

Executive Summary

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The Travel & Tourism (T&T) industry has managed to remain relatively resilient over the recent year despite the uncertain global economic outlook, which has been characterized by fragile global economic growth, macroeconomic tensions, and high unemployment in many countries. Indeed, the sector has benefitted from the continuing globalization process: travel has been increasing in mature markets and, particularly, has been driven by the rising purchasing power of the growing middle class in many developing economies.

In such a context, Travel & Tourism has continued to be a critical sector for economic development and for sustaining employment, in both advanced and developing economies. A strong T&T sector contributes in many ways to development and the economy. It makes both direct contributions, by raising the national income and improving the balance of payments, and indirect contributions, via its multiplier effect and by providing the basis for connecting countries, through hard and soft infrastructure—attributes that are critical for a country's more general economic competitiveness.

Although developing the T&T sector provides many benefits, numerous obstacles at the national level continue to hinder its development. For this reason, seven years ago the World Economic Forum, together with its Industry and Data Partners, embarked on a multi-year research effort aimed at exploring various issues related to the T&T competitiveness of countries around the world. This year's *Report* is published under the theme "Reducing Barriers to Economic Growth and Job Creation," which reflects the forward-looking attitude of the sector as it aims to ensure strong growth going into the future.

THE TRAVEL & TOURISM COMPETITIVENESS INDEX

The Travel & Tourism Competitiveness Index (TTCI) aims to measure the *factors and policies that make it attractive to develop the T&T sector in different countries*.

The Index was developed in close collaboration with our Strategic Design Partner Booz & Company and our Data Partners Deloitte, the International Air Transport Association (IATA), the International Union for Conservation of Nature (IUCN), the World Tourism Organization (UNWTO), and the World Travel & Tourism

Council (WTTC). We have also received important feedback from a number of key companies that are Industry Partners in the effort, namely Airbus/EADS, BAE Systems, the Bahrain Economic Development Board, Bombardier, Delta, Deutsche Lufthansa/Swiss, Embraer, Etihad Airways, Hilton, Jet Airways, Lockheed Martin, Marriott, Safran, Starwood Hotels & Resorts, and VISA.

The TTCI is based on three broad categories of variables that facilitate or drive T&T competitiveness. These categories are summarized into the three subindexes of the Index: (1) the T&T regulatory framework subindex; (2) the T&T business environment and infrastructure subindex; and (3) the T&T human, cultural, and natural resources subindex. The first subindex captures those elements that are policy related and generally under the purview of the government; the second subindex captures elements of the business environment and the "hard" infrastructure of each economy; and the third subindex captures the "softer" human, cultural, and natural elements of each country's resource endowments.

Each of these three subindexes is composed in turn by a number of pillars of T&T competitiveness, of which there are 14 in all. These are:

1. **Policy rules and regulations**
2. **Environmental sustainability**
3. **Safety and security**
4. **Health and hygiene**
5. **Prioritization of Travel & Tourism**
6. **Air transport infrastructure**
7. **Ground transport infrastructure**
8. **Tourism infrastructure**
9. **ICT infrastructure**
10. **Price competitiveness in the T&T industry**
11. **Human resources**
12. **Affinity for Travel & Tourism**
13. **Natural resources**
14. **Cultural resources**

Each of the pillars is, in turn, made up of a number of individual variables. The dataset includes both survey data from the World Economic Forum's annual Executive Opinion Survey (the Survey) and quantitative data from publicly available sources, international organizations, and T&T institutions and experts (for example, IATA, the

Table 1: The Travel & Tourism Competitiveness Index 2013 and 2011 comparison

Country/Economy	2013		2011		Country/Economy	2013		2011	
	Rank/140	Score	Rank/139	Rank/140		Score	Rank/139		
Switzerland	1	5.66	1		Morocco	71	4.03	78	
Germany	2	5.39	2		Brunei Darussalam	72	4.01	67	
Austria	3	5.39	4		Peru	73	4.00	69	
Spain	4	5.38	8		Sri Lanka	74	3.99	81	
United Kingdom	5	5.38	7		Macedonia, FYR	75	3.98	76	
United States	6	5.32	6		Ukraine	76	3.98	85	
France	7	5.31	3		Albania	77	3.97	71	
Canada	8	5.28	9		Azerbaijan	78	3.97	83	
Sweden	9	5.24	5		Armenia	79	3.96	90	
Singapore	10	5.23	10		Vietnam	80	3.95	80	
Australia	11	5.17	13		Ecuador	81	3.93	87	
New Zealand	12	5.17	19		Philippines	82	3.93	94	
Netherlands	13	5.14	14		Trinidad and Tobago	83	3.93	79	
Japan	14	5.13	22		Colombia	84	3.90	77	
Hong Kong SAR	15	5.11	12		Egypt	85	3.88	75	
Iceland	16	5.10	11		Dominican Republic	86	3.88	72	
Finland	17	5.10	17		Cape Verde	87	3.87	89	
Belgium	18	5.04	23		Kazakhstan	88	3.82	93	
Ireland	19	5.01	21		Serbia	89	3.78	82	
Portugal	20	5.01	18		Bosnia and Herzegovina	90	3.78	97	
Denmark	21	4.98	16		Namibia	91	3.77	84	
Norway	22	4.95	20		Gambia, The	92	3.73	92	
Luxembourg	23	4.93	15		Honduras	93	3.72	88	
Malta	24	4.92	26		Botswana	94	3.71	91	
Korea, Rep.	25	4.91	32		Nicaragua	95	3.67	100	
Italy	26	4.90	27		Kenya	96	3.66	103	
Barbados	27	4.88	28		Guatemala	97	3.65	86	
United Arab Emirates	28	4.86	30		Iran, Islamic Rep.	98	3.64	114	
Cyprus	29	4.84	24		Mongolia	99	3.63	101	
Estonia	30	4.82	25		Suriname	100	3.63	n/a	
Czech Republic	31	4.78	31		Kuwait	101	3.61	95	
Greece	32	4.75	29		Moldova	102	3.60	99	
Taiwan, China	33	4.71	37		Guyana	103	3.60	98	
Malaysia	34	4.70	35		El Salvador	104	3.59	96	
Croatia	35	4.59	34		Rwanda	105	3.56	102	
Slovenia	36	4.58	33		Cambodia	106	3.56	109	
Panama	37	4.54	56		Senegal	107	3.49	104	
Seychelles	38	4.51	n/a		Zambia	108	3.46	111	
Hungary	39	4.51	38		Tanzania	109	3.46	110	
Montenegro	40	4.50	36		Bolivia	110	3.46	117	
Qatar	41	4.49	42		Kyrgyz Republic	111	3.45	107	
Poland	42	4.47	49		Nepal	112	3.42	112	
Thailand	43	4.47	41		Venezuela	113	3.41	106	
Mexico	44	4.46	43		Tajikistan	114	3.41	118	
China	45	4.45	39		Paraguay	115	3.39	123	
Turkey	46	4.44	50		Uganda	116	3.39	115	
Costa Rica	47	4.44	44		Ghana	117	3.38	108	
Latvia	48	4.43	51		Zimbabwe	118	3.33	119	
Lithuania	49	4.39	55		Swaziland	119	3.31	116	
Bulgaria	50	4.38	48		Ethiopia	120	3.29	122	
Brazil	51	4.37	52		Cameroon	121	3.27	126	
Puerto Rico	52	4.36	45		Pakistan	122	3.25	125	
Israel	53	4.34	46		Bangladesh	123	3.24	129	
Slovak Republic	54	4.32	54		Malawi	124	3.22	121	
Bahrain	55	4.30	40		Mozambique	125	3.17	128	
Chile	56	4.29	57		Côte d'Ivoire	126	3.15	131	
Oman	57	4.29	61		Nigeria	127	3.14	130	
Mauritius	58	4.28	53		Burkina Faso	128	3.12	132	
Uruguay	59	4.23	58		Mali	129	3.11	133	
Jordan	60	4.18	64		Benin	130	3.09	120	
Argentina	61	4.17	60		Madagascar	131	3.09	127	
Saudi Arabia	62	4.17	62		Algeria	132	3.07	113	
Russian Federation	63	4.16	59		Yemen	133	2.96	n/a	
South Africa	64	4.13	66		Mauritania	134	2.91	136	
India	65	4.11	68		Lesotho	135	2.89	135	
Georgia	66	4.10	73		Guinea	136	2.88	n/a	
Jamaica	67	4.08	65		Sierra Leone	137	2.87	n/a	
Romania	68	4.04	63		Burundi	138	2.82	137	
Lebanon	69	4.04	70		Chad	139	2.61	139	
Indonesia	70	4.03	74		Haiti	140	2.59	n/a	

IUCN, the UNWTO, WTTC, UNCTAD, and UNESCO). The Survey is carried out among chief executive officers and top business leaders in all economies covered by our research; these are the people making the investment decisions in their respective economies. The Survey provides unique data on many qualitative institutional and business environment issues, as well as specific issues related to the T&T industry and the quality of the natural environment.

The details of the composition of the TCI are shown in Appendix A of Chapter 1.1; detailed rankings and scores of this year's Index are found in Appendix B of that chapter.

THE TRAVEL & TOURISM COMPETITIVENESS INDEX RANKINGS 2013

Table 1 shows the overall rankings of the 140 economies assessed in this edition TCI, comparing this year's rankings with those from the 2011 edition of the *Report*. Switzerland maintains its top position in the rankings, which it has retained for five consecutive editions, since the very first *Travel & Tourism Competitiveness Report*. Tables 2–6 present the rankings in a regional context, grouping economies into the following five regional groups: Europe, the Americas, Asia Pacific (including Central Asia), the Middle East and North Africa, and sub-Saharan Africa. We discuss below a selection of countries from each region to provide a sense of the results and how they are interpreted at the national level. More countries are discussed in detail in Chapter 1.1.

Europe

In line with statistics on international tourist arrivals, Table 1 shows that Europe remains the leading region for Travel & Tourism competitiveness, with all of the top five places taken by European countries. Likewise, 13 of the top 20 countries are from the region. Table 2 shows the rankings for European countries only, with the first column showing the rank within the region, the second column showing the overall rank out of all 140 economies included in the Index this year, and the third column showing the score. As the table shows, Switzerland is ranked 1st out of all countries in the 2013 TCI, a position it has held since the first edition of this *Report* in 2007. Germany, Austria, Spain, and the United Kingdom complete the top five, while France and Sweden are among the top 10 overall.

Switzerland continues to lead the rankings, performing well on almost all aspects of the Index. Switzerland's infrastructure, especially ground transport (3rd), is among the best in the world. The country also boasts top marks for its hotels and other tourism-specific facilities, with excellent staff thanks to the availability of qualified labor to work in the industry (ranked 2nd)—perhaps not surprising in a country that holds many of the world's best hotel management schools. Switzerland

also attracts tourists because of its rich and well-managed natural resources. A large percentage of the country's land area is protected, environmental regulation is among the most stringent (3rd), and the T&T industry is considered to be developed in a sustainable way (7th). These good environmental conditions, combined with the high safety and security of the country (2nd), contribute to its solid T&T competitiveness. Switzerland is not only a strong leisure tourism destination but also an important business travel hub, with many international fairs and exhibitions held in the country each year, driving its showing on the cultural resources pillar (6th). Switzerland's strong performance in all these areas enables the country to somewhat make up for its lack of price competitiveness (139th), which, together with a fairly restrained international visa policy, does indeed limit the number of arrivals.

Germany ranks 2nd in Europe and out of all countries in the TCI. Similar to Switzerland, its infrastructure is among the best in the world: it is ranked 6th for ground transport infrastructure and 7th for air transport infrastructure, facilitating connections both within the country and internationally. Germany also has abundant cultural resources (ranked 5th worldwide for its many World Heritage cultural sites) and is host to almost 600 international fairs and exhibition per year (2nd), while hotel prices are relatively competitive (55th). In addition, Germany makes great efforts to develop in a sustainable way (4th), with the world's most stringent environmental regulations—which are also among the best-enforced—and the strong support of international environmental efforts, as demonstrated through its ratification of many international environmental treaties.

Austria ranks 3rd, improving by one position since 2011. Its strong performance is driven by factors such as tourism infrastructure, in which it ties for 1st place with Italy; a welcoming attitude toward visitors; a very safe and secure environment (7th); and, most importantly, its rich cultural resources. Austria hosts nine World Heritage cultural sites, has excellent creative industries, and attracts many travelers with several fairs and exhibitions organized every year. The country's tourism industry is also being developed in a sustainable way (10th), with some of the most stringent (4th) and well-enforced (7th) environmental regulations in the world, driving its overall positive performance on environmental sustainability (ranked 6th).

Spain is the country among the top 10 that sees the most improvement since 2011: moving up four places since the last assessment, it is now ranked 4th. Spain continues to lead in cultural resources, ranking 1st this year in this area because of its extremely numerous World Heritage sites (2nd) and its large number of international fairs and exhibitions (3rd), as well as its significant sports stadium capacity. Its tourism infrastructure is another strength, with its many hotel

Table 2: The Travel & Tourism Competitiveness Index 2013: Europe

Country/Economy	OVERALL INDEX			SUBINDEXES					
	Regional rank	Overall rank	Score	T&T regulatory framework		Business environment and infrastructure		T&T human, cultural, and natural resources	
				Rank	Score	Rank	Score	Rank	Score
Switzerland	1	1	5.66	1	5.94	1	5.42	2	5.63
Germany	2	2	5.39	8	5.57	6	5.29	7	5.31
Austria	3	3	5.39	2	5.80	11	5.11	9	5.24
Spain	4	4	5.38	14	5.48	5	5.30	6	5.36
United Kingdom	5	5	5.38	17	5.44	10	5.13	3	5.57
France	6	7	5.31	9	5.56	7	5.18	11	5.20
Sweden	7	9	5.24	12	5.54	23	4.89	8	5.30
Netherlands	8	13	5.14	16	5.45	15	5.01	16	4.97
Iceland	9	16	5.10	3	5.77	13	5.06	36	4.47
Finland	10	17	5.10	5	5.74	22	4.89	24	4.65
Belgium	11	18	5.04	18	5.43	26	4.78	18	4.90
Ireland	12	19	5.01	7	5.68	19	4.96	40	4.41
Portugal	13	20	5.01	20	5.42	27	4.78	19	4.84
Denmark	14	21	4.98	25	5.31	16	4.98	26	4.64
Norway	15	22	4.95	11	5.55	28	4.77	33	4.53
Luxembourg	16	23	4.93	21	5.41	20	4.96	39	4.42
Malta	17	24	4.92	15	5.47	14	5.06	49	4.22
Italy	18	26	4.90	50	4.90	29	4.76	14	5.05
Cyprus	19	29	4.84	22	5.35	21	4.89	46	4.27
Estonia	20	30	4.82	10	5.55	30	4.72	51	4.19
Czech Republic	21	31	4.78	28	5.24	37	4.49	28	4.61
Greece	22	32	4.75	39	5.02	33	4.65	30	4.58
Croatia	23	35	4.59	42	4.99	39	4.43	42	4.37
Slovenia	24	36	4.58	33	5.12	35	4.52	52	4.11
Hungary	25	39	4.51	26	5.29	49	4.16	54	4.08
Montenegro	26	40	4.50	34	5.09	50	4.14	47	4.26
Poland	27	42	4.47	49	4.92	58	3.94	32	4.56
Turkey	28	46	4.44	64	4.62	52	4.08	27	4.63
Latvia	29	48	4.43	35	5.08	40	4.40	77	3.81
Lithuania	30	49	4.39	41	4.99	48	4.19	61	3.98
Bulgaria	31	50	4.38	58	4.79	45	4.24	53	4.10
Slovak Republic	32	54	4.32	43	4.96	60	3.92	55	4.06
Russian Federation	33	63	4.16	92	4.24	46	4.22	58	4.02
Georgia	34	66	4.10	30	5.18	80	3.46	91	3.67
Romania	35	68	4.04	66	4.61	68	3.67	73	3.85
Macedonia, FYR	36	75	3.98	57	4.79	74	3.58	100	3.58
Ukraine	37	76	3.98	60	4.73	71	3.62	99	3.59
Albania	38	77	3.97	63	4.65	90	3.31	63	3.96
Armenia	39	79	3.96	51	4.88	88	3.34	94	3.65
Serbia	40	89	3.78	74	4.50	81	3.40	109	3.45
Bosnia and Herzegovina	41	90	3.78	75	4.47	95	3.19	92	3.66
Moldova	42	102	3.60	65	4.61	97	3.16	133	3.04

rooms, car rental facilities, and ATMs. Furthermore, its air transport infrastructure is highly developed and ranks among the top 10 worldwide. Spain has improved in a few areas since the last edition. In particular, starting a business has become less costly and onerous, according to the World Bank, and hotel prices have come down a bit. The government has also kept tourism high in its development agenda, making Spain a top 10 economy for prioritization of the industry. Spain has notably maintained its efforts on marketing activity and spending on the industry's development amid difficult economic circumstances.

The United Kingdom moves up by two more positions since the last edition of the *Report*, to reach 5th place this year. The country's T&T competitiveness is based on its excellent cultural resources (ranked 3rd), with many World Heritage cultural sites, a large number of international fairs, and strong creative industries (all ranked within the top 10). The country has probably benefitted from two important events in 2012: the Olympic Games and the Diamond Jubilee of Queen Elizabeth II. Although the outcome is not yet fully reflected in the data, the United Kingdom has leveraged the preparation of these events in terms of tourism campaigns, generating interest in visiting the country

and reinforcing their already-solid ICT and air transport infrastructure (ranked 10th and 5th, respectively). The generally supportive policy environment, ranked 8th, encourages the development of the sector, while the country relies on an excellent human resources base (ranked 6th). On a less positive note, the United Kingdom continues to receive one of the poorest assessments for price competitiveness (138th), in large part because it has the 2nd highest tax rate on tickets and airport charges worldwide.

France is ranked 7th overall in this edition, losing four positions since 2011. France continues to attract many tourists with its rich cultural heritage (ranked 4th for the number of World Heritage cultural sites and 8th for creative industries). The country also hosts many international fairs and exhibitions (ranked 5th). France's ground transport infrastructure is still one of the best in the world (ranked 5th), with particularly good roads and railroads as well as good air transport infrastructure (ranked 8th). However, the overall policy rules and regulation framework is not sufficiently supportive of developing the sector, and the prioritization of the T&T sector declines this year (ranked 35th overall). Additionally, the assessment has weakened somewhat in terms of the quality and availability of qualified labor in the country.

Italy moves up one spot this year to place 26th overall and 18th in Europe. As well as its cultural richness—with many World Heritage Sites, international fairs and exhibitions, and rich creative industries—Italy's strengths lie in its excellent tourism infrastructure (tying with Austria for 1st place) and its relatively good air transport infrastructure (24th). However, it faces a number of challenges that bring its overall rating down. These include policy rules and regulations that are still not sufficiently supportive of the development of the sector (100th) and a lack of price competitiveness (134th).

Greece is ranked 32nd, down another three positions since the last assessment. The country's rich cultural resources (ranked 25th) and excellent tourism infrastructure (3rd) are still important strengths. Additionally, Greece has very good health and hygiene conditions (ranked 13th overall) and good air transport infrastructure (20th). Further, there is a strong national affinity for tourism compared with many other European countries, including a generally open and positive attitude toward tourists. The decline in the rankings can be traced to a further worsening of the policy environment and a lower perceived prioritization of Travel & Tourism within the country, probably because of dwindling resources available for the particular industry amid general economic and financial difficulties.

Turkey climbs four positions this year to reach 46th place. The country's main strength continues to lie in its rich cultural resources (19th), with 20 World Heritage

cultural sites, several international fairs and exhibitions, and strong creative industries. In addition, Turkey gains significantly in a number of areas and has seen a significant increase in tourist arrivals over the last two years. The policy rules and regulations governing the sector are supportive and have continued to progress since the 2011 *T&T Report*. Turkey has also improved its air transport infrastructure (29th) and its tourism infrastructure (45th). However, some areas still hold back the overall T&T competitiveness performance of the country: although improving, safety and security issues (79th) remain worrisome, ground transport infrastructure is inadequate (especially railroads and ports), and ICT infrastructure remains unsatisfactory (71st), especially for a rapidly growing tourism destination. In addition, more efforts must be made toward environmental sustainability (ranked 95th), an area that will be of increasing concern going forward.

The Americas

Table 3 shows the regional rankings for the countries in the Americas. As this table shows, **the United States** is the highest-ranked country in the Americas and 6th out of all countries, with stable performance since the last assessment. Overall, the country receives high marks for its business environment and infrastructure. In particular, the United States has excellent air transport infrastructure (ranked 2nd) and high-quality tourism infrastructure, as well as a strong focus on customer satisfaction. Its cultural resources and natural resources (ranked 5th and 3rd, respectively), with many World Heritage cultural and natural sites, drive its high position in the rankings, together with several fairs and exhibitions (1st) and strong creative industries (2nd). On a less positive note, the country's natural endowments are not being sufficiently protected (ranked 112th for environmental sustainability). Also, compared with other top-ranked economies, the quality of ground transport could be improved more (27th) and the perception of safety and security leaves room for improvement (57th).

Canada moves up one place to 8th overall. The country has several strengths, including its rich natural resources (10th) with numerous World Heritage sites (ranked 5th), excellent air transport infrastructure, highly qualified human resources (5th), and a strong policy environment (10th). Its cultural resources are also a strong point, with many international fairs and exhibitions in the country. Canada has lost some ground in terms of price competitiveness and environmental sustainability, where, although it still ranks fairly high (41st), it registers a decline in the perception of the enforcement of environmental regulations and continues to suffer from high CO₂ per capita emissions.

Barbados ranks 3rd in the region and 27th overall, up one place since the last assessment. Barbados comes in 2nd overall for the country's affinity for Travel

Table 3: The Travel & Tourism Competitiveness Index 2013: The Americas

Country/Economy	OVERALL INDEX			SUBINDEXES					
	Regional rank	Overall rank	Score	T&T regulatory framework		Business environment and infrastructure		T&T human, cultural, and natural resources	
				Rank	Score	Rank	Score	Rank	Score
United States	1	6	5.32	44	4.95	2	5.36	1	5.65
Canada	2	8	5.28	27	5.27	8	5.17	5	5.39
Barbados	3	27	4.88	13	5.50	18	4.96	50	4.20
Panama	4	37	4.54	54	4.83	36	4.52	45	4.29
Mexico	5	44	4.46	83	4.43	61	3.92	15	5.02
Costa Rica	6	47	4.44	52	4.88	56	3.98	38	4.45
Brazil	7	51	4.37	82	4.43	76	3.57	12	5.10
Puerto Rico	8	52	4.36	40	4.99	43	4.33	81	3.75
Chile	9	56	4.29	53	4.87	53	4.07	65	3.94
Uruguay	10	59	4.23	31	5.18	78	3.53	62	3.97
Argentina	11	61	4.17	69	4.54	72	3.61	41	4.38
Jamaica	12	67	4.08	59	4.76	64	3.76	87	3.72
Peru	13	73	4.00	96	4.17	85	3.36	37	4.47
Ecuador	14	81	3.93	85	4.37	83	3.38	56	4.05
Trinidad and Tobago	15	83	3.93	104	4.07	54	4.07	95	3.64
Colombia	16	84	3.90	101	4.11	103	3.09	34	4.51
Dominican Republic	17	86	3.88	67	4.60	75	3.58	108	3.45
Honduras	18	93	3.72	97	4.17	92	3.28	89	3.69
Nicaragua	19	95	3.67	98	4.15	101	3.11	82	3.74
Guatemala	20	97	3.65	109	3.93	98	3.15	69	3.88
Suriname	21	100	3.63	106	4.05	100	3.11	86	3.72
Guyana	22	103	3.60	80	4.44	111	2.88	106	3.47
El Salvador	23	104	3.59	99	4.14	82	3.39	125	3.24
Bolivia	24	110	3.46	125	3.55	102	3.09	85	3.73
Venezuela	25	113	3.41	119	3.67	99	3.12	110	3.45
Paraguay	26	115	3.39	103	4.09	115	2.80	120	3.29
Haiti	27	140	2.59	138	2.93	136	2.39	140	2.44

& Tourism, with a positive attitude toward tourists and toward the value of tourism in the country, although it does receive a middling score for the degree of customer orientation (64th). The importance of the T&T sector for Barbados is reflected in the high prioritization placed on Travel & Tourism (8th), with significant emphasis put on the sector's development by the government and high spending on the sector, ensuring effective destination-marketing campaigns and collecting relevant sector data on a timely basis. However, although there have been some marginal improvements in some elements of its environmental sustainability, additional efforts to protect the natural environment would reinforce the country's strong T&T competitiveness.

Panama witnesses one of the most marked improvements in this year's TTCl, moving up to 37th position overall and 4th in the region. The country's most important competitive advantage is its rich endowment of natural resources, with its diverse fauna, significant protected land areas, and a number of World Heritage sites. The improvement in this year's rankings can be traced mainly to an improvement in the country's infrastructure. Tourism infrastructure has been developed (now ranked 42nd), most notably with more available hotel rooms. The quality of ground transport

has also improved across almost all modes, with port infrastructure now ranked 4th and railroads ranked 32nd. Air transport improves as well and is now ranked 16th. The expansion of stadium capacity and creative industries exports is also notable. On the other hand, areas requiring further improvement include safety and security (70th), the human resources base (79th), and health and hygiene standards (86th).

Mexico is stable this year at 44th position (and 5th in the region). Mexico receives impressive marks for its natural resources (ranked 8th), an area that shows an improvement since the last assessment, with many World Heritage natural sites and rich fauna. The country's cultural resources are also among the best in the world (21st), with 34 World Heritage cultural sites, several international fairs and exhibitions, and strong creative industries. These inherent strengths are reinforced by the overall prioritization of the sector in the country (34th) and effective marketing and branding campaigns. Some areas have improved, yet continue to require attention—for example, ground transport infrastructure is being developed but still ranks relatively low (69th), and more efforts are required to ensure that the sector is being developed in a sustainable way (105th). Finally, despite a marginal improvement since

last year, safety and security remains the main source of concern for the T&T sector, where Mexico still ranks a low 121st.

Brazil is ranked 7th in the Americas and 51st overall, up one position since 2011. The country is ranked 1st out of all countries for its natural resources and 23rd for its cultural resources, with many World Heritage sites, a good proportion of protected land area, and the richest fauna in the world. This is buttressed by a focus on environmental sustainability (ranked 30th), an area that has been improving over recent years, although the protection of the country's diverse fauna requires additional efforts. The safety and security environment and health and hygiene conditions have also improved slightly since the last assessment. On the other hand, the ground transport network remains underdeveloped (129th), with the quality of roads, ports, and railroads requiring improvement to keep pace with the economic development of the country. Preparations for two major sports events in the next five years (the FIFA World Cup in 2014 and the Olympic Games in 2016) provide opportunities to bridge the infrastructure gap. Brazil also continues to suffer from a lack of price competitiveness (126th), with high and increasing ticket taxes and airport charges, as well as high and rising prices more generally. Further, the overall policy environment is not particularly conducive to the development of the sector (ranked 119th), with discouraging rules on FDI, much time required for starting a business, and somewhat restrictive commitments to opening up tourism services under GATS commitments.

Chile ranks 9th in the region and 56th overall, maintaining a stable performance since the last assessment. It has notable cultural resources, with six World Heritage cultural sites and several international fairs and exhibitions. In addition, policy rules and regulations are conducive to the development of the T&T sector (12th), with few foreign ownership restrictions, a liberal visa regime, and open bilateral Air Service Agreements, although the time and cost for starting new businesses remain relatively high. The country also benefits from good safety and security by regional standards (31st). Additionally, tourism infrastructure has improved noticeably and now rank 49th. However, Chile's T&T competitiveness would be strengthened by upgrading its transport infrastructure and thus raising the quality of tourism infrastructure further, as well as by focusing more on preserving the environment to develop the industry in a more environmentally sustainable way.

Peru is ranked 13th in the region, placing 73rd overall. Peru's natural and cultural resources remain important assets for the tourism industry. The country has one of the richest fauna in the world (3rd) and hosts several natural and cultural World Heritage sites. Peru has seen a continuous growth in tourist arrivals and international flights, even during the global recession.

The effectiveness of marketing and branding to promote the T&T sector shows improvement, and government spending on the industry has increased slightly. However, in order to raise its T&T competitiveness further, safety and security must be improved (118th) and ground transport infrastructure must be upgraded (121st). Additionally, the country has lost some price competitiveness because of higher general and tourism-specific taxation, most notably the high ticket taxes and airport charges (where the country ranks 135th). A more in-depth analysis of the performance of the T&T competitiveness of Peru will be conducted in a dedicated publication to be issued in April 2013, on occasion of the World Economic Forum on Latin America 2013.

Asia Pacific

Table 4 displays the regional rankings and data for the Asia Pacific region. As the table shows, **Singapore** is the top-ranked economy in the region at 10th position overall, the same position it has held for the past three editions. Singapore benefits from excellent transport infrastructure, with ground transport infrastructure and air transport infrastructure ranked 2nd and 14th, respectively. Singapore ranks 2nd for the high quality of its available human resources. And with its famously well-functioning public institutions, it is perhaps not surprising that Singapore ranks 1st out of all economies for its policy environment, with rules and regulations that are extremely conducive to the development of its T&T industries (policies facilitating foreign ownership and FDI, well-protected property rights, and few visa restrictions). Further, Singapore is among the safest economies of all assessed with regard to safety and security, and receives strong assessments for other types of infrastructure. One area of concern is its price competitiveness, which has eroded as seen in increasing hotel prices and taxation.

Singapore is followed in the regional rankings by **Australia**, which improves by two places and is now at 11th position overall. Australia's T&T competitiveness continues to be characterized by a number of clear strengths, including its rich natural resources and the highest number of World Heritage natural sites in the world, benefiting from diverse fauna and a comparatively pristine natural environment. Given the importance of the environment for much of its leisure tourism, it is notable that the stringency and enforcement of its environmental regulations are well assessed. And given the country's distance from other continents and the related importance of domestic air travel to overcome the large distances between major sites, its competitiveness is also buttressed by excellent air transport infrastructure (ranked 4th) as well as good general tourism infrastructure (ranked 20th). Australia also sees some improvements in the policy rules and regulations affecting the sector, especially its increased

Table 4: The Travel & Tourism Competitiveness Index 2013: Asia Pacific

Country/Economy	SUBINDEXES									
	OVERALL INDEX			T&T regulatory framework		Business environment and infrastructure		T&T human, cultural, and natural resources		
	Regional rank	Overall rank	Score	Rank	Score	Rank	Score	Rank	Score	
Singapore	1	10	5.23	6	5.74	4	5.31	25	4.64	
Australia	2	11	5.17	23	5.32	25	4.81	4	5.39	
New Zealand	3	12	5.17	4	5.75	12	5.06	22	4.69	
Japan	4	14	5.13	24	5.31	24	4.86	10	5.22	
Hong Kong SAR	5	15	5.11	19	5.43	3	5.32	29	4.59	
Korea, Rep.	6	25	4.91	38	5.02	17	4.98	20	4.74	
Taiwan, China	7	33	4.71	29	5.19	34	4.63	44	4.29	
Malaysia	8	34	4.70	55	4.82	41	4.36	17	4.93	
Thailand	9	43	4.47	76	4.47	44	4.25	23	4.68	
China	10	45	4.45	71	4.50	63	3.77	13	5.09	
India	11	65	4.11	110	3.92	67	3.69	21	4.72	
Indonesia	12	70	4.03	95	4.18	84	3.36	31	4.56	
Brunei Darussalam	13	72	4.01	94	4.18	57	3.94	67	3.91	
Sri Lanka	14	74	3.99	61	4.68	86	3.35	66	3.93	
Azerbaijan	15	78	3.97	46	4.94	87	3.34	96	3.63	
Vietnam	16	80	3.95	88	4.30	94	3.26	43	4.30	
Philippines	17	82	3.93	70	4.51	89	3.33	64	3.95	
Kazakhstan	18	88	3.82	62	4.66	79	3.48	119	3.30	
Mongolia	19	99	3.63	91	4.25	107	2.96	90	3.69	
Cambodia	20	106	3.56	105	4.06	112	2.86	78	3.77	
Kyrgyz Republic	21	111	3.45	93	4.23	131	2.61	103	3.51	
Nepal	22	112	3.42	100	4.14	128	2.64	105	3.48	
Tajikistan	23	114	3.41	90	4.28	123	2.69	122	3.26	
Pakistan	24	122	3.25	131	3.38	104	2.99	116	3.38	
Bangladesh	25	123	3.24	124	3.56	109	2.91	124	3.24	

openness in bilateral Air Service Agreements. In terms of visa requirements, Australia has one of the most advanced visa policies in the world (especially with respect to the electronic visa process) at a time when a number of other countries are moving in the opposite direction.

New Zealand ranks 3rd in the region and 12th overall, an improvement of seven positions, one of the most significant in the region. The country continues to benefit from its rich natural resources, with a number of World Heritage natural sites (ranked 18th) and a pristine natural environment (ranked 3rd), protected by strong and well-enforced environmental legislation. The country's policy rules and regulations are highly conducive to the development of the sector (ranked 2nd), with very transparent policymaking and among the least time and lowest cost required to start a business in the world. The country also benefits from high-quality human resources (ranked 13th) and a very safe and secure environment overall (9th). Although New Zealand's ground transport network remains somewhat underdeveloped given its advanced stage of development, its air transport infrastructure gets excellent marks (ranked 12th) and its ICT infrastructure is quite good by international standards. The most relevant improvement in New Zealand's performance in this edition is registered in its tourism infrastructure, driven

especially by a rise in the number of available hotel rooms.

Japan is ranked 4th regionally and 14th out of all the economies in the TTCl, up eight places since the last assessment. This achievement is especially impressive against the backdrop of the 2011 tsunami and related nuclear disaster. Japan's T&T sector resilience can be ascribed to its rich cultural resources (ranked 11th), with its 32 World Heritage cultural sites, the many international fairs and exhibitions hosted by the country, and its rich creative industries. Its ground transport infrastructure is among the best in the world (ranked 7th), especially its railroads, and Japan continues to lead in the area of education and training (ranked 13th). Moreover, it has continued to develop its already strong ICT infrastructure and now ranks 7th in this area. In addition, Japan's extremely customer oriented culture (1st) is an important strength for the T&T industry. On the other hand, the country continues to be an expensive destination, ranking 130th in the price competitiveness pillar.

Hong Kong SAR is ranked 15th. Its transport infrastructure is among the most developed in the world, with the best ground transport infrastructure and air transport infrastructure that ranks 6th. Further, the economy's ICT infrastructure ranks 2nd worldwide, demonstrating an important support for an industry that

depends so much on ICTs. Additionally, Hong Kong benefits from strong safety and security (3rd) as well as a conducive business environment, coming in 3rd in the policy rules and regulations pillar. It also receives relatively good marks for cultural resources, with many international fairs and exhibitions and strong creative industries. However, Hong Kong trails other advanced economies in the region for its lack of emphasis on environmental sustainability, where it ranks a low 118th.

Korea, Rep. is ranked 25th, just ahead of Taiwan and Malaysia in the regional rankings and improving by seven places. Korea's strengths lie in its excellent ground transport and ICT infrastructure (ranked 16th and 1st, respectively) and its rich cultural resources (ranked 10th). Its rise in the overall rankings is driven by improvements in almost all the pillars, with a measurable increase in the prioritization and affinity for Travel & Tourism, thanks to increased marketing and branding efforts, and a high degree of customer orientation (9th). On a less positive note, Korea remains a relative costly destination (ranked 96th for price competitiveness) and, despite much discussion in public discourse, the tourism sector is not being developed in a sufficiently sustainable way (69th), although there are improvements since the last assessment.

Malaysia is ranked 8th regionally and 34th overall, up one position since the 2011 *-Report*. Malaysia benefits from its rich natural resources (ranked 18th) and its cultural resources (ranked 31st). The country also benefits from excellent price competitiveness (ranked 5th), with comparatively low fuel prices, low ticket taxes and airport charges, competitive hotel prices, and a favorable tax regime. Malaysia's policy environment is assessed as very conducive to the development of the sector (ranked 9th), an area that has improved since the last assessment, and the country is characterized by a strong affinity for Travel & Tourism more generally (ranked 16th). However, health and hygiene indicators trail those of many other countries in the region, with, in particular, a low physician density and few hospital beds available. Further, environmental sustainability remains an area for improvement, with high emission levels and several threatened species, although business leaders feel that efforts are being made in this area.

Thailand is ranked 9th in the region and 43rd overall. The country declines by only two places since the last edition, demonstrating some resilience to the natural disasters and political unrest with which the country has been grappling. Thailand is endowed with rich natural resources and a strong affinity for Travel & Tourism (ranked and 23rd and 18th, respectively), with a very friendly attitude of the population toward tourists (ranked 13th). This is buttressed by the government's strong prioritization of the sector, with good destination-marketing campaigns (11th) and relative price competitiveness (25th). However, some weaknesses

remain: despite the prioritization of the sector by the government, some aspects of the regulatory environment—such as the protection of property rights and the long time required for starting a business—are not particularly conducive to developing the sector (ranked 77th). In addition, given the importance of the natural environment for the country's tourism, environmental sustainability should be a greater priority (ranked 99th on this indicator).

China is ranked 10th regionally, losing six places and falling to 45th overall this year. China continues to build on some clear strengths: it comes in 5th for its natural resources, with many World Heritage natural sites and fauna that are among the richest in the world. It places 15th for its cultural resources, with several World Heritage cultural sites, many international fairs and exhibitions, and creative industries that are unsurpassed. Moreover, the country continues to develop its infrastructure, with improvements in air transport (35th) and ground transport (51st). However, some weaknesses pull the country's ranking down. China's policy environment is not highly conducive to the T&T sector's development (ranked 86th). Furthermore, there are increasing concerns related to the sustainable development of the sector (109th). China's tourism infrastructure remains underdeveloped (ranked 101th), with few international-quality standard hotel rooms available and few ATMs, and the country receives a poor assessment for its general affinity for Travel & Tourism, where it ranks 129th. Finally, although the country continues to benefit from relative price competitiveness (ranked 37th), this advantage has started to weaken under the weight of increasing inflation in several areas, as demonstrated by higher hotel prices and weakening purchasing power.

India is ranked 11th in the region and 65th overall, gaining three places since the last edition. As with China, India is well assessed for its natural resources (ranked 9th) and cultural resources (24th), with many natural and cultural World Heritage sites, rich fauna, many fairs and exhibitions, and strong creative industries. India also has quite good air transport (ranked 39th), particularly given the country's stage of development, and reasonable ground transport infrastructure (ranked 42nd), although the quality of roads (85th) and of ports (79th) require further improvement. In addition, India remains a relatively price competitive destination (20th), even in the regional context. However, some aspects of its tourism infrastructure remain somewhat underdeveloped (ranked 95th), with very few hotel rooms per capita by international comparison and low ATM penetration. ICT infrastructure also remains somewhat underdeveloped and underexploited (111th). Another area of concern is the policy environment, which is ranked 125th because of the long time and high cost required to start a business, a restrictive visa policy (132nd), and low level

of commitment in GATS agreements for tourism services (114th). Other areas requiring attention are health and hygiene standards (109th) and the country's human resources base (96th).

Indonesia is ranked 12th in the region, right behind India the regional rankings and 70th overall, up four places since the last edition. In terms of strengths, Indonesia places 6th for its excellent natural resources, with several World Heritage natural sites and the richness of its fauna as measured by the known species in the country. Indonesia also has rich cultural resources (ranked 38th), with 10 World Heritage cultural sites, a number of international fairs and exhibitions held in the country, and strong creative industries. Further, the country is ranked 9th overall on price competitiveness in the T&T industry because of its competitive hotel prices (ranked 21st), low ticket taxes and airport charges, and favorable fuel prices. In addition, it is ranked 19th for its national prioritization of Travel & Tourism. However, these strengths are held back by underdeveloped infrastructure in the country, especially ground transport (87th), tourism infrastructure (113th), and ICT infrastructure (87th); together these represent significant investment opportunities in the country. There are also some concerns related to safety and security, particularly the business costs of crime and potential terrorism. In addition, Indonesia is not ensuring the environmentally sustainable development of the tourism sector (ranked 125th), an area of particular concern given the sector's dependence on the quality of the natural environment.

The Philippines is the most improved country in the region, ranking 16th regionally and 82nd overall, up 12 places since the last edition. Among the country's comparative strengths are its natural resources (44th), its price competitiveness (24th), and a very strong—and improving—prioritization of the Travel & Tourism industry (this indicator ranks 15th, as government spending on the sector as a percentage of GDP is now 1st in the world, and tourism marketing and branding campaigns are seen to be increasingly effective). In addition, the country has been ensuring that several aspects of its policy rules and regulations regime are conducive to the development of the T&T sector. Among these are better protection of property rights, more openness toward foreign investments, and few visa requirements for foreign visitors (ranked 7th). However, other areas—such as the difficulty of starting a business in the country, in both cost and length of the process (ranked 94th and 117th, respectively)—remain a challenge. Moreover, safety and security concerns (ranked 103rd); inadequate health and hygiene (94th); and underdeveloped ground transport, tourism, and ICT infrastructure are all holding back the potential of the economy's T&T competitiveness.

The Middle East and North Africa

Table 5 shows the regional rankings for the Middle East and North Africa region. As the table shows, the **United Arab Emirates (UAE)** continues to lead the region at 28th overall, up two places since the last assessment. Although the UAE is not endowed with rich natural resources, it has built a cultural resource base, attracting both leisure and business travelers, with several and growing international fairs and exhibitions and increasingly diverse creative industries. In addition, the country is characterized by a strong affinity for Travel & Tourism (24th). Perhaps the most important competitive advantage of UAE T&T competitiveness relates to its world-class international hubs for global air travel. Further, the country has carried out effective marketing and branding campaigns (1st) and has embraced policy rules and regulations that are conducive to the development of the sector (13th). In particular, the country is open to foreign investments (14th) and has a liberal visa regime (33rd). Environmental sustainability, although improving somewhat compared with past years, continues to be an area of some concern (ranked 91st). Hotel prices are also somewhat high by international standards (101st).

Qatar is ranked 2nd in the region and 41st overall, up one place since the last assessment. Qatar benefits from a safe and secure environment (ranked 21st), good ICT and tourism infrastructures (32nd and 37th, respectively), and excellent air transport infrastructure (23rd), in line with its role as an air transportation hub. The ease of hiring foreign labor (4th), increasing enrollment rates, and the quality of its education drive the ability of the country to find high-quality human resources (ranked 7th) inside and outside the country. Qatar also has a high degree of customer orientation (5th). In order to further enhance the country's T&T competitiveness, Qatar should continue to improve its focus on environmental sustainability (59th) and ensure that it does not lose sight of the importance of the sector for its development—at a rank of 80 in this edition, the prioritization of the sector is somewhat lower than in past years.

Israel is ranked 3rd in the region, dropping seven places to 53rd overall. Israel benefits from its cultural attributes, including a number of World Heritage cultural sites. The country's human resources base is also well evaluated (31st), providing healthy and well-trained people to work in the T&T sector. Further, its ICT infrastructure is quite well developed (27th), while its health and hygiene gets a good mark (26th), especially in a regional context. On a less positive note, some aspects of safety and security continue to erode at the country's T&T competitiveness: these are primarily related to concerns about terrorism (Israel ranks 124th on this indicator, somewhat lower than in the last edition). However, the decline in rank since the last

Table 5: The Travel & Tourism Competitiveness Index 2013: The Middle East and North Africa

Country/Economy	SUBINDEXES								
	OVERALL INDEX			T&T regulatory framework		Business environment and infrastructure		T&T human, cultural, and natural resources	
	Regional rank	Overall rank	Score	Rank	Score	Rank	Score	Rank	Score
United Arab Emirates	1	28	4.86	45	4.95	9	5.14	35	4.51
Qatar	2	41	4.49	48	4.93	31	4.70	75	3.85
Israel	3	53	4.34	36	5.07	51	4.08	71	3.86
Bahrain	4	55	4.30	77	4.46	32	4.69	83	3.74
Oman	5	57	4.29	56	4.81	47	4.20	76	3.84
Jordan	6	60	4.18	37	5.05	69	3.63	72	3.86
Saudi Arabia	7	62	4.17	87	4.32	38	4.43	80	3.76
Lebanon	8	69	4.04	73	4.50	65	3.74	70	3.87
Morocco	9	71	4.03	68	4.59	73	3.60	68	3.89
Egypt	10	85	3.88	86	4.35	77	3.56	84	3.74
Iran, Islamic Rep.	11	98	3.64	112	3.90	96	3.18	74	3.85
Kuwait	12	101	3.61	114	3.81	62	3.89	131	3.14
Algeria	13	132	3.07	134	3.30	126	2.66	123	3.25
Yemen	14	133	2.96	140	2.82	110	2.89	128	3.18
Mauritania	15	134	2.91	137	3.07	133	2.60	132	3.07

assessment can also be attributed to diminished price competitiveness (ranked 133rd), the result of increasing fuel prices, hotel prices, ticket taxes, and airport charges and the perception that general taxation has become more distortionary.

Bahrain is ranked 4th in the region and 55th overall, down 15 positions since the last assessment. The country maintains a number of clear strengths: good transport infrastructure, particularly ground transport infrastructure (ranked 11th); high-quality human resources in the country (26th); and strong price competitiveness (7th). However, Bahrain is seeing a weakening in the assessment of its tourism infrastructure (66th), while health and hygiene standards (89th) and ICT infrastructure (47th) struggle to keep up with rapid population growth. Also its limited natural resources (129th) and environmental sustainability (103rd) do not help the country to attract tourists.

Sub-Saharan Africa

Table 6 shows the results for the sub-Saharan region which sees **the Seychelles** entering the rankings for the first time at the top of the region, and 38th overall. The importance of Travel & Tourism for the country's economy is reflected in its top ranking for the prioritization of the industry, with the 2nd highest T&T expenditure-to-GDP ratio in the world and effective marketing and branding campaigns. These efforts are reinforced by a strong national affinity for Travel & Tourism (5th); good tourism infrastructure, especially in terms of available hotel rooms (6th); and good ground and air transport infrastructures, particularly by regional standards (31st and 27th, respectively). These positive attributes somewhat make up for its relative lack of price competitiveness (120th). Although the

natural environment is now assessed as being in good condition, efforts to develop the industry in a sustainable way could be reinforced, for example by increasing marine and terrestrial protection, which would help to protect the many threatened species in the country (132nd).

Mauritius loses its number one spot in the regional rankings, overtaken by the entry of the Seychelles this year, and is ranked 58th overall. The prioritization of the industry remains high (3rd), together with a strong national affinity for Travel & Tourism (6th). The country's tourism and ground infrastructure are well developed by regional standards (48th and 37th, respectively), and its policy environment is supportive of the development of the sector (ranked 28th). Mauritius also benefits from high marks for safety and security (36th). However, the country has seen its price competitiveness decline significantly (ranked 75th, down from 18th in the last assessment)—primarily the result of increasing hotel and fuel prices and high ticket taxes and airport charges. Additionally, in terms of challenges, the country's environmental sustainability has received a weakened assessment, of particular concern given the importance of the natural environment for the country's leisure tourism.

South Africa is ranked 3rd in the region and 64th overall, gaining two places since the last edition. South Africa comes in high at 17th place for its natural resources and 58th for its cultural resources, based on its many World Heritage sites, its rich fauna, its creative industries, and the many international fairs and exhibitions held in the country. Infrastructure in South Africa is also well developed for the region, with air transport infrastructure ranked 43rd and a particularly good assessment of railroad quality (46th) and road

Table 6: The Travel & Tourism Competitiveness Index 2013: Sub-Saharan Africa

Country/Economy	SUBINDEXES									
	OVERALL INDEX			T&T regulatory framework		Business environment and infrastructure		T&T human, cultural, and natural resources		
	Regional rank	Overall rank	Score	Rank	Score	Rank	Score	Rank	Score	
Seychelles	1	38	4.51	47	4.94	42	4.35	48	4.26	
Mauritius	2	58	4.28	32	5.16	55	4.04	93	3.65	
South Africa	3	64	4.13	81	4.44	59	3.93	57	4.03	
Cape Verde	4	87	3.87	79	4.45	66	3.72	107	3.45	
Namibia	5	91	3.77	89	4.30	70	3.62	115	3.38	
Gambia, The	6	92	3.73	72	4.50	93	3.27	111	3.43	
Botswana	7	94	3.71	84	4.38	91	3.31	112	3.43	
Kenya	8	96	3.66	108	3.98	105	2.98	60	4.01	
Rwanda	9	105	3.56	78	4.46	117	2.74	104	3.49	
Senegal	10	107	3.49	111	3.91	113	2.84	88	3.71	
Zambia	11	108	3.46	102	4.11	122	2.69	98	3.60	
Tanzania	12	109	3.46	118	3.67	125	2.68	59	4.02	
Uganda	13	116	3.39	116	3.71	121	2.70	79	3.76	
Ghana	14	117	3.38	113	3.86	108	2.94	117	3.35	
Zimbabwe	15	118	3.33	117	3.67	116	2.76	101	3.56	
Swaziland	16	119	3.31	107	4.02	106	2.96	135	2.94	
Ethiopia	17	120	3.29	122	3.60	127	2.65	97	3.61	
Cameroon	18	121	3.27	123	3.58	124	2.68	102	3.56	
Malawi	19	124	3.22	115	3.77	135	2.48	113	3.43	
Mozambique	20	125	3.17	121	3.64	120	2.72	130	3.15	
Côte d'Ivoire	21	126	3.15	133	3.31	118	2.73	114	3.41	
Nigeria	22	127	3.14	135	3.26	114	2.83	118	3.33	
Burkina Faso	23	128	3.12	120	3.64	134	2.55	129	3.16	
Mali	24	129	3.11	128	3.45	129	2.61	121	3.28	
Benin	25	130	3.09	127	3.46	130	2.61	126	3.20	
Madagascar	26	131	3.09	132	3.33	119	2.73	127	3.20	
Lesotho	27	135	2.89	126	3.46	132	2.60	139	2.62	
Guinea	28	136	2.88	136	3.24	137	2.38	134	3.03	
Sierra Leone	29	137	2.87	129	3.43	138	2.36	137	2.81	
Burundi	30	138	2.82	130	3.40	139	2.33	138	2.73	
Chad	31	139	2.61	139	2.90	140	2.11	136	2.82	

quality (42nd). Overall, policy rules and regulations are conducive to the sector's development (ranked 29th); this is an area where the country has improved steadily over the past few assessments, with well-protected property rights and few visa requirements for visitors. Indeed, tourism continues to be one of the five priority sectors in the country's growth plan, and the government has reviewed tourism legislation in an effort to streamline it further. However, there are also some areas of weakness that have brought down the country's overall ranking. Safety and security remains quite worrisome (ranked 117th), as does the level of health and hygiene (87th)—the result of low physician density and concerns about access to improved sanitation. Related to this, human resources are also negatively affected by the poor health of much of the workforce, with a low life expectancy (129th, at 52 years) driven by high rates of communicable diseases such as HIV (137th). Improving the health of the workforce is of urgent concern for the future of the T&T sector, as well as for all other sectors in the economy. Additionally, this year South Africa has experienced an increase in fuel prices (77th) and ticket taxes and

airport charges (105th), which have diminished its price competitiveness.

Namibia reaches 5th place the regional rankings, coming in at 91st overall. The country benefits from its rich natural resources, with rich fauna and a pristine natural environment. Indeed, environmental sustainability is prioritized to some extent in the country (ranked 36th), which is critical given the importance of the quality of the environment for Namibia's tourism. In addition, ground transport infrastructure is somewhat developed by regional standards (60th). In order to further develop the sector, a more conducive policy environment will be important. For example, despite efforts in recent years, it remains costly and time consuming to start a business. Health and hygiene is also not up to international standards (106th): the country has few doctors and insufficient access to improved sanitation and drinking water. More generally, improving the country's human resources base (130th) through better education and training and more conducive labor laws will be critical.

Botswana is ranked 7th in the region and 94th overall, down three places since the last edition of

the Index. The country, known for its beautiful natural parks, is ranked 39th out of all countries for its natural resources, with much nationally protected land area, rich fauna, and limited environmental damage. The country also benefits from excellent price competitiveness, where it is ranked 12th because of low ticket taxes and airport charges and a favorable tax regime. In addition, some aspects of the policy environment are supportive of the sector's development, including well-protected property rights and few visa restrictions. However, Botswana does face some challenges that lead to its rather low ranking overall. The country's bilateral Air Service Agreements are not rewarded as open (120th), and much time is still required to start a new business (61 days, placing the country 131st). Further, Botswana's transport and ICT infrastructures are somewhat underdeveloped, as is its tourism infrastructure, with a low hotel room concentration, a limited presence of international car rental companies, and relatively few ATMs. Despite slight improvements, some concerns remain in the area of health and hygiene (97th), attributable to a low physician density, limited hospital beds, and insufficient access to improved sanitation. Associated with this, Botswana's greatest comparative weakness is the health of the workforce.

Kenya, a country long famous for its tourism attributes, is ranked 8th regionally and 96th overall, rising seven places since the last assessment. Kenya is ranked 14th for its natural resources, with its three World Heritage natural sites and its rich diversity of fauna. Tourism is a recognized priority within the country (ranked 23rd on this pillar), with high government spending on the sector and effective destination-marketing campaigns. In addition, a strong focus on environmental sustainability results in a rank of 21st, which is particularly important for Kenya given the sector's dependence on the natural environment. This focus seems to be bearing fruit and contributes to the overall improvement of Kenya in the rankings. On the downside, the policy environment presents a mixed picture and is not sufficiently conducive to the development of the sector (ranked 95th). Although openness in terms of visa requirements and bilateral Air Service Agreements has improved significantly, property rights are insufficiently protected, and much time and high costs are still required to start a business. In addition, infrastructure remains underdeveloped and health and hygiene levels require improvement, as does the human resources base (106th). Finally, the security situation in the country remains a significant hindrance to further developing the sector (ranked 135th).

Tanzania ranks 12th in the region and 109th overall, moving up one place since the last assessment. Tanzania's biggest attraction for tourists remains its outstanding endowment in natural resources (4th), with several World Heritage natural sites, rich fauna, and

much protected land area. This is buttressed by some focus in the country on environmental sustainability (ranked 45th). However, protecting the country's rich fauna remains challenging, as demonstrated by the low rank (110th) for the percentage of threatened species in the country. Tanzania's policy environment has improved significantly in terms of the openness of the country's bilateral Air Service Agreements and visa requirements. Nonetheless, further efforts are required in the area by better protecting property rights (103th) and lowering the costs and time required to start a business. The other main issues of concern are insufficient safety and security (120th) and infrastructure that requires significant upgrading. Another area Tanzania should focus on must be improving the human resources base (116th), especially the improving health of the workforce and upgrading the educational system.

Exploring issues of T&T competitiveness

The Travel & Tourism Competitiveness Report not only provides a snapshot of the T&T competitiveness of the 140 economies assessed by the TTCI, it also complements this analysis with insightful contributions from T&T industry experts on specific relevant challenges and issues the industry is confronting today.

In their chapter "How to Succeed as a Tourism Destination in a Volatile World," Jürgen Ringbeck and Timm Pietsch of Booz & Company analyze which capabilities policymakers need to strengthen or develop in order to ensure the long-term stability of their tourism economies. In recent years, the environment in which countries compete for international visitors has become increasingly challenging. Economic shocks, political instability, and natural disasters have significantly affected tourism in many countries that previously experienced strong growth in their tourism economy. Less visibly but equally potent, long-term change drivers in regional tourism demand, travel distribution, and demographic drifts have accelerated and started to make a real impact on the global tourism landscape. Together, these factors require policymakers to rethink their tourism development agenda to date and focus on capabilities best suited to leverage increased volatility to create sustainable advantage.

By comparing the results of the Travel & Tourism Competitiveness Index with a measure reflecting stable and dynamic international visitor growth, the authors identify a set of qualifying capabilities and true differentiators that have had a positive impact on tourism growth in recent years for both developing and established-destination countries. Accordingly, the authors provide recommendations for action areas in which tourism policymakers need to do better in order to succeed in a more volatile world.

In their chapter entitled "Visa Facilitation: Stimulating Economic Growth and Development through Tourism,"

Dirk Glaesser and John Kester from the UNWTO discuss the importance of visa facilitation to fully reap the benefits international tourism can bring to an economy. Building on the joint research that the UNWTO and WTTC presented to the 4th T20 Ministers Meeting in May 2012, they find that improving visa facilitation could generate an additional US\$206 billion in tourism receipts and create as many as 5.1 million new jobs by 2015 in the G-20 economies. Their in-depth analysis of the policies adopted by countries shows that notable progress toward visa facilitation has been made over recent years. While at the beginning of 2008, destinations requested an average 77 percent of the world's population to apply for a traditional visa prior to departure, this percentage had declined to 63 percent by 2012.

However, a large variety of visa policies is in place: on one hand, some 18 percent of the world's population was able to enter a destination without a visa, and another 17 percent was able to receive a visa on arrival. On the other hand, destinations around the world still require, on average, two-thirds of the world's population to obtain a visa prior to departure.

Despite the progress made, the authors identify some areas of opportunity for visa facilitation going forward. These opportunities include improving the delivery of information on entry formalities and procedures; facilitating the way visa requests for temporary visitors are processed; differentiating the process for certain types of visitors, especially temporary visitors visiting for tourism purpose; instituting electronic visa (eVisa) programs; and establishing regional agreements.

In "The Economic Benefits of Aviation and Performance in the Travel & Tourism Competitiveness Index," Julie Perovic of IATA presents the findings of work conducted in partnership with Oxford Economics to estimate the benefits of aviation on the economies of over 80 countries around the world. The analysis leverages the traditional economic footprint of the industry (measured by aviation's contribution to GDP, jobs, and tax revenues generated by the sector and its supply chain), and makes one of the first attempts to estimate the sector's connectivity benefits. The author finds that the aviation sector, by providing connectivity, has an extremely relevant direct and wider impact on jobs and GDP globally, contributing over 22 million jobs and US\$1.4 trillion in GDP. Moreover, the aviation sector contributes to other industries as well, by facilitating their growth and supporting their operations. With a majority of international tourists depending on air transport, the aviation industry supports 34.5 million jobs within tourism globally, contributing around US\$762 billion a year to world GDP.

Yet the benefits go beyond this economic footprint of aviation. The author finds that the global connectivity

that air transport facilitates has positive impacts that enhance overall productivity and economic growth in the long run. Given the increase in global connectivity from air transport over recent decades, Oxford Economics estimates this benefit is valued at over US\$200 billion of global GDP. Exploring potential relationships between the results of the Oxford Economics studies on the benefits of aviation and the TTCI, the author finds some interesting links. In particular, she finds a significant positive relationship between the 5th pillar of the Index, prioritization of Travel & Tourism, and the air transport connectivity measure relative to GDP. This suggests that making Travel & Tourism a government priority can enable development of global connectivity through aviation, which in turn enhances the overall level of productivity and living standards in the long run.

In "Travel & Tourism as a Driver of Employment Growth," Rochelle Turner of WTTC and Zachary Sears of Oxford Economics present recent findings related to job creation in Travel & Tourism. Using proprietary data for 20 countries, including both emerging and advanced economies, they find that Travel & Tourism is one of the most important industries in terms of absolute size of employment and economic output.

The authors describe how industry employs more than 98 million people directly, representing over 3 percent of overall global employment. When indirect and induced impacts are included, they calculate that the industry contributes to around one in every eleven jobs worldwide.

They also describe how the industry can drive domestic investment and attract foreign direct investment, with positive outcomes for employment creation, income generation, and additional quality-of-life benefits for local residents. On a comparative scale, the authors explain that Travel & Tourism makes a larger economic contribution to the global economy than some notable high-profile sectors, making it an important industry to support economic development.

Finally, they benchmark the sector against selected sectors for all regions of the world—many of which have recently benefitted from overt and well-publicized government support—such as mining; education; chemicals manufacturing, including drugs and medicines; automotive manufacturing; communications and telecommunications; and financial services. Their analysis indicates that, across every region of the world, the share of world employment in Travel & Tourism is greater than that for the automotive manufacturing and chemicals manufacturing industries combined. Furthermore, the industry is estimated to have a relatively more positive outlook in terms of job growth than the forecast for total jobs in the global economy, meriting serious attention from policymakers.

In their chapter "Competitiveness, Jobs, and Green Growth: A "Glocal" Model," Geoffrey Lipman of

Greenearth.travel and Victoria University Melbourne, with Terry Delacy and Paul Whitelaw of Victoria University Melbourne, present the conceptual and operational research led by the Victoria University Centre for Tourism and Services Research to create a system where destinations can identify optimum green growth development scenarios for Travel & Tourism, to sustainably build wealth and create jobs. The authors present a conceptual global framework for green growth and travelism and show how adjusting it to the local level allowed for a major strategic visioning effort (conducted in Bali Indonesia in 2012), which has resulted in the Green Growth 2050 Roadmap.

The authors also present some of the tools used to support the process (for example, the coordinated resident and visitor survey model), while implementing Green Economy Tourism System (GETS) models to take advantage of the large datasets available to sustain better decision support systems. They conclude with a description of their ongoing work, which is aimed at creating a methodology to quantify the socioeconomic impact of new investments in the T&T sector with a particular emphasis on job creation.

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