



Proposals for estimating TDGDP with limited data

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Measuring sustainable tourism

- Very strong current drivers for measuring sustainable tourism, including in the context of UN SDG
- No single indicator of sustainable tourism thus need combination of indicators to cover economic, environmental and social dimensions
- Tourism Direct GDP (TDGDP) nominated as the leading indicator for economic dimension
 - Used as indicator for SDG 8.9



Measuring TDGDP

- Conceptually TDGDP is a natural aggregate from a tourism satellite account (TSA)
- Challenge:
 - TSA are data intensive to compile
 - Perception that a TSA is required to estimate TDGDP
- Response
 - Develop strong support for compiling TSA – compilation guidance being developed
 - Propose a simpler method to estimate TDGDP that does not require full TSA
 - Conceptually aligned but of reduced quality

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Stylised TSA entries: Food & beverage

	Tourism industries				Other industries	Total	
	Accommodation		Food and beverage serving industry			Output	of which Tourism
	Output	of which Tourism	Output	of which Tourism			
Product							
Food and beverage services	90	40	600	350	0	690	390
Non-food and beverage products	410	380	0	0	1000	1410	380
Total output	500	420	600	350	1000	2100	870
Total intermediate consumption	280	na	450	na	600	1330	na
Gross value added	220	na	150	na	400	770	na
Value added ratio	0.44	na	0.25	na	0.40	0.37	na
TDGDP (TDGVA)	na	184.8	na	87.5		na	272.3

Key aspects in deriving TDGDP

- Three primary components:
 - Estimating the total value of tourism internal consumption expenditure
 - Determining which industries are the producers of different goods and services
 - Attributing a value added ratio for those industries
- Accuracy will depend on
 - The level of industry and product detail that is available
 - The extent to which production sold to visitors is similar to production sold to non-visitors
 - Structural changes over time

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Four steps towards TDGDP

	Tourism industries				Other industries		Total	
	Accommodation		Food and beverage serving industry		Output	Tourism	Output	Tourism (Internal consumption)
	Output	Tourism	Output	Tourism				
Product								
Tourism characteristic products								
Other products								
Total output		Step #2		Step #2		Step #2		Step #1
Total intermediate consumption								
Gross value added	Step #3		Step #3		Step #3			
Value added ratio								
TDGDP		Step #4		Step #4		Step #4		TDGDP

Possible stages in implementation

- Five implementation stages
 - Assessment of available data
 - Evaluation of similar countries
 - Organization of data and population of basic tables
 - Derivation of TDGDP
 - Testing of assumptions

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Taking this method forward

- Some possible steps to advance this method
 - Discussion and review of conceptual logic with TSA experts
 - Testing in countries with TSA to test sensitivity wrt “true” TDGDP
 - Testing in countries with no TSA to test feasibility
 - Testing in countries to assess potential to use method as a indicator to interpolate between or now-cast a TDGDP benchmark
 - Testing to examine potential to inform estimates for core national accounts and balance of payments

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Thank you!

Looking forward to your ideas,
suggestions and inputs!

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Sustainable
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