Augmenting Tourism Satellite Account data for a comprehensive assessment of the economic contribution of tourism in the EU.

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Tourism is a demand-driven macro-sector whose boundaries are defined by the consumption from tourists in different economic sectors. The measurement of the overall economic contribution of tourism in a country's economy is a complex and challenging task as there is no official statistics separating the economic activity generated by tourists or residents. An attempt to shed lights on this figure is provided by the Tourism Satellite Account (TSA): the standard statistical framework developed in 2008 by a joint effort from the World Tourism Organization (UNWTO), the Organisation for Economic Co-operation and Development (OECD), the Statistical Office of the European Communities (Eurostat) and the United Nations Statistics Division. It uses the same concepts, definitions and classifications as national accounts and aims for measuring tourist activity and the importance of tourism to national economies.

Nowadays, TSAs data in the European Union (EU) and the European Free Trade Association (EFTA) countries present some limitations, including 1) the assessment of solely direct contribution of tourism to the economy, failing to capture the indirect and induced impact, 2) scattered data coverage and inconsistent time series, due to TSAs not being included in the regulatory framework of tourism statistics in the EU and collected on a voluntary basis.

This paper aims to address these limitations by: 1) proposing a new method to estimate the total contribution of tourism on the economy by combining TSAs data with Input-Output Tables, 2) using official nights spent statistics to interpolate estimations of the economic contribution of tourism in the years when TSA data are not provided by national statistical institutes. The method is applied to the EU and EFTA countries that provided TSAs data during the 5th voluntary data collection conducted by Eurostat in 2022. Results show heterogeneity across countries in the contribution of tourism to the economy, and in economic multipliers of type I and II.

This research contributes significantly to the literature by providing a comprehensive method for estimating the economic impact of tourism. By addressing the limitations of existing TSAs data and incorporating additional sources, the paper enhances our understanding of the complex economic contribution of tourism. The findings of this study have implications for policymakers, businesses, and researchers seeking to understand the true economic value of the tourism sector.