STATE OF TOURISM
IN
OIC MEMBER COUNTRIES

Webinar on Tourism Statistics

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OUTLINE

1. Tourism in the World

2. Tourism in OIC Countries

3. Tourism and COVID-19 in OIC Countries

4. Concluding Remarks and Policy Implications
TOURISM IN THE WORLD
TOURISM IN THE WORLD

Evolution of the Worldwide International Tourism between 2013 and 2018

- 1,087 million International Tourist Arrivals
- USD 1,240 billion International Tourism Receipts

2013

- 1,407 million International Tourist Arrivals
- USD 1,462 billion International Tourism Receipts

2018
TOURISM IN OIC COUNTRIES
TOURISM IN OIC COUNTRIES

Contribution of International Tourism in the Economy

Total Contribution of Tourism to Employment (% of total employment)

<table>
<thead>
<tr>
<th>Year</th>
<th>OIC</th>
<th>World</th>
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</thead>
<tbody>
<tr>
<td>2013</td>
<td>6.5</td>
<td>9.2</td>
</tr>
<tr>
<td>2014</td>
<td>6.6</td>
<td>9.4</td>
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<td>2015</td>
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<td>2016</td>
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<td>2017</td>
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<tr>
<td>2018</td>
<td>7.4</td>
<td>10.0</td>
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Total contribution of Tourism to GDP (% of GDP)

<table>
<thead>
<tr>
<th>Year</th>
<th>OIC</th>
<th>World</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>8.1</td>
<td>9.7</td>
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<tr>
<td>2014</td>
<td>8.3</td>
<td>9.9</td>
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<td>2015</td>
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<td>2018</td>
<td>8.8</td>
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Source: World Travel and Tourism Council (WTTC)
TOURISM IN OIC COUNTRIES

193.1 Million Tourists in 2013

149.9 Million Tourists in 2018
Share of OIC Countries in the World Tourist Arrivals

- 17.8% in 2013
- 10.7% in 2018

Tourism in OIC Countries
TOURISM IN OIC COUNTRIES

Tourism Receipts

USD 181.9 billion in 2018

USD 157.1 billion in 2013
Share of OIC Countries in the World Tourism Receipts

12.7% in 2013

12.4% in 2018
Intra-OIC Tourist Arrivals in 2013: 64.7 million
Intra-OIC Tourist Arrivals in 2018: 80.6 million
Intra-OIC Tourism Receipts in 2013: USD 48.4 billion

Intra-OIC Tourism Receipts in 2018: USD 67.3 billion
Over the two last decades, demand for Sharia’h complaint products and services increased tremendously all across the world including the OIC countries.

In this context, Halal Hotels, Halal Food Premises, Halal Tour Packages, and Halal Transport (airlines) became components of Islamic Tourism.

The Muslim tourism market has witnessed rapid growth over the years and emerged as one of the fastest growing segments of the global tourism market.

Its growth rate has been consistently found to be higher than the conventional tourism market.
MFT IN OIC COUNTRIES

Concepts

• Islamic Tourism
• Halal Tourism
• Muslim Friendly Tourism
• Shariah Tourism
• Ziyarah Tourism
Halal Hotels: Some of the main indicators of an Islamic hotel include: no alcohol, gambling etc.; Halal food only; Quran, prayer mats and arrows indicating the direction of Mecca in every room; Beds and toilets positioned so as not to face the direction of Mecca; prayer rooms; conservative staff dress; Islamic funding; separate recreational facilities for men and women.

Halal Transport (Airlines): Major indicators for halal transport include: cleanliness; non-alcoholic drinks; and publications which are coherent with Islam.

Halal Food Premises: Foods that served in a restaurant have to be halal. All animals must be slaughtered according to Islamic principles. No alcoholic drinks should be served in the premise.

Halal Tour Packages: The content of the tour packages must be based on an Islamic themed. The Islamic tour packages include visits to the mosques, Islamic monuments and promote and event during the Ramadan.

Halal Finance: The financial resources of the hotel, restaurant, travel agency and the airlines have to be fit with Islamic principles. In general, Islamic finance requires participation in sharing the profit and loss.
MFT IN OIC COUNTRIES

Market Size

A niche tourism market with a significant growth potential

The estimated market size in 2018:

USD 189 billion

The estimated market size 2024:

USD 274 billion
TOURISM AND COVID-19 IN OIC COUNTRIES
UNWTO (2020) reviewed 217 destinations worldwide, accordingly:

- **45% have totally** or partially closed their borders for tourists - “Passengers are not allowed to enter”;

- **30% have suspended** totally or partially international flights - “all flights are suspended”;

- **18% are banning** the entry for passengers from specific countries of origin or passengers who have transited through specific destinations; and

- **7% are applying different measures**, such as quarantine or self-isolation for 14 days and visa measures.
UNWTO was expecting 20 to 30% contraction in Tourism

OECD was expecting 60 to 70% contraction in Tourism

April 2020
TOURISM AND COVID-19

Implications of COVID-19 Pandemic on Tourism

UNWTO revised its expectations in October 2020

70% fall in international arrivals for the first eight months of 2020

October 2020

UNWTO revised its expectations in October 2020.

70% fall in international arrivals for the first eight months of 2020.
TOURISM AND COVID-19

Implications of COVID-19 Pandemic on Tourism

- **Loss of 1 billion** in international tourist arrivals in 2020
  (74% **fewer** arrivals compared to 2019)

- **USD 1.3 trillion loss** in export revenues from international tourism in 2020
OIC countries are expected to see some significant losses in terms of both tourist arrivals and tourism receipts.

Due to COVID-19:

- **It is estimated that about 114 million** less international tourists were hosted by OIC countries in 2020 that resulted in loss of **billion dollars from international tourism receipts**.
CONCLUDING REMARKS AND POLICY IMPLICATIONS
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Concluding Remarks I

• Tourism is an important sector that has been rapidly growing

• Recently, the pandemic hit the sector severely

• It is an opportunity for rethinking on major challenges in order to address them effectively
Major Challenges remain unaddressed:

- lack of coordination among public institutions
- standards and certification issues
- underdeveloped national rules and regulations
- ineffective marketing and promotion strategies
- lack of national/regional strategies
- financial constraints
- human capital shortages
- problems on data and monitoring
CONCLUDING REMARKS AND POLICY IMPLICATIONS

Policy Implications

- Investing in **quality of infrastructure, human resources, and diversification** of tourism products and having a strong **political willingness** will all play a role for the development of tourism in OIC countries.

- Enhancing **intra-OIC tourism** activities such as by easing bilateral visa policies, providing incentives (e.g. temporary tax cuts, subsidies) for airlines and travel agencies would also help to increase tourism revenues in OIC countries.
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