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Travel & Tourism Development Index 2024



The World Economic Forum (WEF) recently published the Travel and Tourism Development Index (TTDI) Insight Report (May 2024), which was launched in Egypt on May 20th in collaboration with the Egyptian Center for Economic Studies (ECES).

ECES is the WEF's sole research and knowledge partner in Egypt and partially compiled the report's economic data.

Published biennially, the report consists of the Travel and Tourism Development Index (TTDI), which benchmarks and measures the set of factors and policies that enable the sustainable and resilient development of the Travel & Tourism (T&T) sector, and ranks 119 economies where the T&T sector plays a major role.

[Link](#)

(Special Issue)

This special issue of "Views on News" provides a description of the five T&T dimensions evaluated by the report, followed by the outturns of the Egyptian T&T market, and finally concludes with the key findings of the report on global tourism.

1. The Five Travel and Tourism Development Index (TTDI) Dimensions

The TTDI is comprised of five dimensions, each containing a number of pillars as follows:

1. **The Enabling Environment** dimension captures the general conditions necessary for operating and investing in the tourism sector and consists of five pillars:
 - **Business Environment:** This pillar captures the extent to which a country's policy environment is conducive to companies doing business and investing.
 - **Safety and Security:** This pillar measures the extent to which a country exposes locals, tourists and businesses to security risks.
 - **Health and Hygiene:** This pillar measures healthcare infrastructure and accessibility and health security.
 - **Human Resources and Labor Market:** This pillar measures the availability of quality employees and the dynamism, resilience and equality of the labour market
 - **ICT Readiness:** This pillar measures the availability and use of information and communication technology infrastructure and digital services.
2. **The T&T Policy and Enabling Conditions** dimension captures specific policies or strategic aspects that affect the T&T sector more

directly, and consists of three pillars: **Prioritization of T&T in government policies, openness to T&T, and price competitiveness.**

3. **The Infrastructure and Services** dimension captures the availability and quality of physical infrastructure and tourism services and consists of three pillars: **air transport infrastructure; ground and port infrastructure; and tourist services infrastructure.**
4. **The Travel and Tourism Resources** dimension captures the principal “reasons to travel” to a destination and consists of three pillars: **natural resources; cultural resources; and non-leisure resources.**
5. **The Travel and Tourism Sustainability** dimension captures the current or potential sustainability challenges and risks facing T&T and consists of three pillars: **environmental sustainability**, which measures energy sustainability in the sector, the general sustainability of an economy’s natural environment, and the protection of its natural resources; **T&T socioeconomic impact, which** measures the economic and social impact of T&T, including induced economic contribution, the provision of high-wage jobs and workforce gender equality; and **T&T demand sustainability**, which measures factors that may indicate the existence of, or risk related to, overcrowding, demand volatility and other potentially unsustainable demand trends.

2. Egypt’s Scores in the TTDI

Scores on each indicator are first normalized and rated on a common scale of 1 to 7, with 1 being the worst and 7 being the best outcome.

Dimension	Pillar	Score 1-7	Relative to other economies
Enabling Environment	Business Environment	3.88	Below average
	Safety and Security	5.37	Below average
	Health and Hygiene	3.95	Below average
	Human Resources and Labor Market	3.43	Below average
	ICT Readiness	4.45	Below average
T&T policy and enabling conditions	Prioritization of T&T	5.87	Above average
	Openness to T&T	3.09	Below average
	Price Competitiveness	6.11	Above average
Infrastructure and Services	Air Transport Infrastructure	4.58	Above average
	Ground and Port Infrastructure	3.85	Average
	Tourist Services and Infrastructure	2.76	Below average
T&T Resources	Natural Resources	3.11	Average
	Cultural Resources	3.18	Above average
	Non-Leisure Resources	2.39	Below average
T&T Sustainability	Environmental Sustainability	4.07	Below average
	T&T Socioeconomic Impact	2.27	Below average
	T&T Demand Sustainability	4.90	Above average
Overall		3.96	Below average

- According to the report Egypt is ranked 61st out of 119 countries globally and 11th in the Middle East.
- Egypt's overall TTDI score is slightly below average (3.96). This score, however, is not evenly distributed among the pillars.
 - Egypt's **main strengths**, according to the report, are:
 - *Cultural resources* due to its vast archaeological and historic sites.
 - *Prioritization of T&T* due to the government putting policies to help sector recovery post COVID-19.
 - *Price competitiveness* due to depreciation of the local currency, making tourist services cheaper than other destinations.
 - *Air transport, and ground and port infrastructure* due to the government investing in roads and rail throughout the country, and building and upgrading new airports.
 - *T&T demand sustainability* as overcrowding and excess tourism are not an issue in Egypt.
 - **However, the report sheds light on the weaknesses behind Egypt's low scores:**
 - Egypt's score in the enabling environment pillar is below average for not providing health services to tourists, and slightly below average in safety and security, as well as little ICT readiness in the tourism sector.
 - There is limited openness to Travel and Tourism by private sector companies outside of the tourism sector, despite the government prioritizing the sector in their policies.
 - Egypt's score in the T&T socioeconomic impact pillar is the lowest among all the pillars.

- Non-leisure resources as Egypt lacks educational and corporate attractions.
- Since 2019, Egypt has increased its TTDI score by 4.3%, mostly driven by better transport infrastructure and more awareness and promotion of tourism by the government.

3. Key findings of the report

- Europe, Asia, and the United States continue to have the most favorable conditions for T&T development due to their favorable business conditions, open travel policies between each other and having a developed ICT sector. Developing countries are, however, catching up.
- Over the past five years since 2019, low and middle-income countries made the most extensive improvements in the index, with Saudi Arabia being the most improved country on the list with a 5.7% improvement. Improvements in high-income countries were less noticeable.
- The main pillar that causes low- and middle-income countries to lag behind high-income environments is the **enabling environment**. High-income countries usually provide a better business environment, better ICT readiness, and better healthcare.
- Despite the improvements in low and middle-income countries, the vast majority of these countries have below-average TTDI scores and more needs to be done to catch up with the developed countries.

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