

SDG indicator metadata

(Harmonized metadata template - format version 1.0)

0. Indicator information

0.a. Goal

Goal: 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

0.b. Target

Target 8.9: By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products

0.c. Indicator

Indicator 8.9.1: Tourism direct GDP as a proportion of total GDP and in growth rate

0.d. Series

0.e. Metadata update

25 March 2021

0.f. Related indicators

14.7 By 2030, increase the economic benefits to small island developing States and least developed countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture and tourism.

12.b.1 Implementation of standard accounting tools to monitor the economic and environmental aspects of tourism sustainability

0.g. International organisations(s) responsible for global monitoring

World Tourism Organization (UNWTO)

1. Data reporter

1.a. Organisation

World Tourism Organization (UNWTO)

2. Definition, concepts, and classifications

2.a. Definition and concepts

Definition:

Tourism Direct GDP (TDGDP) is defined as the sum of the part of gross value added (at basic prices) generated by all industries in 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. The indicator relies on the Tourism Satellite Account: Recommended Methodological Framework 2008, an international standard adopted by the UN Statistical Commission and elaborated by UNWTO, OECD and EUROSTAT.

Concepts:

Tourism direct gross value added (TDGVA) is the part of gross value added generated by tourism industries and other industries of the economy that directly serve visitors in response to internal tourism consumption.

Gross Domestic Product (GDP): It is the main measure of national output, representing the total value of all final goods and services within the System of National Accounts (SNA) production boundary produced in a particular economy (that is, the dollar value of all goods and services within the SNA production boundary produced within a country's borders **in a given year**). According to the SNA, "GDP is the sum of gross value added of all resident producer units plus that part (possibly the total) of taxes on products, less subsidies on products, that is not included in the valuation of output ... GDP is also equal to the sum of the final uses of goods and services (all uses except intermediate consumption) measured at purchasers' prices, less the value of imports of goods and services GDP is also equal to the sum of primary incomes distributed by resident producer units."

2.b. Unit of measure

Percent

2.c. Classifications

The methodology for the calculation of Tourism Direct GDP is in line with the [Tourism Satellite Account: Recommended Methodological Framework \(TSA:RMF 2008\)](#).

3. Data source type and data collection method

3.a. Data sources

The indicator is sourced from countries' Tourism Satellite Account, which is a satellite account to the National Accounts.

3.b. Data collection method

UNWTO sends a pre-filled excel questionnaire (including data from official publications and official websites) to countries to collect the latest data on TDGDP. In order to lighten the reporting burden of countries, UNWTO receives data from the Organisation for Economic Co-operation and Development (OECD) on behalf of its constituents¹. This exercise is being carried out on a yearly basis.

3.c. Data collection calendar

The questionnaire is sent out to countries in August and data collection is closed in January of the following year.

3.d. Data release calendar

Release of data coincides with the update of the SDG global database, typically scheduled for February.

3.e. Data providers

National Statistics Offices and/or National Tourism Administrations.

3.f. Data compilers

World Tourism Organization (UNWTO)

3.g. Institutional mandate

4. Other methodological considerations

4.a. Rationale

Target 8.9 has several dimensions; this caters to the dimension: *tourism; promote [...] tourism*. The value of the economic contribution of tourism captured by this indicator, and (relative) increases or decreases in it, could indicate the degree to which tourism is being successfully promoted.

This indicator is useful for policy on tourism at national level and the level of sub-national regions as it gives a more inclusive measure of the economic contribution of tourism (i.e. including all forms of tourism according to International Recommendations for Tourism Statistics 2008), which can be compared to GDP contributions of other economic activities. The indicator has been found especially useful in promoting and mainstreaming tourism in policy agendas at all levels. The indicator can also be compared across countries.

4.b. Comment and limitations

Given that a growing number of countries produce Tourism Satellite Account (TSA), data on the suggested indicators could become available in many more countries in the near future.

The data demands – among others - detailed input-output or supply and use tables for setting up a TSA; this means that it is often not possible to have current data or frequent updating of the TSA. Therefore, some countries produce estimates of TSA aggregates, in between reference years, to have more current data and to produce a time series.

TDGDP/GDP tends to do not show large variations from one year to the next and variations may stem from the numerator and/or denominator. This could warrant considering the indicator in different forms: absolute value, % change in constant price, and TDGDP per visitor or per employed person.

4.c. Method of computation

Tourism direct GDP as a proportion of total GDP (in%):

$$\left(\frac{tdgdp}{gdp}\right) * 100$$

Tourism direct GDP in growth rate

$$((tdgdp_t / tdgdp_{t-1}) - 1) * 100$$

4.d. Validation

Every year historical data is requested. If there are differences in the newly reported data for the country with respect to the data available previously, countries are consulted. Similarly, if other inconsistencies are found, there is ongoing follow up with countries. Since Table 6 of TSA is necessary for the compilation of TDGDP, the data reported by countries is cross-validated with the availability of this table through the data reported for SDG indicator 12.b.1, which also falls under the responsibility of UNWTO.

4.e. Adjustments

4.f. Treatment of missing values (i) at country level and (ii) at regional level

- **At country level**

UNWTO will use the travel credits and passenger transport credits according to the [Balance of Payments and International Investment Position Manual sixth edition](#) (BPM6) related to GDP as a proxy of the TDGDP. The mode of calculation of the proxy is:

$$(\text{travel credits} + \text{passenger transport credits}) / (\text{Gross Domestic Product}) \times 100.$$

This indicator represents a basic evaluation of tourism's economic contribution to the national economy, which is largely available for most countries, internationally comparable, and comparable to other economic indicators. Indeed, this indicator is regularly produced by UNWTO and disseminated in its worldwide database.

4.g. Regional aggregations

Aggregates are computed for the SDG regions and at the global level.

For every year, estimates for countries are computed as follows:

- *For countries without any reported data*
A multivariate linear regression model based on the number of hotel rooms in the country and the inbound tourism expenditure (both available via UNWTO's statistical database) as explanatory variables is used.
- *For countries with reported data for years other than the year of reference*
A simple linear model based on inbound tourism expenditure as explanatory variable is used to estimate the nominal percent change in TDGDP. These values are used to retro- and extrapolate the values reported by the country, using these as benchmark. For reference years between years with reported data, a linear trend between reported years is used.
- *Special cases*
Some data reported by countries that do not correspond to Tourism Direct GDP or GVA and are therefore not published, can still be used in the calculation of aggregates.

For each year, countries without reported data for which the methodology yields negative estimates or for which no data to feed the linear models are available are discarded. Regional (and global) aggregates are then obtained by computing weighted averages of TDGDP, using total GDP as the weight, for countries within the region of interest for which data or estimates are available.

GDP coverage for each aggregate is obtained by calculating the percentage of total regional GDP that is represented by countries for which data is reported or for which an estimate is available. If this coverage is relatively low (below 60 percent), estimates are published with a cautionary footnote.

4.h. Methods and guidance available to countries for the compilation of the data at the national level

The methodology is described in the [Tourism Satellite Account: Recommended Methodological Framework 2008](#).

UNWTO, in collaboration with UNSD, is currently developing a Compilation Guide for the TSA.

For the purposes of SDG reporting, UNWTO has developed an experimental approach that might be used by countries with limited data to compile estimates of TDGDP using the conceptual framing of the TSA and the most commonly available data but not requiring the full compilation of TSA. In this regard, the approach is intended to provide a starting point for countries with limited data that can then move towards the compilation of TSA and the more complete measurement of TDGDP. For more information, see [Proposals for estimating Tourism Direct GDP with limited data](#).

4.i. Quality management

4.j Quality assurance

Any discrepancies are resolved through written communication with countries.

4.k Quality assessment

5. Data availability and disaggregation

Data availability:

More than 70 countries have some kind of TSA exercise and data available on this indicator, as shown in an international TSA data compilation exercise UNWTO realized in 2010 (see [“TSA data around the world”](#)).

Time series:

Annual data from 2008 onwards are available.

Disaggregation:

TDGDP is derived from the productive activities that cater directly to tourism and so it could be possible to disaggregate by tourism industries (e.g. accommodation for visitors, the different kinds of passenger transportation, etc.).

Sub-national disaggregation/estimates of Tourism Direct GDP are possible and there are a number of subnational regions that have information on this. However, there is no consensus on a methodology for doing this in a standardized way, compromising international comparability. In any case, it seems that collection of data would be warranted only for those regions that consider tourism a significant (economic) activity.

6. Comparability / deviation from international standards

Sources of discrepancies:

7. References and Documentation

[*International Recommendations for Tourism Statistics 2008 \(IRTS 2008\)*](#)

Tourism Satellite Account: Recommended Methodological Framework 2008 (TSA: RMF 2008)

URL:

https://unstats.un.org/unsd/publication/Seriesm/SeriesM_83rev1e.pdf

https://unstats.un.org/unsd/publication/Seriesf/SeriesF_80rev1e.pdf