no extensions are planned to be included in the first versions of the TSA. In fact, the TSA project has been conceived as a progressive or step by step project, therefore in the future TSA estimates will produce data on the other tables or in specific issues relevant that may be considered of interest in Bulgaria.

### 1.3.4 Level of detail of the publication

It is not decided yet.

## 2 Fundamentals for the country TSA

### 2.1 Classifications of products and activities

It is planned that the products and industries classifications to be used in the Bulgarian TSA will be in line with the international recommendations proposed in the TSA-RMF. In fact, the "Survey of the trips of Bulgarian residents and the tourism related expenditures" includes questions on tourism expenditures with a product breakdown very similar to the TSA TCP set up in the TSA-RMF. In particular, the expenditures on the following products are explicitly requested:

- Food and Beverages.
- Accommodation.
- Health care.
- Transportation (breakdown by means of transport).
- Car rental- Including Fuel.
- Training
- Sport events.
- Culture.
- Recreational and Sport activities.
- Communication.
- Other goods and services.

Concerning inbound tourism the level of detail requested in the inbound survey is even higher than that of the domestic one as it splits other goods and services into some additional products.

### 2.2 Measurement of domestic tourism expenditure

The basic source to be used to estimate domestic tourism consumption is the household survey mentioned above: "Survey of the trips of Bulgarian residents and the tourism related expenditures". In this survey the Bulgarian residents are requested to provide information on trips carried out by the members of the household during the last three months. In the questionnaire, apart of including some socio-demographic questions such as age, qualification, working status, etc. they are also requested to provide information on the purpose of the trip (business being one of the purposes), the mean of transport used, type of accommodation, the use of package tour and the services it comprises, the total expenditures of the trip and the expenditures breakdown by the products listed in the previous point of the report. The information collected through this survey will be very useful for the estimations of domestic tourism consumption by tourism characteristic products. Regarding domestic expenditures linked to outbound trips, the expenditures on those products that are considered hundred per cent tourism products (air transport, travel agencies and hotels) would be

implicitly included when balancing supply and demand for the rest of the products this part would not be included; however this missing expenditure is negligible.

## **2.3 The handling of the definition of "visitors" in empirical practice**

### **2.3.1 Leaving one's usual environment**

For operational reasons usual environment has to be defined according to more objective criteria. In the specific case of Bulgaria three criteria that have to be simultaneously fulfilled are applied:

- The crossing of an administrative border: In the case of domestic tourism consumption the administrative boundaries are the municipalities. On the contrary, for inbound and outbound tourism this criterion does not apply because by definition international visitors always have to cross an administrative border (the national borders).
- The second criterion is the frequency of the trips. In this case, those places that are visited more than once a week are considered to be part of the household's usual environment.
- The third criterion is the distance travelled.

### **2.3.2 Business visitors and the fact of being remunerated**

Neither the inbound tourism survey nor the domestic tourism survey take into account the fact of being remunerated within the place visited. This issue poses some practical difficulties on the application of the correct definition of tourism, and for this reason it is not easy to apply a common and precise criterion. In the TSA-RMF it is stated that visitors receiving a remuneration - either in cash or in kind - within the place visited do not fall within the scope of tourism. This delimitation of the tourism boundaries poses some practical problems: On the one hand, the purpose of the visit could be a combination of different purposes in many occasions; on the other hand it is not clear what is to be understood as remuneration in kind. Because it would be fairly complex to tackle this issue on the surveys as well as its incidence over the total figures is almost negligible, it has been decided to ignore this problem.

## **2.4 The scope of tourism consumption expenditure**

The Bulgarian domestic tourism consumption survey requests information on the total expenditures of the trip. This implicitly means that the pre-paid expenditures related to a trip are already included in the estimates. Furthermore, specific questions on the use of package tours and the total amount paid for it are included in the survey as well. Similarly, in the inbound tourism consumption survey the total expenditure of the trip broken down by products are requested. So, pre-paid expenditure should be also declared by the household. Concerning the package tours, apart from asking for their total prices, travellers are requested to give information on the services they include. Related to the consumer durable goods all purchases of these goods are considered in theory, due to the fact that there is an "other goods" category in which the remaining expenditure is recorded. However, it is fairly difficult to identify what kinds of goods are being registered within this category.

## 2.5 Implementation of SNA93 based National Accounts results

The latest published Supply and Use Tables (SUT) in Bulgaria refer to the year 2004. These tables identify 60 products and 60 activities. Nonetheless, the level of detail of the unpublished tables that are used for the internal calculations is much higher and encompasses 825 products and 118 industries or activities however it should be noticed that household final consumption is not estimated for each of the 825 products considered in the working use table. The tourism products and industries that can be identified in the published SUT are: Travel agencies and tour operators, accommodation services, and transport services. Although the INS national Accounts Department does presently not publish symmetric input-output tables, it will be obliged to release these tables every five years in the future according to the new ESA95 transmission program. Furthermore, this new transmission program also calls to estimate in year T the SUT for year T-3 on a yearly basis.

## 2.6 Measurement of the “travel” item in the Balance of Payments

The main source to estimate the debits and credits of the travel item in the Bulgarian Balance of Payments compiled by the Central Bank is the Ministry of Interior data on the arrivals and departures of visitors obtained by processing the information collected at the border checkpoints. Until 2007 the travel item was estimated by combining different sources of information such as the information from the border police on the number of non resident visitors and the number of residents travelling abroad, information on surveys that were carried out in 1999-2002, information from tourism providers, and the ITRS information still available. Moreover, in August 2007 till August 2008 a border survey was launched and it will provide information by June 2009 on the total expenditure (no detail by products will be available); this survey was carried out by a private enterprise. It should be pointed out that it is planned by the Central Bank to use the border surveys that are being run by the NSO, to this aim a close co-operation will be needed.

## 2.7 The measurement of timeshare tourism

This issue it is not deemed one of the top priorities at the present stage of the compilation process of the Bulgarian TSA as the incidence of timeshare tourism is almost zero. However, it should be remarked that, in so far as timesharing activity might be included either within accommodation services or within real estate services, the TSA estimates would implicitly include timesharing services.

## 2.8 Availability of new surveys in the near future

In June 2008 the survey called "Tourism expenditures of foreigners in Bulgaria" will be resumed on regular basis. Previously, during 2006, this survey (a pilot version) was carried out aiming at validating and analyzing the results obtained. Apart from this survey the Bulgarian institutions are not planning to develop new surveys for TSA purposes in the short term. It should be also noticed that some of the issues to be investigated, which are listed in question 3.8 of the TSA questionnaire, have been already broached in some of the existing surveys. Furthermore, it should be borne in mind that the efforts of the Bulgarian TSA team are focusing right now on the methodological aspects of the TSA.

### **3 The handling of TSA specific problems**

#### **3.1 Consideration of the services of travel agencies and tour operators "net"**

At the present the compilation process of the Bulgarian TSA is in its initial stage. The efforts therefore focus on the production of the exploratory demand tables to identify the information gaps and the methodological difficulties. Although the net valuation of package tours is one of the main methodological issues that has to be carried out within the TSA estimations, for the time being the subsequent adjustments have not been undertaken yet. Obviously, in future stages of the implementation process of the TSA both demand and supply tables will be valued according to the net recording of this product, to obtain TSA estimates consistent with the international methodologies. Most of the data that is necessary to make the corresponding adjustments (distribution of the final consumption of package tours into the different products they may contain, the changing of intermediate consumption linked to package tours to final demand what means a reduction of production) is already available in the SUT tables. These adjustments will have to be made in both the supply and demand tables for balancing purposes.

#### **3.2 Consideration of the distribution margins**

The demand tables that have been compiled as an exploratory exercise are valued at purchasing prices, since the work to estimate the tourism distribution margins and net taxes on products has not started yet. For balancing purposes, goods that are included in internal tourism consumption as well as domestic output will have to be valued at basic prices in table 6. However, in National Accounts both distribution margins and net taxes on products corresponding to every single good considered in the SUT must be calculated for balancing supply and demand. Due to different valuation criteria applied to supply and demand (basic prices and purchasers prices respectively) the margins and the net taxes on products linked to tourism will be estimated by using the most updated ratios available in the SUT.

#### **3.3 The Treatment of “second homes”**

For TSA purposes second homes are defined as dwellings that are not the primary residence of the household and are visited for leisure, vacation or any other non-remunerated activity within the place where the second home is located. To obtain the stock of second homes, the Population and Dwelling Census will be used as one of the main sources of information. However, this information has to be complemented with some additional data on the use of the second homes by the members of the household. This type of information will be collected through a household survey. For the estimation of the imputed rents of the second homes in the TSA, apart from the data sources mentioned in the previous paragraph, information from National accounts concerning owners occupied housing services activity will be also utilized. Nonetheless, the estimation process of the imputed rents of owner occupied dwellings in National Accounts is going to be revised in short future.

#### **3.4 The measurement of tourism business expenses**

The SUT record tourism business expenses as intermediate consumption of the corresponding industry. Therefore, the basic information to estimate this expenditure broken down by

tourism characteristic products comes from the SUT themselves (for instance, practically hundred per cent of the total intermediate consumption of air passengers transport services could be directly allotted to business trips carried out by resident employees). Moreover, the Bulgarian household tourism survey includes a specific module devoted to the business trips made by resident employees. In this module households are requested to provide information on the destination of the trip (abroad or in Bulgaria), the mean of transport used, the total number of overnights, the expenditure differentiated between tourism characteristic products, etc. Additionally, the inbound and outbound border surveys collect information on the purpose of the trip being business one of the listed purposes.

## 4 The TSA tables for tourism consumption

### 4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

A table similar to TSA-RMF table 1 will be compiled in the Bulgarian TSA to measure inbound tourism consumption. The main sources of information will be the credits of travel and passengers transport services items from the Balance of Payments in doing so the consistency between TSA, Balance of Payments and National Accounts will be ensured. Some additional sources are needed to split the total inbound tourism consumption derived from the balance of Payments figures into the different products considered in table 1. To this end the expenditure structure delivered by the inbound border survey will be used. The list of products of the survey is in line with the Bulgarian version of table 1, which in turn is totally in line with the products recommended in TSA-RMF table 1. Another important source that will be used for compiling table 1 is the accommodation occupancy survey carried out by the NSI. Since the sources of information are able to provide the required data to estimate the expenditure by products of both tourists and same-day visitors, it is foreseen that table 1 distinguishes between these two categories of visitors. Some of the questions that have been included in the inbound border survey are devoted to the main purpose of the visit (14 different purposes are considered, such as business, holidays, culture, visiting relatives and friends, etc) and means of transport used to arrive in Bulgaria.

### 4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

The Bulgarian version of table 2 is planned to follow the recommendations of the international methodologies, thus the level of detail by products will be rather similar to the recommended ones: accommodation services, passengers transport services (by the different means of transport), food and beverage serving services, Travel agencies services, etc). Data sources that will be used are the "Survey of the trips of Bulgarian residents and the tourism related expenditures" and the accommodation survey. The former aims at collecting expenditures on the trips (breakdown by the same product categories named in the Bulgarian version of table 2) spent by the Bulgarian residents within Bulgaria and abroad. The latter estimates the overnights spent in the collective accommodation establishments by both residents and non-residents travellers. The household survey gives information about the used means of transport, the number of nights spent in the different types of accommodation, the use of package tours, the services comprised in the package tours and the purpose of the trip (Holidays, business, visiting relatives and friends, health, etc). The estimation of domestic

tourism consumption will implicitly include the pre-trip payments, given that households are asked to provide the total expenditure link to the trip. Concerning the domestic part of outbound trips - as it has been explained before - the expenditure on those products which are almost exclusively consumed by tourists would be implicitly included in domestic tourism consumption at the moment of balancing supply demand. The remaining expenditures would not be included, though it should be pointed out that this missing expenditure is negligible in comparison with the total domestic tourism consumption.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

In the present phase of the Bulgarian TSA the estimation of the outbound tourism consumption broken down by products is not seen as a relevant issue to be broached. The main reason is that this information is not required for the demand and supply balancing. Therefore it is preferred to devote the scarce resources to more important aspects of the TSA.

### **4.4 Estimating same-day visitors expenditures**

For estimating tourism data related to same-day visitors the following two different surveys will be used. Expenses on same-day trips spent by Bulgarian residents derive from the "Survey of trips of Bulgarian residents and tourism related expenditures" broken down by tourism characteristic products. This survey bases on a national population sample and is carried out in the respondents homes. The second source is the Bulgarian inbound border survey that collects data on the expenditure linked to same-day trips made by non-residents within Bulgaria. This survey shows a rather detailed list of products among which the tourism expenditure has to be separated. In particular, the product breakdown applied in this survey is more extensive than that of the previous mentioned household survey. It has been already mentioned that the current outbound border survey does not ask, on an explicit way, for information on the expenditure linked to same-day visits. As it has been stated in point 4.3, at the present situation of the TSA implementation project, outbound tourism analysis is not a key issue.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

The most relevant components for compiling table 3 are inbound and domestic tourism consumption already available from tables 1 and 2. This two tables and table 4 have to be estimated according to the net valuation of package tour. To this end some information is needed to split the package tour into the different tourism services it comprises. It should be underlined that the Bulgarian TSA team does not value package tours on a net basis yet, being this an issue on which the compiling team will work on in the near future. Concerning the other elements of table 4, that is to say the "other components of tourism consumption" that refers to tourism business expenditure and tourism social transfer in kind, it should be underlined that business tourism consumption are already considered in tables 1 and 2. On the contrary, the estimation of the tourism social transfer in kind has not been broached yet.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

At the present state of art of the implementation process of the Bulgarian TSA, the work on the compilation of the supply side table 5 and supply and demand balance table 6 will not start until the estimation of the demand tables is completed. Initially it is planned that in the end of 2009 the exploratory version of these two tables will be accomplished. The level of detail of the tourism industries will depend on the information available that it is required to estimate table 5. It should be recalled that the Bulgarian published SUT provide information for 60 industries, while the total number of industries in the internal working SUT is 118. Thus, the TSA team will have to analyze the possibility of splitting some specific industries of the published SUT for TSA purposes for instance to split transport industries into passengers and merchandise transport, or accommodation and food services into accommodation services on the one hand and food services on the other hand.

### **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

#### **5.2.1 The general structure of the table**

The compilation of table 6 will be accomplished by the end of next year that is why specific details cannot be provided yet. Table 6 is meant to be established according to the international proposals. The breakdown by products will thus be the same as already explained in the demand tables (see point 4.1 of this report) and the tourism industries will depend on the tourism industries to be considered in table 5. It is foreseen that the recommended valuation criteria (net treatment of package tours and internal tourism consumption at basic prices) will be applied when compiling table 6.

#### **5.2.2 General characteristic of the data**

Information about the data that will be used for table 6 is not yet available. As commented previously, table 5 and table 4 are estimated by using as main statistical source the data from National Accounts, specifically the SUT. Therefore, table 6, which derives from table 4 and 5, will most probably base on SUT of National Accounts.

#### **5.2.3 Calculation of Tourism Value Added (TVA)**

At the present state of the TSA implementation project it is not possible to comment how the tourism shares by products and industries, and in consequence the TVA, will be calculated. Once the demand (internal tourism consumption net of imports) and the supply data (domestic output) will be available, they will have to be in-depth analyzed to carry out the balancing.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

Bulgaria plans to compile table 7 on employment in the tourism industries in the short-term. The collection of data from different sources has been started. The TSA team could contemplate estimating tourism employment.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

For the time being table 8 devoted to tourism gross fixed capital formation will not be compiled.

### **6.3 TSA-table 9: Tourism collective consumption**

The Bulgarian TSA team does not give the estimation of collective tourism expenditure high priority so that its measurement will not be undertaken in the initial stages of the TSA implementation process. However, the availability of data on National Accounts provided by the Audit Office will be analysed to broach the estimation of both individual and collective tourism general government consumption.

### **6.4 TSA-table 10: Non monetary indicators**

As it has been pointed out, the Bulgarian TSA project is in an early stage and all efforts and resources are currently devoted to the most relevant issues (setting up of the basic surveys for TSA purposes, drafting and analysis of the methodology to be applied, gathering of the relevant information from the different sources, etc). Some of the already existing tourism surveys (both the households and frontier surveys) collect data on non-monetary indicators. Therefore, the number of trips and overnights by types of tourism and categories of visitors, the number of arrivals and overnights by means of transport in case of inbound tourism and the number of establishments and capacity by forms of accommodation will be released within the Bulgarian TSA as well.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

No other tables beyond TSA-RMF table 10 are planned to be released.

### **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

Tourism plays an essential role in the Bulgarian economic development, having a significant impact on the main macroeconomic aggregates such as GPD, Gross Value Added, employment, etc. For this reason the elaboration of the Bulgarian TSA is deemed as one of the main statistical projects within the National Program of Statistical Surveys for 2008. However, the compilation of TSA poses some problems which are difficult to overcome. Most of the problems are related to limitedly available information for some specific TSA aspects. The launching of new statistical operations or the adaptation of the already existing ones is therefore absolutely essential to fill these gaps of information. This implies an increase on the funding and on the human resources needed. Another sort of difficulties is connected with the complexity of TSA and National Accounts methodologies. The compilation process

of TSA, the reconciliation of TSA and Balance of Payments data, the net valuation of package tours, the treatment of the trade margins and the supply and demand balancing poses quite a challenge for the national compilers. Due to the close relationship between TSA and National Accounts there is a feedback between both statistics. National Accounts therefore also benefits from the estimation of the TSA and from the sources launched to satisfy demand of additional data for the TSA.



LU

## Country report for Luxembourg



## **1 General Introduction**

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### **1.1 Level of development of the TSA**

#### **1.1.1 Knowledge about TSA compilation**

In 2007/2008 Luxembourg completed a feasibility study in order to get a better impression about the national implementation difficulties. At the moment there are no concrete plans for the implementation either as it is not part of the national statistical programme. The reference year of the feasibility study was 2005. The study did not obtain funds of an EU grant programme.

#### **1.1.2 Experience in TSA compilation**

Within the feasibility study the compilation of the monetary TSA core tables T1 - T6 have been explored. Empirical results are not available.

#### **1.1.3 Responsibility of the TSA compilation**

The responsibility of the empirical TSA compilation is primarily by the NA division within STATEC.

### **1.2 The inter-institutional platform**

Luxembourg has not an operating inter-institutional platform for tourism statistics but there is a strong connection between the Luxembourgian Ministry for Tourism and the STATEC.

### **1.3 The dissemination of the TSA exercise**

The dissemination practice of the TSA exercise at the moment is still open.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

The Luxembourg TSA can use sources of information whose classification is consistent with the list of Tourism Characteristic Products (TCP) in the TSA-RMF. The data is partly available on a high disaggregated level and will be applied in the future TSA compilation process.

## 2.2 Measurement of domestic tourism expenditure

Information concerning domestic tourism expenditures can be read off the household budget survey HBS and the household survey related to travel behaviour. These surveys distinguish whether tourism products were purchased inside Luxembourg or abroad. Furthermore, at least the HBS allows getting detailed information on tourism related consumption patterns, too.

## 2.3 The handling of the definition of "visitors" in empirical practice

### 2.3.1 Leaving one's usual environment

The main criterion to define visitors is the crossing of the border of municipality. This will apply to all categories of visitors (inbound, outbound, domestic same-day and overnight). In case of domestic overnight tourist the frequency will be additionally considered.

### 2.3.2 Business visitors and the fact of being remunerated

Concerning domestic tourism, in the HBS in order to consider a trip as tourism it is explicitly stated that the member of the household should not receive any remuneration from within the place visited. Consequently, from the practical point of view, it is the household who applies this restriction. Expenditures of enterprises due to business trips should be recorded from the National Accounts perspective as intermediate consumption of the resident production units.

## 2.4 The scope of tourism consumption expenditure

Information is collected on pre-trip expenses. High value items are not considered. Furthermore, data on goods bought during the trip that are of single-purpose as well as of multi-purpose will be integrated in the Luxembourg TSA whereas a definition for the differentiation between single- and multi-purpose does not yet exist. Identification and classification of expenditure on tourism single purpose consumer durable goods can be done indirectly by analysis of supply by products and applied to inbound, outbound and domestic tourism.

## 2.5 Implementation of SNA93 based National Accounts results

Supply and use tables (SUT) are integrated in the Luxembourg National Accounts (NA). They show 40 different products and 40 industries classified according to CPA and NACE. In an internal working version there is a considerably higher level of detail available displaying 268 products and 112 activities. The SUT are regularly calculated by the NA division with 2006 being the latest publication year. Furthermore, a final household consumption expenditure analysis within the NA provides 268 products - including all tourism related products - on CPA 3-digit-level. It also distinguishes 408 consumption uses (following the COICOP classification) of which about 1/4 are relevant to tourism. Besides that the data is subdivided into domestic, inbound and outbound related expenses. The latter information primarily comes from HBS.

## 2.6 The measurement of timeshare tourism

Information and data on timeshare tourism are not available.

## **2.7 Availability of new surveys in the near future**

The available information seems to be sufficient to implement a first national pilot TSA. At the moment new surveys are not planned by STATEC.

## **3 The handling of TSA specific problems**

### **3.1 Consideration of the services of travel agencies and tour operators "net"**

In a pilot TSA for Luxembourg it will be possible to value the services of travel agencies and tour operators "net". Especially the information coming from SUT and SBS will act as base data.

### **3.2 Consideration of the distribution margins**

Distribution margins can be explicitly compiled by using SUT resp. IO-information.

### **3.3 The Treatment of "second homes"**

Information about the treatment of second homes as well as possible data sources is not given. Maybe it is possible to estimate expenses for second homes by using results of the household budget survey and a housing census.

### **3.4 The measurement of tourism business expenses**

The Luxembourg TSA will follow the guidelines of SNA93 in measuring tourism business expenses. Information is recorded on the demand side within the Domestic Tourism Survey as well as on the supply side (NA-statistics and business statistics). The latter expenses should be recorded as expenses in kind within TSA table T4.

## **4 The TSA tables for tourism consumption**

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

The Luxembourg TSA is supposed to measure inbound tourism and will distinguish between same-day visitors and overnight tourists. The products are planned to be differentiated between specific and non-tourism specific products. With regard to their classification they are meant to follow the TCP/CPA 2- and 3-digit-level. The core data source will be the detailed internal compilation level for SUT. Besides that the COICOP-6-digit on household consumption will deliver additional information for extracting tourism specific transactions.

### **4.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

Presumable table 2 for domestic tourism consumption will not distinguish between overnight tourists and same-day visitors. Due to the small size of the country same-day visitors can be

excluded by definition and a separate estimation becomes therefore superfluous. The products are again planned to be differentiated between specific and non-specific. With regard to their classification they are meant to follow the TCP/CPA 2- and 3-digit level. As data sources, accommodation statistics, the household budget survey as well as the domestic survey on tourism behaviour and the detailed results of the SUT are available. The domestic consumption part of outbound trips will be measured using SUT as well as demand related information based on the HBS.

### **4.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Details concerning visitors, products and consumptions will be as valid as in the aforementioned section 4.1. The relevant data sources are the Travel Balance of Payments on outbound visitors (debit), SUT and the HBS.

### **4.4 Estimating same-day visitors expenditures**

Same-day visitor expenditures due to outbound trips may be estimated on an aggregate level by using the relevant results within the tourism sample survey on travel behaviour. At the moment it unclear if it is also possible to estimate the tourism specific expenditure structure because the relevant survey does not contain any information on it. Due to the small size of the country domestic same-day activities can be excluded by definition and a separate estimation becomes therefore superfluous.

### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Besides the aggregation of inbound and domestic tourism consumption in cash in T4 other in-kind components of visitor consumption are recorded. They refer to the business tourism expenses (item 3.4.), imputed rents for second homes used for tourism purpose (item 3.3.) and the amount of non-monetary tourism consumption (made by the government or NPISH on behalf of the visitor who does not pay the market value of a product to get it). Perhaps the latter figures will be available within the NA.A separation of distribution margins will be possible by using SUT.

## **5 The TSA tables for production and supply and use**

### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The Luxembourgian pilot TSA will contain table 5 by using the results of the Supply-Use-Tables (SUT) and business statistics in order to identify the product specific output of industries and to show the production accounts. Industries and activities are classified on a NACE 2- and 3-digit level. As for products they are given on a CPA/TCP 2- and 3-digit-level. Based on the information within structural business statistics the TSA possibly will also include the product specific intermediate input structure by industry. Information about possibilities to identify the components of value added according to the TSA-RMF at the moment is not available but should be possible.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

Details of the general structure are unknown, but in general it will follow the recommendations within the TSA-RMF. Most probably the procedure will be based on "tourism ratio approach" i.e. the application of the share of tourism use in the supply of tourism (non-)specific goods to tourism industries GVA. For that purpose the product specific tourism ratios on supply may be used for the calculation of tourism shares by industry.

## **6 Extensions to the monetary core TSA-tables**

The compilation of table 7 (employment in the tourism industries), table 8 (tourism gross fixed capital formation) and table 9 (tourism collective consumption) has not been analysed so far. Most of the non-monetary information shown in TSA table 10 are in principle available.



**MT**

**Country report for Malta**



## 1 General Introduction

Mrs Tania Borg [mailto: tania.borg@gov.mt] at the National Statistics Office of Malta is the responsible contact person for the compilation of the national TSA.

### 1.1 Level of development of the TSA

#### 1.1.1 Knowledge about TSA compilation

Given that Malta is a small island economy, inbound tourism is of importance. Prior to the 1990s the Central Office of Statistics produced several basic tourism indicators. Since the early 1990s important economic studies were carried out such as "The Impact of Tourism on the Economy of Malta" and the "Exit Passenger Survey" from April 1989 to March 1990. In 1997 the then NTOM (National Tourism of Malta) Advisory Board highlighted the importance of an Economic Impact Study for the industry's strategic tourism development. The result was "the Economic Impact of Tourism in Malta" based on input-output analysis. Since the year 2000 statistical developments improved rapidly as the National Statistics Office published the first set of Balance of Payments and commenced the Tourstat survey which replaced the outdated set of embarkation cards in 2004. In 2003, the Malta Tourism Authority also commissioned "The Economic Impact of Tourism in Malta": a Computable General Equilibrium Analysis, which analyses various aspects of the Maltese tourism industry. For a number of years the actual Malta Tourism Administration (MTA) explored the possibility of conducting a TSA feasibility study. On July 2003, a feasibility study on TSA for Malta started being developed with the financial support of the European Commission (grant programme 2003, FIF 20030932). One of the objectives of the feasibility study consisted in the formulation of a statistical inventory in order to identify the data gaps of the existing sources for TSA compilation. Following the feasibility study, work has started again in 2008 to conduct a TSA pilot study. A technical mission was carried out in May 2009 to discuss all the elements of the TSA prior the compilation of the tables. The following contents of this report consider the discussions held during the technical mission.

#### 1.1.2 Experience in TSA compilation

The feasibility study consisted in a statistical inventory of the available sources for the compilation of the TSA, in the data gap analysis between available data sources and data requirements of TSA and in the definition of the main methodological and conceptual issues of TSA. Previous to the data gap analysis, the creation of a statistical inventory of tourism statistics for Malta provided a detailed description of the statistics and administrative sources of tourism demand and supply. Secondly, it was evaluated how such data would be utilised to fill in TSA-RMF tables. Work based on TSA has started again in 2008 with the analysis of data sources prior the compilation of the data. Some of the main conceptual issues presented in RMF such as net valuation of package tours, business tourism expenses and same-day expenditures were considered. From a logistic point of view a TSA pilot study for 2005 would be produced in 2010. At the moment, results are not available as work is still underway on the actual estimates of TSA yet Malta has made considerable progress in the supporting sources which will eventually be used as inputs for the TSA. In particular, the Tourism Statistics Unit

of NSO has launched and consolidated the following surveys: Tourstat (introduced in 2001). In 2006, Tourstat incorporated information on outbound tourism. Accomstat (for accommodation statistics) introduced in 2004.

Data from Tourstat and Accomstat are considered reliable and appropriate sources for TSA tables. Cruistat (a pilot study of same-day visitors was carried out in 2006 and stopped in 2008), a re-launch of the project is underway. At present Cruistat data is not being published but NSO is relying on administrative records by the Malta Maritime Authority. Domestic tourism is being covered in 2009 as part of a pilot project where a survey on domestic tourism is held amongst households. Additionally, in 2008, NSO conducted the HBS which would be a useful tool for Tables 2 and 3. Additional information of expenditure breakdown on inbound tourism is collected from the traveller expenditure survey conducted by the Malta Tourism Authority (MTA). All these supporting surveys are necessary to enable NSO to start compiling the TSA.

### **1.1.3 Responsibility of the TSA compilation**

A joint group made up of NSO and officials from the Malta Tourism Authority is set up as work on the TSA will start after the expert mission in May. However, the responsibility of developing an official TSA lies within the NSO, since the development of TSA is directly embedded into the developments taking place within the National Accounting (NA) framework. The role of the Malta Tourism Authority was to serve as a catalyst in the project the NSO, being the organisation that can actually develop the TSA, given its expertise in statistics and the knowledge in compiling national accounts.

## **1.2 The inter-institutional platform**

The setting up of an institutional platform which was composed of the NSO, and the Malta Tourism Authority (MTA) served as central forum for the development of a feasibility study for the Maltese TSA. The forum was instrumental to define a project strategy and the sharing of data, discuss methodological difficulties and devise plausible solutions for the development of TSA in the future.

## **1.3 The dissemination of the TSA exercise**

### **1.3.1 Availability of the country TSA**

As previously mentioned, TSA results are not yet publicly available. It is expected to disseminate them when the first TSA have been compiled.

### **1.3.2 Responsibility for the dissemination**

The dissemination will be NSO responsibility with the support of the other members of the institutional platform.

### **1.3.3 Content of the publication**

In case of Malta the publication of TSA will be on annual basis. Hence it will be possible to compare the progress of Malta in a number of tourism areas on an annual basis. It will also provide a benchmark to the tourism industry in general as it will provide insights on expenditure and cost structures.

### **1.3.4 Level of detail of the publication**

It is expected that TSA publication will provide a systematic structure to measure the level of tourism supply in Malta and its diverse industry linkages. Many of these same general objectives serve to justify interest in producing industry-based economic surveys in the tourism area.

## **2 Fundamentals for the country TSA**

### **2.1 Classifications of products and activities**

One of the objectives of the expert mission was the analysis of the coverage of the different products using the available sources in order to get detailed data in accordance with the TSA-RMF list of tourism characteristic products. A clear distinction was made on the country specific tourism connected products (examples clothing and souvenirs) and Non tourism related consumption products (medicine, fuel, tobacco, internet).

### **2.2 Measurement of domestic tourism expenditure**

Domestic tourism expenditure might prove to be considered priority in the compilation of Maltese TSA in relation to regional indicator. Domestic tourism expenditure estimation will be based on household budget survey conducted in 2008. However, a separate pilot study on domestic tourism was conducted amongst households for the first four months of 2009, and will be used as a benchmarking with HBS estimates.

### **2.3 The handling of the definition of "visitors" in empirical practice**

#### **2.3.1 Leaving one's usual environment**

A number of scenarios were put forward to exhaust the concept of usual environment. The scenarios discussed considered two main scenarios: scenario 1 comprising satellite accounts for the national economy of Malta as a whole that would focus on international tourism and thus completely exclude regional issues. Scenario 2 can be made up of a satellite account for the Maltese economy as a whole with regional TSA for the islands Malta and Gozo. After careful investigation of the different definitions of usual environment, it was decided that for the purpose of TSA usual environment should cover the Maltese economy as a whole with regional TSA for the islands Malta and Gozo. Therefore Maltese TSA, at this stage, would primarily focus on the economic impact of international tourism on the Maltese economy but also focus on the regional impact through domestic tourism

#### **2.3.2 Business visitors and the fact of being remunerated**

According to the mission in May, it is expected to exclude all visitors remunerated within the place visited. Tourstat (survey on inbound and, since 2006, outbound tourism) can provide a good reference for identifying visitors by purpose of the visit, business and other purposes. For same-day visits, data from Cruistat (survey on same day visitors) will allow the distinction.

## **2.4 The scope of tourism consumption expenditure**

Given the definition of usual environment for Malta TSA, TSA exercise for the Maltese islands will primarily focus on the economic impact of international tourism on the Maltese economy. During the mission it was discussed that all the information available should deal directly with direct expenditure. It is evident that from the demand perspective (and the concept of usual environment) much emphasis is placed upon TSA table 1 with less importance on 2 and 3. Therefore the estimation of tourism consumption considers the breakdown of arrival and expenditure data into leisure or business categories.

## **2.5 Implementation of SNA93 based National Accounts results**

One of the main data sources for demand and supply are SUT from National Accounts. Since the accession of Malta to the European Union, NA had to be conformed to ESA95. The relevant improvement compared to the old system is compilation of a third approach to the measurement of national economic activity, namely, the production approach. This development was of vital importance for TSA, since TSA table 5 has to be embedded in the system of NA.

## **2.6 Measurement of the “travel” item in the Balance of Payments**

NSO is responsible for the compilation of the Balance of Payments. The compilation of the travel item is based on Tourstat survey.

## **2.7 The measurement of timeshare tourism**

During the mission, it was discussed that the treatment of timeshare tourism should be considered in TSA table 4 as services associated with vacation accommodation on own account. The amount of expenditure on timeshare can be extracted from the Tourstat survey.

## **2.8 Availability of new surveys in the near future**

TSA requires that data collection should be improved on both demand and supply side. As for tourism demand tourism surveys have to be expanded concerning their data product classification, an exercise to breakdown the package components has to be completed, the Cruistat survey has to re-launched on a continuous basis while a new survey have to be introduced to register domestic tourists.

# **3 The handling of TSA specific problems**

## **3.1 Consideration of the services of travel agencies and tour operators "net"**

In the technical mission, some references were made to the breakdown of tourism package expenditures. In order to produce this net valuation of package tours and measure the impact of package tour consumption on the economy it is necessary to distinguish the volume of consumption of each domestic tour package, outbound package and inbound package. In the case of Malta the best practice was to take into account the cost of international travel generated through Air Malta flights and tour operator margins that are retained in Malta. At the moment, the NSO is using information from Air Malta flights in order to breakdown the

package. Furthermore, the breakdown of package tour for same day visits would be analysed after collecting some information from a local operator.

### **3.2 Consideration of the country-specific tourism characteristic goods**

The treatment of country specific tourism characteristic goods was discussed in detail during the technical mission. It was decided that shopping, diving suits and souvenirs should fall under this heading.

### **3.3 Consideration of the other consumption products**

The treatment of other consumption products was discussed in detail during the technical mission. It was decided that medicine, fuel, tobacco and internet should fall under this heading.

## **4 The TSA tables for tourism consumption**

The pilot study will be compiled for the year 2005, to benchmark with the Supply and Use tables that will be available for 2005.

### **4.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors**

Table 1 will provide a complete picture of inbound tourism, thus providing detailed information about income from non-residents. The major obstacle that the international platform had to overcome was the exact definition and computation of tour operator packages. The main data source of the compilation of TSA table 1 is Tourstat (survey on inbound and outbound). The proposed format for this table is in line with the TSA-RMF format.

### **4.2 Estimating same-day visitors expenditures**

The majority of same-day visitors for TSA table 1 are cruise passengers. The introduction of the TSA may coincide with the completion of the VISET sea passenger terminal. Therefore, the application of full Cruistat survey will serve as an input into TSA for Malta as it will provide both a detailed breakdown of cruise passenger preferences in terms of consumption and the basis to calculate the return on the investment of the cruise passenger terminal project. In the meantime, a pilot study on cruise passengers was conducted in 2006/8, and will be a useful tool to analyse same day visitors for 2005.

### **4.3 TSA-table 2: Domestic tourism consumption by products and categories of visitors**

For the 1<sup>st</sup> part of the table concerning domestic trips, two pilot studies analysing domestic tourism are being considered. In addition, the HBS will be used to benchmark our data. On the other hand, for the estimation of the domestic consumption component of outbound tourism, the major source of reference is the household budget survey (HBS), yet the product classification is very restricted for TSA purposes as the HBS records aggregate expenditure to a bulk sum of expenditure abroad.

#### **4.4 TSA-table 3: Outbound tourism consumption by products and categories of visitors**

Table 3 refers to outbound tourism. The main data source of the compilation of table 3 is Tourstat (survey on inbound and outbound). For 2005, the Tourstat survey did not cover outbound tourism; however data for 2006 – 2009 will be used to benchmark data in 2005. Another viable source of information for outbound tourism is the HBS.

#### **4.5 TSA-table 4: Internal tourism consumption by products and types of tourism**

Table 4 is the combination of the previous TSA tables but also introduces the concept of business tourism that is captured by the Tourstat Survey. Second homes, timeshare and other types of transfer in kind were not taken into account. The proposed format for this table is in line with TSA-RMF format.

### **5 The TSA tables for production and supply and use**

#### **5.1 TSA-table 5: Production accounts of tourism industries and other industries**

The main data sources of table 5 are Supply and Use Tables (SUT). Currently they are available in Malta only in a form available which is not readily suitable for the comparison of internal tourism consumption, where tourism industries and tourism characteristic products are highlighted and embedded within a general framework of analysis. In addition to this further breakdown is required in terms of product classification see 2.5. In the pilot study it is mentioned that the compilation of table 5 for Malta TSA implies the construction of a set of modular data elements:

- a) Total output of domestic characteristic tourism industry producers for the characteristic products and aggregated product for tourism connected and non-specific groups
- b) Tourism specific (i.e. characteristic and connected) and non-specific product outputs of non-characteristic domestic producers
- c) Differentiation of basic prices and producer prices including the modular component elements that permit construction of the various price elements such as transport charges paid separately, deductible taxes paid by purchasers, per unit taxes paid by producers, and per unit subsidies to producers
- d) Retail trade margins for goods sold to visitors
- e) Modular treatment of travel agent inputs and outputs to permit unbundling of travel agent services to create a net output value
- f) Disaggregation of industry intermediate inputs and of industry employment compensation.

The future format for this table should be in line with the TSA-RMF.

## **5.2 Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products**

### **5.2.1 The general structure of the table**

The recommended format for TSA table 6 of Malta should be in line with TSA-RMF standards.

### **5.2.2 General characteristic of the data**

In Table 6 supply and demand are brought together. It is therefore the core of the TSA. Table 5 is one of the main inputs of this table. For intermediate consumption, tourism shares consider the input/output structure to form table 5.

### **5.2.3 Calculation of Tourism Value Added (TVA)**

The calculation of TVA should completely follow the recommendations within the TSA-RMF.

## **6 Extensions to the monetary core TSA-tables**

### **6.1 TSA-table 7: Employment in the tourism industries**

Table 7 refers to employment data for the tourism industries that are readily available and can be part of the TSA for Malta. The main data sources identified for the compilation of TSA table 7 are business statistics surveys, the labour force survey and administrative sources (the labour force survey for the number of establishments and employment training corporation data for the number of jobs and correspondent disaggregation by status on employment and gender). The recommended format for this table should be in line with TSA-RMF format.

### **6.2 TSA-table 8: Tourism gross fixed capital formation**

This table is not considered in the first implementation stage of the Malta TSA.

### **6.3 TSA-table 9: Tourism collective consumption**

This table is not considered in the first implementation stage of the Malta TSA.

### **6.4 TSA-table 10: Non monetary indicators**

Table 10 refers to non-monetary indicators which will be compiled from the different sources available to calculate Tourism phenomenon.

### **6.5 Other tables beyond the 10 RMF-TSA-tables**

No references have been made for additional tables.

## **6.6 The general benefit of the country TSA and main problems in the compilation of the TSA**

It is expected that TSA publication will provide a systematic structure to measure the level of tourism supply in Malta and its diverse industry linkages. Many of these same general objectives serve to justify interest in producing industry-based economic surveys in the tourism area.

The TSA for Malta will satisfy the goals set in the TSA manuals, which are the provision of credibility of statistical measurement and consistency with the NA framework. It will provide the possibility of data comparability over time within Malta and across international borders and the provision of a tool for policy and decision making. Finally, the TSA can also be useful to researchers and university scholars as it provides a basis for research and forecasting. For any forecast the choice of appropriate forecasting techniques is constrained by the reliability and accuracy of the information available as well as the time horizon of the forecast.

# **Annex:**

## **Questionnaire for substantiating the country specific TSA stocktaking reports**

Contract No. 50102.2007.006-2007.661

Final Version

13 August 2008



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## Questionnaire for: icon\_example

1.1 *Level of development of the TSA:*1.1.1 *Knowledge about TSA compilation*

|   |   |   |
|---|---|---|
| Does the country have any knowledge in TSA compilation?                                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Does the country have prepared a feasibility study with regard to TSA implementation?       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If yes, what is the reference year?   | <input type="text"/>  |   |
| If yes, has the study been co-financed within an EU grant programme?                        | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Does the country have concrete plans to implement a first full-fledged pilot TSA?           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If yes, what will be the expected implementation year?                                      | <input type="text"/>  |   |
| <i>If not, what are the reasons?</i>  |   |   |
| The country is in the process of improving the statistical basis towards a TSA compilation. | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| no financial support  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| not part of the national statistical program  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| no political necessity/interest   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| tourism industry not important  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| no data available   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| no staff available  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

1.1.2 *Experience in TSA compilation*

|   |   |                          |                                  |   |
|---|---|--------------------------|----------------------------------|---|
| Which TSA-tables are considered in the country TSA?   |   |                          |                                  |   |
|   | none  | partly (2 digit level)   | all (more than 50% of the cells) |   |
| TSA-table 1: Inbound tourism consumption by products and categories of visitors   | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 2: Domestic tourism consumption by products and categories of visitors  | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 3: Outbound tourism consumption by products and categories of visitors  | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 4: Internal tourism consumption by products and types of tourism  | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 5: Production accounts of tourism industries and other industries   | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 6: Domestic supply and internal tourism consumption by products   | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 7: Employment in the tourism industries   | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 8: Tourism gross fixed capital formation  | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 9: Tourism collective consumption   | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| TSA-table 10: Non monetary indicators   | <input type="checkbox"/>  | <input type="checkbox"/> | <input type="checkbox"/>         | X |
| The country has a full-fledged TSA showing the interface between visitor consumption and the corresponding supply of goods and services | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. |                          |                                  | X |
| The full-fledged TSA is compiled every year   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. |                          |                                  | X |
| if not: last year of compilation  | <input type="text"/>  |                          |                                  |   |
| if yes: first year of compilation   | <input type="text"/>  |                          |                                  |   |
| The full-fledged TSA has been compiled for a benchmark year and extrapolated through indicators for current years                       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. |                          |                                  | X |
| reference year of full estimation   | <input type="text"/>  |                          |                                  |   |
| the projected TSA variables are balanced  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. |                          |                                  | X |
| full estimation of the complete TSA for every nowcast year  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. |                          |                                  | X |

1.1.3 *Responsibility of the TSA compilation*

|   |   |   |
|---|---|---|
| The full-fledged TSA is done under the responsibility or on behalf of |   |   |
| the National Statistical Institute (NSI)                              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| the Ministry in charge of tourism                                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Tourism Research Institute  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| the National Tourism Board  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| University Institute in charge of tourism                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| the private tourism sector (i.e. WTTTC)                               | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |

150 characters remaining

1.2 *The inter-institutional platform*

|  |   |   |
|--|---|---|
| Does the country have an operating inter-institutional platform for tourism statistics? (Commission, etc.) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| What is the membership? Please identify members from the list  |   |   |
| <i>From the Public Administration</i>  |   |   |
| The Ministry of Tourism (or equivalent)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| The Ministry of Transport (if different from Tourism)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <i>The National Statistical Institute (NSI)</i>  |   |   |
| unit in charge of business statistics  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| unit in charge of National Accounts (NA) compilation   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| unit in charge of Tourism Statistics   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| cooperational work of units (e.g. NA and Tourism Statistics)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| The Border Control Authority   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| The Civil Aviation administration  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <i>From other administrations</i>  |   |   |

*The Central Bank*

|  |   |   |
|--|---|---|
| unit in charge of the Balance of Payments (incl. Travel BoP) compilation | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| unit in charge of the National Accounts                                  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| The Tourism Authority (or equivalent)                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

*From local administrations*

|  |   |   |
|--|---|---|
| Regional/Local Tourism Offices (administrations) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Regional Statistical Offices                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

*From the private sector*

|   |   |   |
|---|---|---|
| Business associations (e.g. hotel associations, travel agency associations) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Labor Unions  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

*International Organizations*

|                                |   |   |
|--------------------------------|---|---|
| UNWTO                          | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| EUROSTAT                       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| WTTC                           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify! | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**Inter-institutional cooperation mechanisms that have been used in the process of TSA compilation**

|   |   |   |
|---|---|---|
| Formalized agreements between different partners  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Informal agreements   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Contracts for the provision of statistical data produced under specific responsibility  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Working Groups (internal and external) on specific issues, e.g. calculation of Tourism Value Added (TVA), data collection issues, policy requirements | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Shared responsibility among institutions on specific statistical operations   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

**Questionnaire for: icon\_example**

**2.0 Publication of national TSA results**

|  |   |   |
|--|---|---|
| <b>Are the national TSA results publicly available?</b>                            | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| if yes: Are the national TSA-tables (following the RMF format) directly published? | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

**2.1 Means used to disseminate the TSA exercise**

|                                   |   |   |
|-----------------------------------|---|---|
| <b>Publication format</b>         |   |   |
| paper                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| CD                                | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| website and downloadable file     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Freely distributed</b>         |   |   |
| on the web                        | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| on paper or CD                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Distributed on a fee basis</b> |   |   |
| on the web                        | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| on paper or CD                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Restricted dissemination</b>   |   |   |
| If yes, to whom? Please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|  |   |   |
|--|---|---|
| <b>Type of document</b>  |   |   |
| a specific document  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| an issue of a current publication (e.g. within tourism statistics)         | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| a topic within a more general publication (national accounts for instance) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Press conference/ press release  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

**2.2 Responsibility for the dissemination**

|  |   |   |
|--|---|---|
| <b>The Ministry of tourism (or equivalent)</b>       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>The Tourism board (or equivalent)</b>             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>NSI: The unit in charge of National Accounts</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>NSI: The unit in charge of Tourism Statistics</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>The Central Bank</b>                              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

Other. If yes, please specify!

150 characters remaining

**2.3 Content of the dissemination**

|  |   |   |
|--|---|---|
| <b>Current data, annual or sub-annual</b>                          | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>One time or time series</b>                                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Analysis of trends and determinants</b>                         | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>National</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Regional</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>TSA on a specific sector of tourism (e.g. congress tourism)</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

if yes, please specify!

150 characters remaining

|   |   |   |
|---|---|---|
| <b>Extensions (e.g. forecasts, indirect effects, leisure effects)</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
|---|---|---|

if yes, please specify!

150 characters remaining

**2.4 Level of detail of the dissemination**

|   |   |   |
|---|---|---|
| <b>Methodological issues</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Comments on the data</b>   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Strictly tourism data</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Relationship to National Accounts data, Balance of Payments data, etc.</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>General summary including text and tables</b>                              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

Other. If yes, please specify!

150 characters remaining

## Questionnaire for: icon\_example

3.1 *Classifications of products and activities:*

Are the detailed classifications used in the sources of information for the country TSA consistent with the list of Tourism Characteristic Products (TCP) in the RMF? i.a.

|  |   |   |
|--|---|---|
| for accommodation services             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for food and beverage serving services | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for international transportation       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for domestic transportation            | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for cultural and recreational services | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for other tourism services             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

Does the country use this classification standard for TSA compilation?

|  |   |   |
|--|---|---|
| for accommodation services             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for food and beverage serving services | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for international transportation       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for domestic transportation            | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for food serving services              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for cultural and recreational services | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| for other tourism services             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

3.2 *Measurement of domestic tourism expenditure*

Does the country conduct a national expenditure survey for domestic tourism?

|  |   |   |
|--|---|---|
| by a household budget survey   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by a household survey (e.g. microcensus and related socio-demographic data)                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by a household survey related to travel behaviour  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by a guest inquiry at the destination  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If yes, do the national tourism expenditure survey distinguish between domestic and outbound tourism expenses? | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

If yes, do the national tourism expenditure survey ask for the tourism product specific expenditure pattern in detail?

|   |   |   |
|---|---|---|
| TCP/CPA-2-digit-level                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| TCP/CPA-3-digit-level                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other product categories; please specify! | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

3.3 *The handling of the definition of visitors in empirical practice*3.3.1 *How is the fact of leaving one's usual environment established?*

Question is left to the judgment of the person completing the questionnaire

|   |   |   |
|---|---|---|
| in the case of domestic tourism with regard to same-day visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of domestic tourism with regard to overnight visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound tourism                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound tourism                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

Minimum distance travelled

|   |   |   |
|---|---|---|
| in the case of domestic tourism with regard to same-day visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of domestic tourism with regard to overnight visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound tourism                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound tourism                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

The crossing of an administrative border

|   |   |   |
|---|---|---|
| in the case of domestic tourism with regard to same-day visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of domestic tourism with regard to overnight visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound tourism                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound tourism                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

Frequency

|   |   |   |
|---|---|---|
| in the case of domestic tourism with regard to same-day visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of domestic tourism with regard to overnight visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound tourism                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound tourism                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

Combination of the above mentioned criteria for ones usual environment

|   |   |   |
|---|---|---|
| in the case of domestic tourism with regard to same-day visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of domestic tourism with regard to overnight visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound tourism                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound tourism                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

What is the country's short definition of:

Administrative border

300 characters remaining

Frequency

300 characters remaining

Minimum distance

300 characters remaining

### 3.3.2 How is the fact of not being remunerated from within the country (place) visited established in practice?

**Does the country exclude or attempt to exclude those who are remunerated from the country visited?**

- |   |   |   |
|---|---|---|
| in the case of domestic tourism with regard to same-day visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of domestic tourism with regard to overnight visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound tourism                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound tourism                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

### 3.4 The scope of tourism consumption expenditure

**Does the country ask for this information in the relevant tourism surveys?**  yes  no  n.a. X

- |                   |   |   |
|-------------------|---|---|
| Pre-trip expenses | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| High value items  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

**Related expenses during the trip, which kind of consumer durables does the country include?**

- |   |   |   |
|---|---|---|
| Tourism single-purpose consumer durable goods which are exclusively used on trips (e.g. luggage, tent)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Multi-purpose consumer durable goods which are used on trips, but which may be also used within the usual environment (e.g. cars and cameras) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

**Definition of single- and multi-purpose consumer durables:**

- |                                       |   |   |
|---------------------------------------|---|---|
| 50% of the selling is tourism purpose | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!        | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**Identification and classification of expenditure on tourism single purpose consumer durable goods**

*is included*

- |                                  |   |   |
|----------------------------------|---|---|
| in the case of domestic visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

*is included indirectly by analysis of supply by products*

- |                                  |   |   |
|----------------------------------|---|---|
| in the case of domestic visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of outbound visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| in the case of inbound visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

### 3.5 Implementation of SNA93 based National Accounts results

**Is there a Supply-Use-Table (SUT) integrated within the System of National Accounts in the country?**  yes  no  n.a. X

If yes, how many products are displayed in the published table?

If yes, how many industries are displayed in the published table?

If yes, how many products are considered on the unpublished internal calculation level?

If yes, how many industries are considered on the unpublished internal calculation level?

**Are the SUT regularly calculated by the National Accounts resp. Input-Output Accounts division?**  yes  no  n.a. X

If yes, what is the actual publication year?

**Does the country publish symmetric Input-Output tables?**  yes  no  n.a. X

**Do the National Accounts provide a detailed analysis of Final Household Consumption Expenditure?**  yes  no  n.a. X

If yes, how many products are distinguished?

What tourism specific product groups are explicitly named? Please specify!

150 characters remaining

If yes, how many consumption uses are distinguished?

What tourism specific consumption uses are explicitly named? Please specify!

150 characters remaining

### 3.6 Measurement of the travel item in the Balance of Payments

**What methods are used for the estimation of the "travel" item in the country?**

**Pure banking settlement system**  yes  no  n.a. X

**Adjusted banking settlement (incl. statistical data)**  yes  no  n.a. X

using Credit card reports  yes  no  n.a. X

using reports by travel agencies, hotels and international carriers  yes  no  n.a. X

using data on cross border transactions  yes  no  n.a. X

|  |   |   |
|--|---|---|
| other data sources and adjustments   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>No banking settlement system, but a survey based system (hybrid system)</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <i>if yes: what main data sources are used</i>                                 |   |   |
| border surveys for inbound and outbound travellers                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| mirror statistics of main partner countries for tourism exports                | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| mirror statistics of main partner countries for tourism imports                | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| accommodation statistics   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| national population sample surveys carried out in respondents' homes           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| passenger transport survey (e.g. with business statistics)                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| sample surveys of visitors in visitor destinations                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| credit card information  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other data sources. If yes, please specify!                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**3.7 The measurement of timeshare tourism**

**Does the country have specific information concerning the incidence of timeshare in tourism accommodation?**

yes  no  n.a. X

*If yes, what are the data sources?*

Supply related data sources (e.g. business statistics)

yes  no  n.a. X

Direct surveys at time-share companies (e.g. Hapimag, RCA)

yes  no  n.a. X

Demand related information (e.g. household surveys, guest inquires at the destination)

yes  no  n.a. X

Other. If yes, please specify!

yes  no  n.a. X

150 characters remaining

**3.8 Are new surveys or investigations planned in the near future (if not already available)?**

**Related with items**

if yes:  
Secondary  
&  
Tertiary  
data  
sources

|  |   |                          |   |
|--|---|--------------------------|---|
| More details related expenditure                                 | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Second Homes   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Business tourism   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Same-day visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Accommodation sector   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Travel agencies/tour operators (e.g. related package tours)      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Recreational/cultural sector (e.g. amusement parks, sport parks) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Financial/insurance sector (e.g. bank statistics)                | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Tourism Gross fixed capital formation                            | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Tourism collective consumption                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <input type="checkbox"/> | X |
| Other. If yes, please specify!                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X                        |   |

150 characters remaining

**Questionnaire for: icon\_example**

**4.1 Consideration of the services of travel agencies and tour operators *Net***

|   |   |          |
|---|---|----------|
| <b>Does the country value the services of travel agencies and tour operators "net"?</b>   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| <i>If yes, which methods are used?</i>  |   |          |
| by doing a survey at Travel Agencies and Tour Operators, receiving data on the composition of the package                         | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| by doing a survey at Travel Agencies and Tour Operators, receiving data on intermediate consumption within the production process | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| by using existing information based on IO-statistics and Supply-Use tables (SUT)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| by using a model (i.e. based on different data sources and information by the industry)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| by doing a best estimate considering tourism experts opinion  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| estimates based on demand related information   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |

**4.2 Consideration of the distribution margins**

|   |   |          |
|---|---|----------|
| <b>Does the country value the distribution margins for goods separately?</b>                          | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| <i>If yes, how does the country receive information related to the "distribution margin" (goods)?</i> |   |          |
| by using directly business survey data  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| by using Supply-Use tables (SUT) resp. IO-information   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| by using other information. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |

150 characters remaining

**4.3 How are second homes treated?**

|  |   |          |
|--|---|----------|
| <b>Dwellings are considered as second homes, if</b>  |   |          |
| it is not the primary residence of a household   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| it is a vacation home visited for recreation, vacation or other activities which are not remunerated within this place | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| it is visited occasionally for work reasons (e.g. preparation for a presentation)                                      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| <b>If information on "second homes" is available, which data source does the country use?</b>                          |   |          |
| national population sample surveys carried out in respondents' homes   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| National accounts  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Tourism accommodation statistics   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Time use surveys   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Household budget survey  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Real estate statistics   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Housing census   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Registers  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Other. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |

150 characters remaining

**Related "second homes", if rents are imputed, what are the data sources?**

|                                |   |          |
|--------------------------------|---|----------|
| Estimates                      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| National accounts based        | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Average market rentals         | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Own survey                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Other. If yes, please specify! | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |

150 characters remaining

**4.4 The measurement of tourism business expenses**

|   |   |          |
|---|---|----------|
| <b>Does the country follow the guidelines of SNA93 in measuring tourism business expenses?</b>          | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| <b>How does the country TSA receive this information, based on which data sources?</b>                  |   |          |
| Supply related information (NA-statistics, and/or business statistics related intermediate consumption) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Demand related information (e.g. household surveys, guest inquiries at the destination, border surveys) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | <b>X</b> |

150 characters remaining

## Questionnaire for: icon\_example

## 5 1.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

|  |   |   |
|--|---|---|
| Does the country establish the TSA-table 1 to measure inbound tourism consumption by products? | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| if yes, does the country distinguish between same-day visitors and overnight tourists?         | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If not, please explain the reasons</b>  |   |   |
| it is not possible at present to undertake statistical measurement                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| it does not seem to be significant in this country   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other reasons. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|  |   |   |
|--|---|---|
| <b>What differentiation has the classification of products?</b>  |   |   |
| the basic differentiation between specific and non specific products is being used                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| tourism specific products: a basic differentiation between characteristic and connected products is being used | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>What detail level has the classification of products?</b>   |   |   |
| TCP/CPA 2-digit level  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| TCP/CPA 3-digit level  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| TCP/CPA 4-digit level or more  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other product classification is being used. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|  |   |   |
|--|---|---|
| <b>What are the relevant data sources for compiling TSA-table 1?</b> |   |   |
| Travel Balance of Payments (TBoP) on inbound visitors (credit)       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| sample surveys at international arrival and departure points         | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| accommodation statistics   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| sample surveys of visitors in visitor destinations                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| mirror statistics of main partner countries for tourism exports      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other. If yes, please specify!                                       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|   |   |   |
|---|---|---|
| <b>The country specific information on inbound tourism consumption is differentiated by</b> |   |   |
| holiday and business trips  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| used accommodation  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| used means of transport   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| the kind of expenditure. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

## 5 1.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

|   |   |   |
|---|---|---|
| Does the country establish the TSA-table 2 to measure domestic tourism consumption by products? | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| if yes, does the country distinguish between same-day visitors and overnight tourists?          | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If not, please explain the reasons</b>   |   |   |
| it is not possible at present to undertake statistical measurement                              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| it does not seem relevant in this country   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other reasons. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|   |   |   |
|---|---|---|
| <b>if yes, do the country separate the two categories</b>             |   |   |
| Resident visitos travelling only within the country of reference      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Resident visitos travelling to a different country                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If not, please explain the reasons</b>                             |   |   |
| it is not possible at present to undertake statistical measurement    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| it does not seem to be significant in this country (domestic tourism) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other reasons. If yes, please specify!                                | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|  |   |   |
|--|---|---|
| <b>What differentiation has the classification of products?</b>  |   |   |
| the basic differentiation between specific and non specific products is being used                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| tourism specific products: a basic differentiation between characteristic and connected products is being used | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>What detail level has the classification of products?</b>   |   |   |
| TCP/CPA 2-digit level  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| TCP/CPA 3-digit level  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| TCP/CPA 4-digit level or more  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other product classification is being used. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**What are the general data sources for compiling TSA-table 2?**

|  |   |   |
|--|---|---|
| accommodation statistics   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| sample surveys of visitors in visitor destinations                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| national population sample surveys carried out in respondents' homes | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other. If yes, please specify!                                       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**The country specific information on inbound tourism consumption is differentiated by**

|  |   |   |
|--|---|---|
| holiday and business trips                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| used accommodation                           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| used means of transport                      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| kind of expenditure. If yes, please specify! | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**How does the country estimate/ measure the domestic part of Outbound trips?**

|  |   |   |
|--|---|---|
| Supply related information (e.g. travel agencies/tour operators)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| demand related information (e.g. expenditure related pre-trip shopping and/or expenditure related that trip) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Travel Balance of Payments (TBoP) on outbound visitors (debit)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| sample surveys at international arrival and departure points   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| mirror statistics of main partner countries for tourism imports  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**5 1.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors****Does the country establish the TSA-table 3 to measure outbound tourism consumption by products?** yes  no  n.a. X**if yes, does the country distinguish between same-day visitors and overnight tourists?** yes  no  n.a. X**If not, please explain the reasons**

|  |   |   |
|--|---|---|
| It is not possible at present to undertake statistical measurement | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| it does not seem to be significant in this country                 | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other reasons. If yes, please specify!                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**What differentiation has the classification of products?**

|  |   |   |
|--|---|---|
| the basic differentiation between specific and non specific products is being used                             | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| tourism specific products: a basic differentiation between characteristic and connected products is being used | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

**What detail level has the classification of products?**

|   |   |   |
|---|---|---|
| TCP/CPA 2-digit level   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| TCP/CPA 3-digit level   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| TCP/CPA 4-digit level or more                                       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other product classification has been used. If yes, please specify! | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**What are the relevant data sources for compiling TSA-table 3?**

|  |   |   |
|--|---|---|
| Travel Balance of Payments (TBoP) on outbound visitors (debit)       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| sample surveys at international arrival and departure points         | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| mirror statistics of main partner countries for tourism imports      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| national population sample surveys carried out in respondents' homes | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!                                       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**Information considered, differentiated by**

|  |   |   |
|--|---|---|
| holiday and business trips                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| used accommodation                           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| used means of transport                      | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| motive of the trip                           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| kind of expenditure. If yes, please specify! | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

**5 1 4 Estimating same-day visitors expenditures****Related to same-day visitors, which kind of survey is being used?**

|  |   |   |
|--|---|---|
| national population sample surveys carried out in respondents' homes | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
|--|---|---|

|   |   |   |
|---|---|---|
| <b>Border surveys</b>   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Mirror statistics</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Guest inquiries</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Time use surveys</b>   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Household budget surveys</b>   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Other. If yes, please specify!</b>   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| Do the relevant survey ask for the tourism product specific expenditure structure in detail?                |   |   |
| <b>TCP CPA-1-digit-level</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>TCP CPA-2-digit-level</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>TCP CPA-3-digit-level</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>TCP CPA-4-digit level or more</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>other product categories. If yes, please specify!</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| 5 1.5 TSA-table 4: Internal tourism consumption by products and types of tourism                            |   |   |
| Does the country compile the TSA table 4 of internal consumption by products and types of tourism?          |   |   |
|   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If not, please indicate the reason:   |   |   |
| <b>it seems unnecessary because there is no adjustment to the estimation of tourism expenditure in cash</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>it seems unnecessary because there is no estimation of tourism consumption expenditure in kind</b>       | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>other reason. If yes, please specify!</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| If yes, what is considered related to the item expenditure in kind :  |   |   |
| <b>Social benefits received from the public (e.g. for spas, museums)</b>                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Exchange of benefits (e.g. exchange of homes during vacation time, exchange of housing services)</b>     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Benefits for disabled persons for holiday trips (e.g. social security or assistance benefits)</b>        | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Receiving goods and services in kind (e.g. map from the local tourist information)</b>                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Benefits for health cures (e.g. social security or assistance benefits)</b>                              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Business expenses</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If not, are business expenses already considered in TSA-Table 1 and 2?</b>                               | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| How is the treatment of goods in TSA-table 4?   |   |   |
| <b>A separation of distribution margins is realized.</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>What statistical information has been used?</b>  |   |   |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| <b>A separation of domestically produced and imported products is realized.</b>                             |   |   |
| <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a.                               |   |   |
| <b>What statistical information has been used?</b>  |   |   |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |

## Questionnaire for: icon\_example

5.2.1 *TSA-table 5: Production accounts of tourism industries and other industries*

|   |   |   |
|---|---|---|
| Does the TSA compile the production accounts of industries and other industries (TSA-table 5)?  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>What are the data sources to identify the product specific output of industries?</b>   |   |   |
| Supply-Use-Tables (SUT)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| business statistics (Economic census, structural business statistics)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| National Accounts statistics (imports, taxes, etc.)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| <b>What industry/activities classification and level of detail is used?</b>   |   |   |
| NACE 2-digit level  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| NACE 3-digit level  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| NACE 4-digit level or more  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| <b>What product classification and level of detail is used?</b>   |   |   |
| CPA/TCP 2-digit level   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| CPA/TCP 3-digit level   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| CPA/TCP 4-digit level or more   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| Does the TSA identify the product specific intermediate input structure by industry?  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If yes, what are the specific data sources?</b>  |   |   |
| Supply-Use-Tables (SUT)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| business statistics (Economic census, structural business statistics)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| National Accounts statistics (imports, taxes, etc.)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| Does the TSA identify the components of value added as listed in the TSA official text?   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If yes, which components</b>   |   |   |
| compensation of employees   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other tax less subsidies on production  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| gross mixed income  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| gross operating surplus   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If yes, what are the specific data sources?</b>  |   |   |
| Supply-Use-Tables (SUT)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| business statistics (Economic census, structural business statistics)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| National Accounts statistics (imports, taxes, etc.)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| <b>What is the relationship between the country's TSA-table 5 and the national supply and use table (or Input-Output scheme)?</b>         |   |   |
| not related   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| a simple reclassification of products, activities   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| a different treatment of certain products and activities (packages, travel agencies)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other type of relationship. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |
| <small>150 characters remaining</small>   |   |   |
| <b>Does the country's TSA-table 5 follow the TSA recommendation concerning the treatment of goods? Specifically:</b>                      |   |   |
| separation of distribution margins  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| separation of domestically produced and imported products   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| 5.2.2 <i>Compilation of TSA-table 6: Domestic supply and internal tourism consumption by products</i>                                     |   |   |
| Does the country TSA establish the TSA-table 6 as recommended in the TSA-RMF?   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| if not, does the country establish a similar type of table with the purpose of showing how supply and tourism consumption are reconciled? | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| 5.2.2.1 <i>The general structure of the table</i>   |   |   |
| Does the TSA-table strictly apply the TSA-RMF proposed format?  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If not, describe the differences between RMF-TSA-table 6 and the country's table:   |   |   |

Annex

|  |   |   |
|--|---|---|
| Fewer products and activities (More aggregation)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Different classification of products and activities  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| non-tourism consumption as well as tourism consumption is included to balance supply and use           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| A specific tourism share by activities is calculated for each product                                  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| A different valuation principle is used (necessary only in time series, or purchasers and basic price) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| A different/ additional valuation system is used (e.g. beside current prices also constant prices)?    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Insufficient or no detail intermediate inputs by activities are available                              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Insufficient or no detail primary inputs by activities are available                                   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Different treatment of goods   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| No information on distribution margins   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Any other differences. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

5.2.2.2 General characteristics of the data

|   |   |   |
|---|---|---|
| <b>Is the main statistical source of TSA-table 6 the national Supply and Use Table?</b>           | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <i>if not, it is an experimental-type of table (high incidence of assumptions)</i>                |   |   |
| only supply is known and non observed shares are applied to estimate consumption                  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| only consumption is known and non observed shares are applied to estimate supply                  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| only part of consumption is known (inbound), and the incidence of domestic consumption is assumed | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| if not, supply and consumption are based on separate statistical observation methods              | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

5.2.2.3 Calculation of Tourism Value Added (TVA)

|   |   |   |
|---|---|---|
| <b>Does the country use this table to establish TVA?</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>If yes, based on which ratios has the TVA been calculated?</b>   |   |   |
| "Tourism ratio": Share of tourism use related the supply of tourism specific and tourism non-specific products and applying these ratios to GVA of the tourism industries | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| "Net ratio": Share of GVA related to the output by tourism industries; total of GVA by tourism industries   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Other method used. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|   |   |   |
|---|---|---|
| <b>Does the country use the product specific tourism ratios on supply in the calculation of tourism shares by industry?</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| if yes, has the identified product specific tourism ratio directly been taken (without modification) for all industries?    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| if not, please explain the realized method!   |   |   |

150 characters remaining

|   |   |   |
|---|---|---|
| <b>How are the tourism shares established in the country TSA?</b>               |   |   |
| uniformly for all output of an activity   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| uniformly for all products  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| separately for each cell of the supply side                                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| the share in value added is the same as the share in output                     | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| a different or more sophisticated procedure is adopted. If yes, please explain! | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|   |   |   |
|---|---|---|
| <b>Does the country TSA have a special treatment for tourism business expenses in this calculation?</b> |   |   |
| totally excluded from internal tourism consumption  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| totally included within internal tourism consumption  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| only that part is included which is not paid by the company (= final demand)                            | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

|   |   |   |
|---|---|---|
| <b>How is the value added of the tourism industry in the country TSA calculated? By using</b>   |   |   |
| "Value added of tourism industries" (VATI): Sum of the total value added of all characteristic producers, regardless of whether all of their output is provided to visitors | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| "Tourism Value added of tourism industries" (TVATI): Sum of the tourism demand related total value added of all characteristic producers                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| a different definition. If yes, please explain!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|   |   |   |
|---|---|---|
| <b>How is the tourism direct value added (TVA) in the country TSA calculated? By using</b>                      |   |   |
| "Tourism value added" (TVA): Based on the demanded goods by visitors in tourism industries and other industries | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| a different definition. If yes, please explain!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

|   |   |   |
|---|---|---|
| Does the country study also calculate indirect tourism valued added?                                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If yes, how it is done:   |   |   |
| by doing IO analysis  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by using a multiplier model (e.g. Keynes)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other. If yes, please explain!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>150 characters remaining</p> |   |   |
| Does the country calculate other indicators/shares estimating the importance of tourism industry?       |   |   |
| Share of characteristic output related to total supply (use)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Share of tourism related output concerning total supply (use)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Share of tourism consumption related to total supply (use)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Share of tourism characteristic consumption related to total characteristic supply (use)                | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

## Questionnaire for: icon\_example

## 5 3.1 TSA-table 7: employment in the tourism industries

|  |   |   |
|--|---|---|
| <b>Does the country establish some type of table summarizing the impact of tourism on employment?</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Does the country establish TSA-table 7 "Employment in the tourism industries"?</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>The employment analysis related to tourism</b>  |   |   |
| is restricted to total employment in tourism industries  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <u>uses tourism shares applied:</u>  |   |   |
| exclusively to tourism industries  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| to all industries  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <u>these tourism shares</u>  |   |   |
| are similar to tourism share in TSA-Table 6  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| are different  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Does the country study distinguish between number of jobs and number of employed persons and systematically process both information?</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Does the country study use measurements in terms of Full Time Equivalents?</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Does the country also calculate indirect impacts of tourism on employment?</b>  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Does the country provide more detailed data on tourism employment</b>   |   |   |
| by occupation  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by age   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by gender  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by level of qualification  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by nationality   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| by levels of remuneration  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| effect of seasonality, through sub annual measurement  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>   |   |   |

150 characters remaining

**Which kind of data sources has been used for establishing the tables?**

|   |   |   |
|---|---|---|
| Labour Force Survey (LFS)   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Economic Census data  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Accommodation Statistics (e.g. occupation in hotels)                    | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Structural Business Statistics  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| NA-statistics (e.g. FTE)  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| cultural statistics   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| directly from the tourism industry (e.g. business reports from casinos) | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other. If yes, please specify!  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <input type="text"/>  |   |   |

150 characters remaining

## 5 3.2 TSA-table 8: Tourism gross fixed capital formation

|  |   |   |
|--|---|---|
| <b>Does the country undertaking a systematic measurement of tourism gross fixed capital formation?</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If yes, does the country follow the RMF design of TSA-table 8?   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If not, please give a short description!   |   |   |
| <input type="text"/>   |   |   |

150 characters remaining

## 5 3.3 TSA-table 9: Tourism collective consumption

|   |   |   |
|---|---|---|
| <b>Does the country undertaking a systematic measurement of collective tourism consumption?</b> | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If yes, does the country follows the RMF design of TSA-table 9?                                 | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| If not, please give a short description!  |   |   |
| <input type="text"/>  |   |   |

150 characters remaining

## 5 3.4 TSA-table 10: Non monetary indicators

|  |   |   |
|--|---|---|
| <b>Does the country compile the indicators proposed in TSA-table 10 of the RMF?</b>  |   |   |
| Number of trips and overnights by types of tourism and categories of visitors  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Inbound tourism: Number of arrivals and overnights by means of transport   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Number of establishments and capacity by forms of accommodation  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Number of establishments in tourism characteristic and tourism connected activities classified according to number of employed persons | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| <b>Does the country TSA systematically relate tourism consumption with</b>   |   |   |
| Number of trips  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Number of overnights   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Final household consumption expenditure  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Average expenditure by trips   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| Average expenditure by overnights  | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |
| other. If yes, please specify!   | <input type="radio"/> yes <input type="radio"/> no <input type="radio"/> n.a. | X |

150 characters remaining

5 3.5 Other tables beyond the 10 RMF-TSA-tables

Does the country use any other tables or additional tables not mentioned above to present the results of your TSA exercise?

 yes  no  n.a.

✗

If yes, please specify:

for estimating indirect tourism effects within the non-usual environment

 yes  no  n.a.

✗

for estimating leisure effects within the usual environment (direct and/or indirect)

 yes  no  n.a.

✗

for other reasons, please specify!

150 characters remaining

**Regional accounts**

Does the country process a regionalization at national level (top-down process)

 yes  no  n.a.

✗

Local initiatives with national coordination (bottom-up process)

 yes  no  n.a.

✗

Local, (still not totally coordinated) initiatives

 yes  no  n.a.

✗

**Sub-annual accounts**

Does the country process sub-annual accounts based on the yearly results (top-down process)?

 yes  no  n.a.

✗

Does the country process sub-annual accounts, only and extrapolate these results to annual results (bottom-up process)?

 yes  no  n.a.

✗

5 3.6 The general benefit of the country TSA and main problems in the compilation of the TSA

What is the "value added" of TSA for the national tourism statistical system?

used for compiling IO-statistics

 yes  no  n.a.

✗

used for compiling TBoP

 yes  no  n.a.

✗

reconciliation tool related statistics used for TSA compilation

 yes  no  n.a.

✗

other. If yes, please specify!

 yes  no  n.a.

✗

150 characters remaining

Which kind of problems seems to be the most crucial ones related to the compilation of the national TSA?

level of detail of TSA-Tables

 yes  no  n.a.

✗

timeliness of the results

 yes  no  n.a.

✗

net valuation of travel agencies/tour operators services

 yes  no  n.a.

✗

reconciliation of supply and demand related information

 yes  no  n.a.

✗

receiving data on domestic tourism consumption

 yes  no  n.a.

✗

receiving data on inbound tourism consumption

 yes  no  n.a.

✗

receiving data on outbound tourism consumption

 yes  no  n.a.

✗

reconciliation of TSA-Table 1 information with TBoP

 yes  no  n.a.

✗

reconciliation of TSA-Table 3 information with TBoP

 yes  no  n.a.

✗

reconciliation of TSA-results with NA-statistics

 yes  no  n.a.

✗

organisation of TSA with other involved organisations

 yes  no  n.a.

✗

other. If yes, please specify!

 yes  no  n.a.

✗

150 characters remaining

Questionnaire for: icon\_example

6.0 Reference year of following TSA-Tables

What is the reference year for the following TSA results?

6.1 TSA-table 1: Inbound tourism consumption by products and categories of visitors

Total inbound tourism consumption

same-day visitors   
 tourists   
 all visitors

6.2 TSA-table 2: Domestic tourism consumption by products and categories of visitors

Total domestic tourism consumption

same-day visitors   
 tourists   
 all resident visitors

6.3 TSA-table 3: Outbound tourism consumption by products and categories of visitors

Total outbound tourism consumption

same-day visitors   
 tourists   
 all visitors

6.4 TSA-table 4: Internal tourism consumption by products and types of tourism

Total internal tourism consumption (in cash and in kind)

including tourism business expenses   
 including other components of visitors consumption in kind (without tourism business expenses)

6.5 TSA-table 6: Domestic supply and internal tourism consumption by products

|  | internal tourism consumption   | tourism ratio on supply in %         |
|--|--------------------------------|--------------------------------------|
| <b>A.1 Characteristic products</b>                           | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 1 Accommodation services                                     | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 2 Food and beverage serving services                         | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 3 Passenger transport services                               | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 4 Travel agency, tour operator and tourist guide services    | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 5 Cultural services  | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 6 Recreation and other entertainment services                | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 7 Miscellaneous tourism services                             | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| <b>A.2 Connected products &amp; B. Non specific products</b> | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| <b>TOTAL</b>   | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| Total final consumptions by private households (national)    | <input type="text" value="0"/> |                                      |
| Total domestic supply resp. use (national)                   | <input type="text" value="0"/> |                                      |
|  | total output                   | total value tourism added share in % |
| 1 Hotels and similar   | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 2 Second home ownership (imputed)                            | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 3 Restaurants and similar                                    | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 4 Railways passenger transport                               | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 5 Road passenger transport                                   | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 6 Water passenger transport                                  | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 7 Air passenger transport                                    | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 8 Passenger transport supporting services                    | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 9 Passenger transport equipment rental                       | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 10 Travel agencies and similar                               | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 11 Cultural services   | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| 12 Sporting and other recreational services                  | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| Tourism connected & non specific industries                  | <input type="text" value="0"/> | <input type="text" value="0"/>       |
| <b>TOTAL</b>   | <input type="text" value="0"/> |                                      |
| Gross Production (national)                                  | <input type="text" value="0"/> |                                      |
| Gross Value Added (national)                                 | <input type="text" value="0"/> |                                      |
| Tourism Valued Added   | <input type="text" value="0"/> |                                      |

6.6 *TSA-table 7: Employment in the tourism industries*

|  | number of employed persons | number of employees | number of female employees |
|--|----------------------------|---------------------|----------------------------|
| <b>1 Hotels and similar</b>                        | 0                          | 0                   | 0                          |
| <b>2 Second home ownership (imputed)</b>           | 0                          | 0                   | 0                          |
| <b>3 Restaurants and similar</b>                   | 0                          | 0                   | 0                          |
| <b>4 Railways passenger transport</b>              | 0                          | 0                   | 0                          |
| <b>5 Road passenger transport</b>                  | 0                          | 0                   | 0                          |
| <b>6 Water passenger transport</b>                 | 0                          | 0                   | 0                          |
| <b>7 Air passenger transport</b>                   | 0                          | 0                   | 0                          |
| <b>8 Passenger transport supporting services</b>   | 0                          | 0                   | 0                          |
| <b>9 Passenger transport equipment rental</b>      | 0                          | 0                   | 0                          |
| <b>10 Travel agencies and similar</b>              | 0                          | 0                   | 0                          |
| <b>11 Cultural services</b>                        | 0                          | 0                   | 0                          |
| <b>12 Sporting and other recreational services</b> | 0                          | 0                   | 0                          |
| <b>TOTAL</b>                                       | 0                          | 0                   | 0                          |
| <b>Total Employment (national)</b>                 | 0                          |                     |                            |

European Commission

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