

Ireland

Tourism in the economy and outlook for recovery

Tourism is one of Ireland's most important sectors for revenue and jobs. The total value of tourism expenditure to the economy in 2019 (including domestic receipts and fares to Irish carriers) was EUR 9.5 billion, equivalent to 2.7% of GDP. In 2019, tourism-related sectors employed 284 838 people directly, 12.3% of national employment. The impacts of the COVID-19 pandemic saw the tourism share of employment fall to 10.3% in 2020.

In 2020, international tourists decreased by almost 80% compared to a record high of 9.4 million in 2019. This represented a significant reduction in tourism revenue, as inbound tourism generally accounts for 70% of total tourism revenue.

Despite declines, domestic tourism has become the main source of tourism revenue, generating over EUR 1.5 billion in 2020 and EUR 1.3 billion in 2021. There were an estimated 7.7 million domestic trips in 2020 and 5.7 million domestic overnight trips in 2021 (down 51.3% compared to 2019). Ireland estimates that domestic visitors represented over 85% of the country's total tourism economy in 2021.

Domestic tourism is expected to account for between 50% and 60% of the tourism economy in 2022, with international tourism expected to track at approximately 75% of 2019 levels. The medium to long-term outlook indicates that tourism in Ireland will return to 2019 levels by 2025 or 2026.

Tourism governance and funding

The Tourism Division of the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media sets the national tourism policy and provides strategic direction to support the growth of a competitive and sustainable tourism sector. Fáilte Ireland and Tourism Ireland operate under the responsibility of the Department to administer the national tourism policy.

Fáilte Ireland is the National Tourism Development Authority. Its role is to support the tourism sector and work to sustain Ireland as a high-quality and competitive tourism destination. It provides a range of practical business supports to help tourism businesses better manage and market their products and services and develop experiences in line with Fáilte Ireland's experience brands.

Tourism Ireland promotes tourism to the island of Ireland and is responsible for marketing the island of Ireland overseas as a holiday and business tourism destination. Tourism Ireland is accountable to the North South Ministerial Council, with funding being provided by the Department for the Economy in Northern Ireland and by the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media in Ireland.

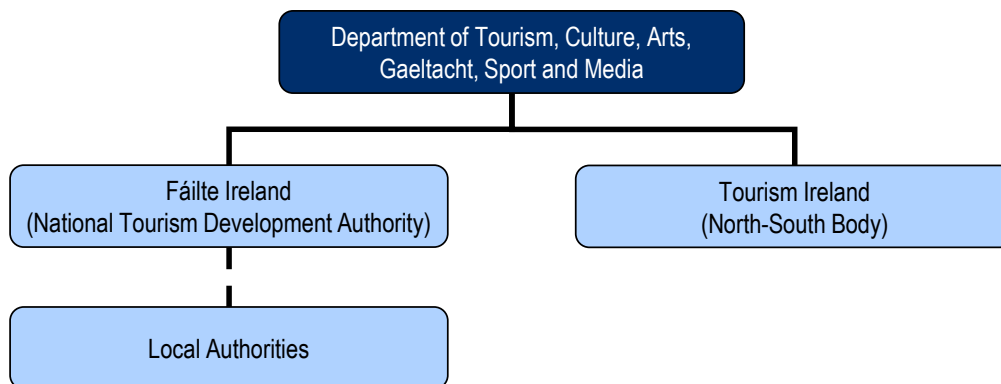
Local Authorities (city and county councils) are active in many aspects of tourism, such as the organisation and funding of events and the development of public tourism infrastructure. All local authorities have an officer with responsibility for tourism to co-ordinate tourism development in each authority area.

The Hospitality and Tourism Forum was established by the Minister for Tourism and the Minister for Enterprise, Trade and Employment to engage with a wide spectrum of industry stakeholders to assess the

continuing impact of the COVID-19 pandemic and to help improve understanding and responses to the crisis. It provides a platform for structured engagement between the Hospitality and Tourism sector, the tourism agencies and relevant Government Departments.

The overall central budget allocated to tourism amounted to EUR 184 million in 2020 and increased to EUR 221 million in 2021. Of the 2021 figure, EUR 2.4 million is allocated to the Department, EUR 154.8 million to Fáilte Ireland and EUR 63.8 million to Tourism Ireland. Local authorities may provide additional funds.

Ireland: Organisational chart of tourism bodies



Source: OECD, adapted from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, 2022.

Tourism policies and programmes

The COVID-19 pandemic left Ireland's tourism sector in a weakened state but has provided an opportunity to address sustainable tourism development in a more meaningful way. Ireland is working towards developing a new national tourism policy that will mainstream sustainability. The Sustainable Tourism Working Group (see Box 3.2) will inform the development of this new policy and be consistent with sectoral climate change targets and commitments. The new national tourism policy will be published in 2023 and will cover 2023-30.

In the initial response to the pandemic, Ireland's Tourism Recovery Taskforce prepared a Tourism Recovery Plan 2020-23, which includes a set of recommendations on how the Irish Tourism sector can adapt and recover. A Recovery Oversight Group was established in December 2020 to monitor the implementation of the recommendations of the Tourism Recovery Plan and monitor the sector's recovery. The Group submitted its fourth report to the Minister for Tourism in September 2022. The report evaluated the progress made to date and made a number of further recommendations, particularly in relation to business supports. The Minister and the Tourism Agencies will continue to use the reports from the Recovery Oversight Group as important policy considerations in supporting the sector's recovery.

Ireland's Programme for Government, "Our Shared Future," includes a commitment to develop a new tourism initiative to aid recovery in the sector following the pandemic. This initiative will seek to build on the enduring strengths of Ireland's unique artistic and cultural tourism offering. Similarly, the Tourism Recovery Plan 2020-23, includes a recommendation to develop a Global Invitation programme to stimulate international demand. A global tourism marketing campaign has been proposed to assist with the delivery of these objectives. This project will provide an opportunity to aid the recovery in multiple sectors that have been particularly affected by the COVID-19 pandemic and the restrictions imposed to contain it.

Recruitment continues to be a significant challenge for the tourism sector, with up to two-thirds of businesses reporting reduced capacity due to staff shortages. A new recruitment marketing and awareness campaign was launched in early 2022 to help attract new staff to the sector. Several capability-building initiatives were also created to support businesses to leverage this campaign and stand out in a competitive labour market. A Learning Hub has been created to provide free high-quality, self-directed learning courses to help upskill staff and build business capability. These focus on upskilling new staff in core and basic skills, building employees' capability at the management level, and driving continuous professional development (see Box 2.12).

A new Employer Excellence Programme is also being developed to support businesses to drive great employee engagement and build their workplace's appeal. The programme aims to reposition the sector's employer brand so businesses can recruit and retain the talent and skills it needs to recover and grow.

Statistical Profile

Ireland: Domestic, inbound and outbound tourism

	2017	2018	2019	2020	2021
TOURISM FLOWS, THOUSAND					
Domestic tourism					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	9 626	10 919	11 621	7 721	5 663
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	25 539	28 393	29 469	23 518	17 886
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Inbound tourism					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	8 722	9 273	9 353	..	..
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
United Kingdom	3 239	3 253	3 269	..	..
Other Europe	2 081	2 203	2 321	..	..
États-Unis et Canada	1 682	1 924	1 863	..	..
Germany	637	755	723	..	..
France	508	521	529	..	..
Nights in all types of accommodation	..	..	..	..	..
Hotels and similar establishments	..	..	..	..	..
Other collective establishments	..	..	..	..	..
Private accommodation	..	..	..	..	..
Outbound tourism					
Total international departures	7 939	8 276	8 814	2 417 e	2 314
Overnight visitors (tourists)	7 728	8 085	8 620	2 365 e	2 276
Same-day visitors (excursionists)	211	191	194	52 e	38
Top destinations					
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..
TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR					
Inbound tourism					
Total international receipts	12 541	13 015	13 297	3 674	..
International travel receipts	4 972	5 796	5 787	1 645	..
International passenger transport receipts	7 569	7 219	7 510	2 029	..
Outbound tourism					
Total international expenditure	5 897	6 557	7 459	2 148	..
International travel expenditure	5 814	6 474	7 375	2 071	..
International passenger transport expenditure	83	83	84	77	..

.. Not available; e Estimated value

Source: OECD Tourism Statistics (Database).

StatLink  <https://stat.link/7j096z>


Ireland: Enterprises and employment in tourism

	Number of establishments ¹	Number of persons employed				
	2020	2017	2018	2019	2020	2021
Total	..	..	..	..	..	..
Tourism industries	45 472	225 542	233 524	284 838	..	..
Accommodation services for visitors	18 397	169 926	175 591	210 697	..	..
Hotels and similar establishments	..	..	..	..	..	..
Food and beverage serving industry	..	..	..	..	..	..
Passenger transport	14 282	21 841	22 684	25 792	..	..
Air passenger transport	..	..	..	..	..	..
Railways passenger transport	..	..	..	..	..	..
Road passenger transport	..	..	..	..	..	..
Water passenger transport	..	..	..	..	..	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	..	..	..	..	..
Travel agencies and other reservation services industry	1 484	8 172	8 632	10 070	..	..
Cultural industry	11 309	25 603	26 617	38 279	..	..
Sports and recreation industry	..	..	..	..	..	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
Other industries	..	..	..	..	..	..

.. Not available

1. Data refer to number of enterprises.

Source: OECD Tourism Statistics (Database).

StatLink  <https://stat.link/oa7wth>


Ireland: Internal tourism consumption

Million EUR

	2007		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
Total	..	..	..
Consumption products	3 142	3 637	6 779
Tourism characteristic products	2 337	2 875	5 212
Accommodation services for visitors	228	672	900
Food and beverage serving services	983	932	1 915
Passenger transport services	762	1 062	1 824
Air passenger transport services	..	..	..
Railways passenger transport services	..	..	..
Road passenger transport services	..	..	..
Water passenger transport services	..	..	..
Passenger transport supporting services	..	..	..
Transport equipment rental services	..	..	..
Travel agencies and other reservation services industry	155	12	167
Cultural services	209	197	406
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	805	762	1 567
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
Non-consumption products	..	..	..

.. Not available

Source: OECD Tourism Statistics (Database).

StatLink  <https://stat.link/ba17ty>



From:
OECD Tourism Trends and Policies 2022

Access the complete publication at:
<https://doi.org/10.1787/a8dd3019-en>

Please cite this chapter as:

OECD (2022), "Ireland", in *OECD Tourism Trends and Policies 2022*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/0b7e135d-en>

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