

# Luxembourg

## Tourism in the economy and outlook for recovery

Tourism directly contributed to 1.2% of Luxembourg's GDP and provided 38 617 direct jobs in 2019, 8.3% of total employment. Travel exports represented 5.0% of total service exports in 2019. In 2020, tourism jobs remained relatively stable at 38 336 jobs, but declined to 7.6% of total employment. The share of services exports fell to 4.0%.

In 2021, 853 000 tourists (international and domestic) were recorded in registered tourism accommodation. International visitors usually comprise 90% of total visitors. There was a rebound in international tourists in 2021 to 756 000, but they still remained 27.3% below 2019 levels. Luxembourg's main source markets in 2021 were its neighbouring countries: Belgium (20.0% of nights), the Netherlands (16.0%), Germany (16.2%) and France (12.6%).

A total of 2.1 million visitor nights were recorded in 2021. This was a 40% increase in nights compared to 2020, however, still 24% below pre-pandemic levels. International nights hit 1.8 million (up 51% from 2020), and domestic tourism was 303 000 overnights (down 1% from 2020).

Luxembourg expects tourism to return to 2019 levels in 2023 or 2024.

## Tourism governance and funding

Tourism is part of the Ministry of Economy, within a General Directorate for Tourism (DGT). In addition to regulating the sector, it grants aid to accommodation businesses, associations, local authorities and other interests. The main objectives are to increase the quality of the tourism offer and the quality of life.

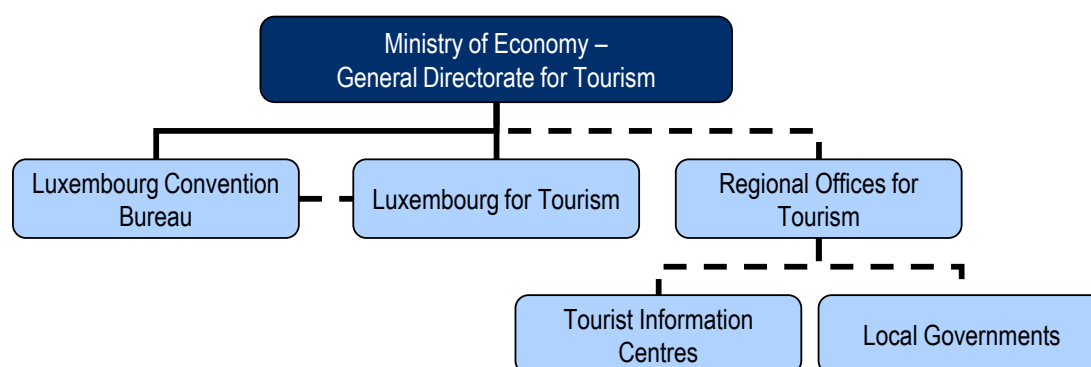
In addition, the DGT pursues a policy to promote and optimise the national tourism offer. It works on developing tourism in various ways by creating standards, professionalising marketing and maintaining close relations with international partners.

Luxembourg for Tourism (Lft) is an Economic Interest Group created in December 2015, with the primary task of marketing and promoting Luxembourg as a destination. Along with the government, Regional Offices for Tourism (ORT), professional associations and the private sector co-finance Lft. Regional offices are tasked with co-ordinating local interests in developing the regional tourism offer. The capital, Luxembourg City, has its own structure, the Luxembourg City Tourist Office, while the Luxembourg Convention Bureau (LCB) is the designated body for developing the business events sector.

The budget voted by the General Directorate for Tourism of the Ministry of Economy was EUR 23.0 million in 2020, EUR 22.2 million in 2021, and EUR 30.9 million in 2022. The following financial contributions are an integral part of the DGT budget:

- Contribution to large-scale tourism projects and initiatives organised by tourist boards and other interests: EUR 2.9 million in 2020, EUR 3.1 million in 2021, and EUR 3.0 million in 2022.
- Contribution to the costs of the Luxembourg for Tourism Economic Interest Group (GIE) of EUR 4 million in 2020, EUR 4.4 million in 2021, and EUR 5.1 million in 2022.

## Luxembourg: Organisational chart of tourism bodies



Source: OECD, adapted from the Ministry of Economy, 2022.

## Tourism policies and programmes

Due to the COVID-19 pandemic, the General Directorate for Tourism, in close consultation with the sector, drew up a detailed recovery plan to support leisure tourism and the business events sector. Plans included the “Lëtzebuerg - Dat ass Vakanz!” (Luxembourg - That’s a holiday) promotional strategy and the creation of a label to promote health and safety measures implemented across the events sector.

Actions to tackle the consequences of the crisis included:

- **Aid for businesses:** Multiple aid measures totalling over EUR 500 million were implemented to support SMEs. These aid packages were extended into 2022 for tourism, events, culture, entertainment and hospitality businesses.
- **Enhancement and support of domestic tourism:** Charters were put in place to promote the implementation of quality and health and safety protocols that both slowed down the spread of the virus and provided businesses with visibility among the general public.
- **The “Lëtzebuerg, dat ass Vakanz” campaign (2022):** Multiple innovative projects were brought together under the campaign, aimed at residents, cross-border commuters and foreign tourists to make them more aware of Luxembourg’s tourist attractions. Outputs included: the “Guide for one day” initiative (172 guided tours and 1 081 participants); the “Vëlosummer” (see box below); the [Movewecarry.lu](https://www.movewecarry.lu) initiative (1 018 pieces of luggage transported free of charge); the new culinary project “Vakanz genéissen” and the VisitLuxembourg application that is continuously expanded.
- **The “Safe to serve” campaign:** A series of initiatives aimed at preserving the health and safety of staff and customers in the hospitality sector while respecting hospitality and conviviality, supported by the Chamber of Commerce. Adherence to this charter guarantees customers a high level of health and safety, designed to create reassurance when visiting restaurants or cafés.

The challenges to supporting recovery and development include digitalisation, sustainability, innovative tourism products, transparency of the offer (particularly in the sale of accommodation), rural tourism accommodation, professionalisation of tourism structures, and reliable statistics.

In 2021 discussions were conducted on the positioning of Luxembourg as a destination. These discussions also considered the potential effects of the pandemic on tourist activities in the medium and long term. A strategic process was initiated to refine, reframe and develop the major priorities of the tourism policy. In order to involve the various stakeholders, the General Directorate for Tourism organised theme-based work groups with selected stakeholders, residents and municipal representatives.

The General Directorate for Tourism is developing a new strategy for the business events sector. The impact of the health crisis has intensified and accelerated existing trends, such as digitalisation and hybrid and virtual events. The aim is to map the state of the sector at the national level and to take stock of the initial effects of the measures already implemented while identifying major emerging trends at the international level to draw up a long-term policy for the business events sector.

In this context, a new tourism strategy with the central theme “Humans, regions and economy: value-driven tourism as an active driver for more quality of life and residence” was developed. It focuses on three objectives: improving the quality of life, the visitor experience and the reinforcement of the economy.

Therefore, six fields of action have been defined. First, the General Directorate for Tourism intends to provide a modern offer rich in experiences predominantly in active, cultural and gastronomic tourism. Second, it aims to develop attractive and resilient tourist businesses. Third, it aims to ensure that the stay in Luxembourg is sustainable and accessible for everyone. Fourth, inclusive and consumer-oriented digitalisation will be further developed. Fifth, trusting collaborations and strong networks between the different actors in the tourism industry are encouraged. Lastly, the General Directorate for Tourism aims for a targeted implementation of its objectives and a continuous collection of data.

### Expanding Scenic bike tourism in Luxembourg

“Vëlosummer” was first launched in the summer of 2020 and has since become a regular fixture. Each year, municipalities, Regional Offices for Tourism, and other interested parties submit proposals for scenic bike tours that highlight Luxembourg’s tourist assets. Co-operation with visitor attractions and hospitality establishments along bike routes is also recommended.

Luxembourg analyses the feasibility of the various proposed routes submitted in close co-operation with the Regional Offices for Tourism and the Road Administration to develop a coherent cycle route concept for Vëlosummer. During the summer, road sections throughout the country are reserved for cyclists, providing a unique opportunity. Some routes are reserved for cyclists at weekends, while others are reserved for the whole month of August. To help residents and tourists prepare their route, a map highlighting closed roads and illustrating cycle routes is produced in co-operation with the association ProVelo. For stays of at least two nights in two different accommodation establishments, a luggage service allowed cyclists to have their luggage delivered free of charge from one accommodation to the next.

## Statistical Profile

### Luxembourg: Domestic, inbound and outbound tourism

	2017	2018	2019	2020	2021
<b>TOURISM FLOWS, THOUSAND</b>					
<b>Domestic tourism</b>					
Total domestic trips	..	..	..	..	..
Overnight visitors (tourists)	110	121	124	130	97
Same-day visitors (excursionists)	..	..	..	..	..
Nights in all types of accommodation	318	346	348	307	303
Hotels and similar establishments	232	254	256	236	189
Other collective establishments	86	92	91	71	114
Private accommodation	..	..	..	..	..
<b>Inbound tourism</b>					
Total international arrivals	..	..	..	..	..
Overnight visitors (tourists)	1 046	1 018	1 041	525	756
Same-day visitors (excursionists)	..	..	..	..	..
Top markets					
Belgium	211	208	207	116	151
Netherlands	182	170	188	105	128
Germany	147	148	149	74	123
France	139	136	134	71	95
United Kingdom	68	66	66	32	41
Nights in all types of accommodation	2 573	2 575	2 505	1 210	1 829
Hotels and similar establishments	1 720	1 715	1 652	752	1 214
Other collective establishments	853	860	853	458	615
Private accommodation	..	..	..	..	..
<b>Outbound tourism</b>					
Total international departures	3 817	4 063	4 063	2 452	2 759
Overnight visitors (tourists)	2 355	2 510	2 548	1 460	1 814
Same-day visitors (excursionists)	1 462	1 554	1 515	992	944
Top destinations					
France	466	490	494	379	464
Germany	326	330	373	201	218
Belgium	181	208	218	177	194
Spain	177	175	181	91	143
Italy	175	232	212	100	139
<b>TOURISM RECEIPTS AND EXPENDITURE, MILLION EUR</b>					
<b>Inbound tourism</b>					
Total international receipts	5 462	5 632	5 636	4 465	..
International travel receipts	5 076	5 166	5 168	4 200	..
International passenger transport receipts	386	466	468	265	..
<b>Outbound tourism</b>					
Total international expenditure	2 607	2 872	3 287	2 458	..
International travel expenditure	2 560	2 813	3 243	2 420	..
International passenger transport expenditure	47	59	44	38	..

.. Not available; | Break in series

Source: OECD Tourism Statistics (Database).

StatLink  <https://stat.link/1ad5cv>

## Luxembourg: Enterprises and employment in tourism

	Number of establishments	Number of persons employed				
	2019	2017	2018	2019	2020	2021
<b>Total</b>	..	..	..	..	..	..
<b>Tourism industries</b>	<b>494</b>	<b>35 583</b>	<b>36 872</b>	<b>38 617</b>	<b>38 336</b>	..
Accommodation services for visitors	422	3 635	3 584	3 634	3 474	..
Hotels and similar establishments	227	3 177	3 087	3 110	2 928	..
Food and beverage serving industry	..	16 554	17 141	18 300	18 135	..
Passenger transport	..	10 574	11 235	11 582	11 711	..
Air passenger transport	..	3 131	3 325	3 346	3 311	..
Railways passenger transport	..	3 256	3 366	3 452	3 630	..
Road passenger transport	..	4 149	4 502	4 721	4 720	..
Water passenger transport	..	38	42	63	50	..
Passenger transport supporting services	..	..	..	..	..	..
Transport equipment rental	..	467	417	474	484	..
Travel agencies and other reservation services industry	72	590	608	697	668	..
Cultural industry	..	1 833	1 907	2 441	2 401	..
Sports and recreation industry	..	1 930	1 980	1 487	1 465	..
Retail trade of country-specific tourism characteristic goods	..	..	..	..	..	..
Other country-specific tourism industries	..	..	..	..	..	..
<b>Other industries</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>

.. Not available

Source: OECD Tourism Statistics (Database).

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


## Luxembourg: Internal tourism consumption

Million EUR

	2020		
	Domestic tourism expenditure	Inbound tourism expenditure	Internal tourism consumption
<b>Total</b>	..	..	..
<b>Consumption products</b>	<b>423</b>	<b>2 496</b>	<b>2 965</b>
Tourism characteristic products	340	618	997
Accommodation services for visitors	48	242	305
Food and beverage serving services	130	201	332
Passenger transport services	83	125	208
Air passenger transport services	37	81	118
Railways passenger transport services	0	37	37
Road passenger transport services	44	5	49
Water passenger transport services	1	2	3
Passenger transport supporting services	..	..	..
Transport equipment rental services	11	5	16
Travel agencies and other reservation services industry	42	0	67
Cultural services	26	45	71
Sports and recreation services	..	..	..
Country-specific tourism characteristic goods	..	..	..
Country-specific tourism characteristic services	..	..	..
Other consumption products	83	1 878	1 968
Tourism connected products	..	..	..
Non-tourism related consumption products	..	..	..
<b>Non-consumption products</b>	<b>..</b>	<b>..</b>	<b>..</b>

.. Not available

Source: OECD Tourism Statistics (Database).

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



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