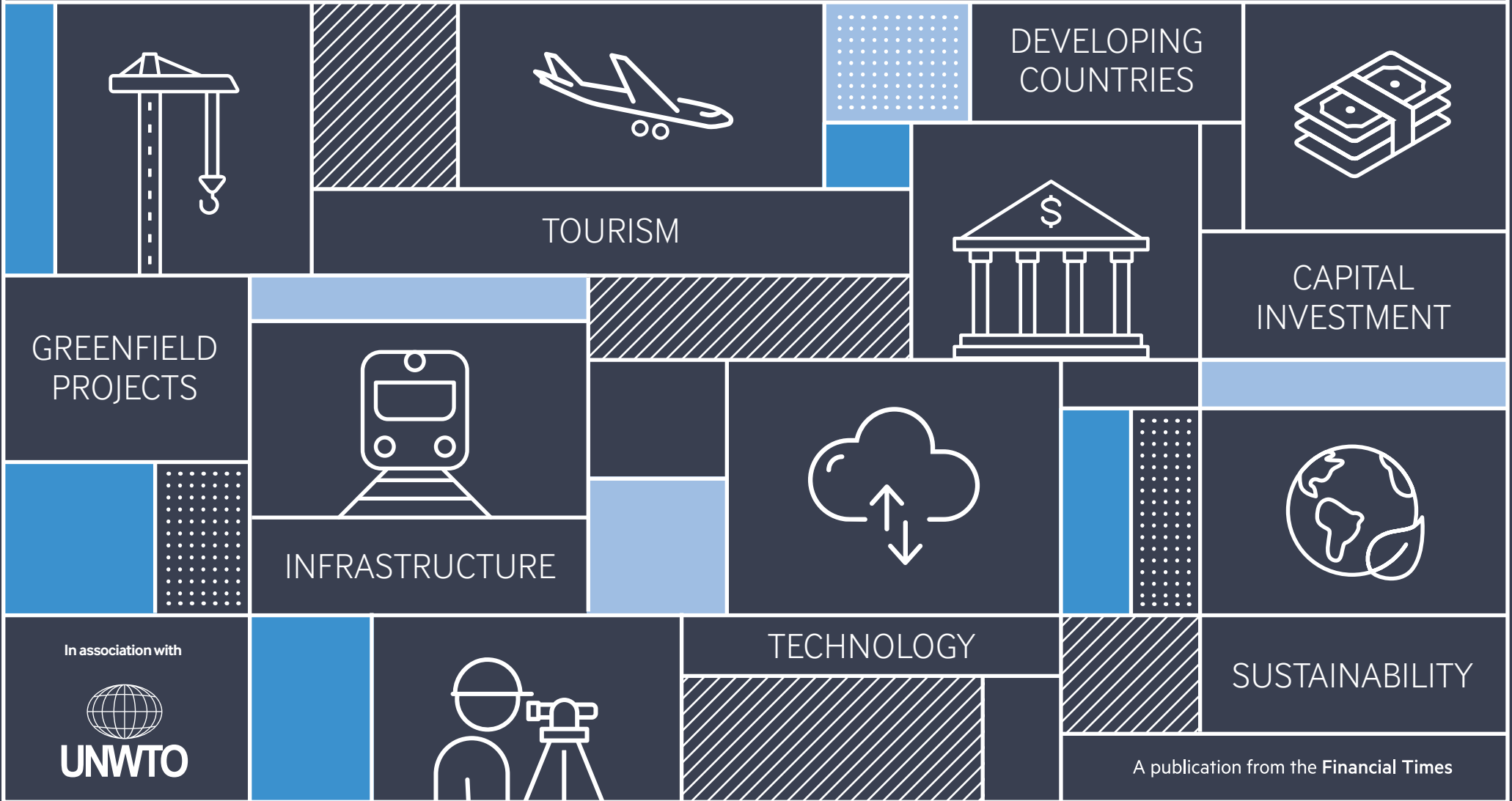




TOURISM INVESTMENT 2020


Global greenfield investment trends in tourism



In association with



A publication from the Financial Times

A background graphic consisting of a network of blue dots connected by thin lines, forming a complex web-like structure. The dots are of varying sizes and are scattered across the width of the page.

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Editor's comment



Covid-19 has hit the tourism industry hard.

The data is unambiguous. Global arrivals plummeted by 96.9% and 97.6% in April and May, respectively, as the figures from the UN World Tourism Organization (UNWTO) on page 4 show. Back then, the only tourists still on the move were those trying to return home amid lockdown measures and border closures. Tourism activity has gradually resumed in some regions, but still remains

largely subdued and mostly limited to domestic, and more rarely international travelling.

The virus has not spared foreign direct investment (FDI) either. Our data suggests that global FDI into tourism plummeted by 73.2% in the first half of 2020, compared with a year earlier. The pandemic has put an end to the industry's record high years. Although it peaked in 2018, the investment cycle remained strong throughout 2019, with tourism mobilising \$61.8bn in global FDI, which, in turn, created more than 135,000 jobs.

The trend appeared particularly consistent in Latin America and the Caribbean, where FDI reached new record levels, signaling growing interest in a region whose natural and cultural



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beauty are a unique dowry for the tourism industry. Tourism FDI was also strong in the Middle East and Africa, where it rose to the highest level in a decade.

It is hard to believe arrivals and investment will return to the peaks of the past two years any time soon. In fact, the International Air Transport Association believes global arrivals will not recover to pre-Covid levels before 2024. This means that, moving forward, the global tourism industry will have to do more with less.

"We need to take this opportunity to reflect, learn and move forward to make tourism more sustainable, more resilient and more innovative. The Covid-19 pandemic made it clear that we cannot go back to 'business as usual', with its focus on traditional investments that promote and underpin economic growth and productivity alone," the UNWTO's secretary-general Zurab Pololikashvili writes on page 5.

Covid-19 has further deepened the debate around the sustainability of our economies and lifestyles. Private multinational companies are cleaning up the energy matrix of their operations. The amount of money going into renewable energies has never been higher. In tourism, investors are paying increasing attention to the social and environmental footprint of the projects they assess. They seem willing to prioritise developments that lift communities and preserve ecosystems, as long as financial sustainability is also taken into account.

Through our renewed partnership with the UNWTO, **fDi** will also contribute to unlock the investment potential of a new, sustainable agenda for the tourism industry.

It will be challenging – the record years are over, but tourism will survive Covid-19 and may even have a chance to come out of this crisis stronger.

Sometimes less is more.

*Jacopo Dettoni is the editor of **fDi** Intelligence, the Financial Times' specialist unit dedicated to foreign direct investment.*

Global overview

Top trends

- The tourism cluster posted a very strong FDI performance in 2019, with 715 greenfield projects announced, an 10.3% increase from 2018 and the peak year for tourism projects since fDi Markets began recording data in 2003.
- Although the number of tourism projects hit a record high in 2019, capital investment and job creation in the cluster fell by 13.2% and 6.1% respectively from 2018.
- More than 30% of projects and of capital investment announced in the tourism cluster between 2015 and 2019 occurred in 2019. The most recent full-year also accounted for 28.8% of jobs created during the same period.

TOURISM FDI GLOBALLY, 2015-2019	
Year	Capital investment (\$m)*
2015	20,642
2016	20,256
2017	22,053
2018	71,133
2019	61,746
Total	195,832

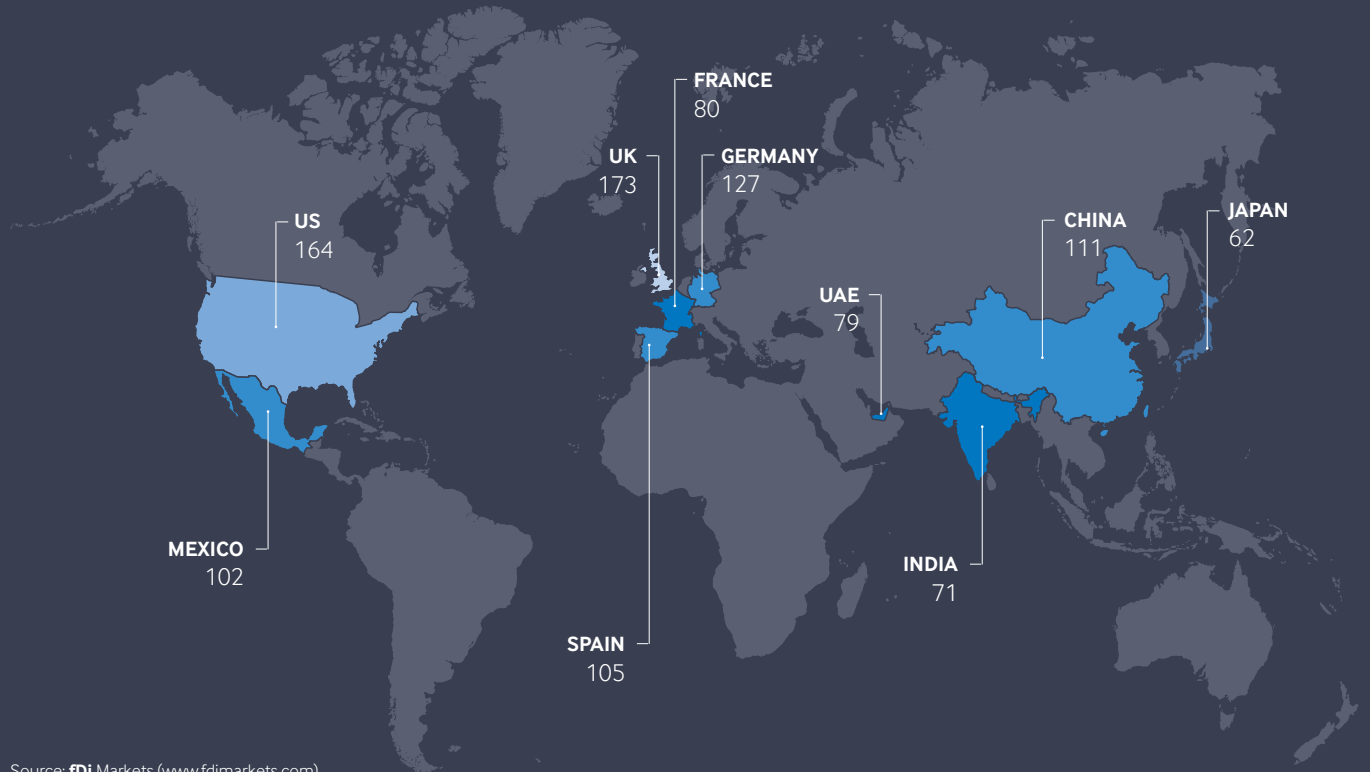
Source: fDi Markets (www.fdimarkets.com)
*Includes estimates

TOURISM FDI, H1 2019 VS H2 2020			
Global	Projects	Capex (\$m)	Jobs
First half of 2019	373	34,757	70,707
First half of 2020	141	9,326	19,688

Source: fDi Markets (www.fdimarkets.com)

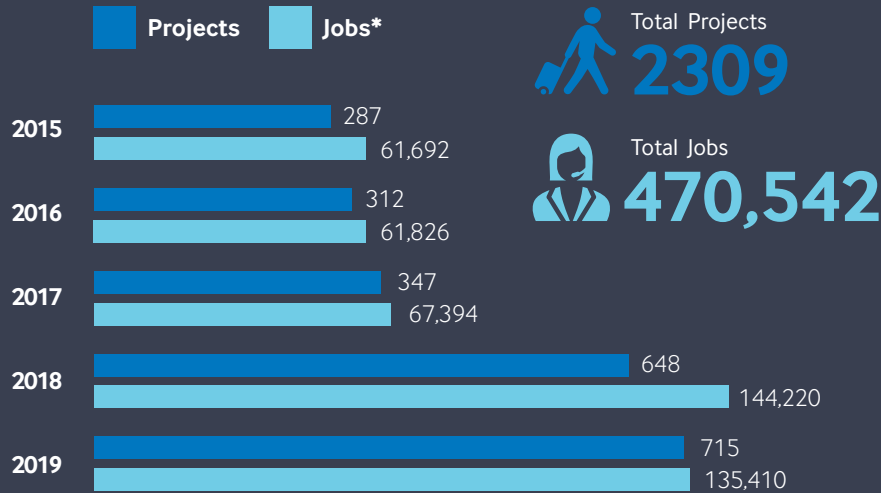
TOP 10 COUNTRIES FOR TOURISM FDI PROJECTS, 2015-2019

- 1-33
- 33-66
- 66-99
- 99-132
- 132-165
- 165-198

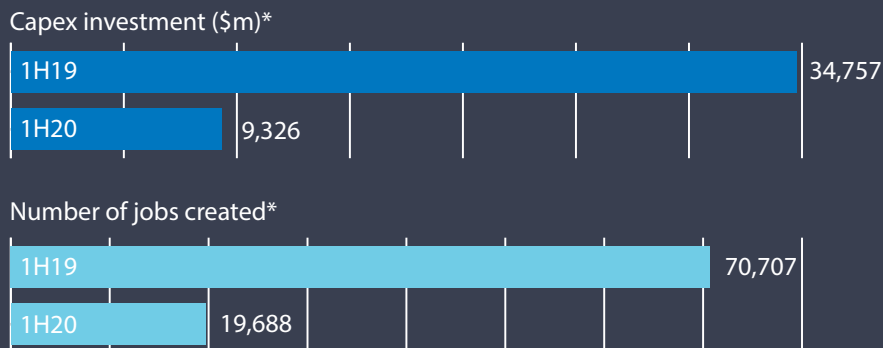


Source: fDi Markets (www.fdimarkets.com)

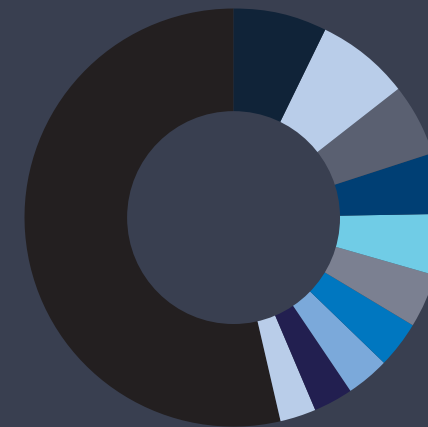
TOURISM FDI GLOBALLY, 2015–2019



TOURISM FDI, H1 2019 VS H2 2020



PROPORTION OF GLOBAL TOURISM FDI PROJECTS, 2015–2019



- 7.49% United Kingdom
- 7.10% United States
- 5.50% Germany
- 4.81% China
- 4.55% Spain
- 4.42% Mexico
- 3.46% France
- 3.42% UAE
- 3.07% India
- 2.69% Japan
- 53.49% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **The UK** was the largest recipient of tourism FDI between 2015 and 2019 with 173 projects, followed by the US (164) and Germany (127).
- **The top 10 countries** make up almost half (46.51%) of all tourism investment globally, on a projects basis.
- **By capital investment**, Spain is the largest recipient of investment, attracting \$20.4bn in tourism investment between 2015 and 2019, followed by China with \$12.8bn and the Philippines (\$12.4bn).
- **By job creation**, Mexico ranks first with more than 56,000 jobs created, followed by China in second (more than 34,000 jobs) and the US (almost 25,000 jobs), third.
- **The US** was the leading source country for tourism FDI projects, capital investment and job creation between 2015 and 2019. US-based companies were responsible for 507 tourism FDI projects in the previously mentioned period, representing \$58.4bn in capital investment and the creation of more than 130,000 jobs.

Source: fDi (www.fdimarkets.com)
* Includes estimates

International tourist arrivals

INTERNATIONAL TOURIST ARRIVALS BY REGION

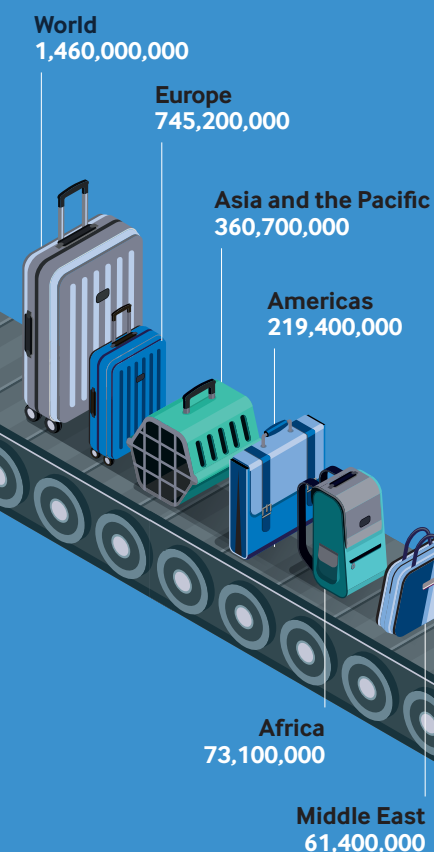
	(million)			Share (%)	Change (%)	Monthly/quarterly data series Percentage change over same period of previous year 2020*							
	2017	2018	2019*			2019*	18/17	19*/18	YTD	Q1	Jan.	Feb.	Mar.
World	1,333	1,409	1,460	100	5.7	3.6	-55.9	-22.8	2.0	-11.6	-55.0	-96.9	-97.6
Advanced economies ¹	732	762	777	53.2	4.1	2.0	-60.6	-27.5	-0.1	-13.9	-62.1	-97.5	-98.3
Emerging economies ¹	601	647	683	46.8	7.7	5.5	-50.9	-18.4	3.8	-9.5	-47.7	-96.3	-96.8
Europe (By UNWTO regions)	677.0	716.4	745.2	51.1	5.8	4.0	-57.9	-18.1	4.8	2.3	-53.5	-97.1	-97.8
Northern Europe	79.1	78.7	80.2	5.5	-0.6	2.0	-54.3	-16.9	4.0	3.9	-51.5	-96.7	-97.3
Western Europe	192.7	200.2	204.8	14.0	3.9	2.3	-52.0	-10.7	8.2	6.0	-40.2	-97.8	-96.9
Central/Eastern Eur.	137.3	148.9	156.1	10.7	8.5	4.8	-54.3	-16.1	1.0	-2.0	-45.6	-96.0	-96.4
Southern/Medit. Eur.	267.9	288.6	304.1	20.8	7.7	5.4	-65.5	-26.1	4.9	1.4	-69.5	-97.4	-99.2
- of which EU-28	540.9	562.9	579.8	39.7	4.1	3.0	-57.9	-18.2	4.4	3.1	-53.8	-97.0	-97.9
Asia and the Pacific	324.1	347.7	360.7	24.7	7.3	3.7	-60.0	-34.9	-2.1	-37.1	-64.4	-98.6	-99.2
North-East Asia	159.5	169.2	170.6	11.7	6.1	0.8	-64.7	-39.7	-12.3	-48.1	-57.8	-99.3	-99.4
South-East Asia	120.6	128.6	137.4	9.4	6.7	6.8	-58.0	-33.6	6.9	-35.9	-72.0	-97.9	-99.2
Oceania	16.6	17.0	17.5	1.2	2.8	2.4	-51.3	-25.3	5.5	-20.2	-60.0	-97.9	-99.3
South Asia	27.5	32.8	35.2	2.4	19.4	7.4	-47.4	-22.1	6.9	-4.1	-70.2	-97.3	-97.7
Americas	210.8	215.9	219.4	15.0	2.4	1.6	-47.5	-16.2	0.5	2.9	-49.0	-93.2	-93.9
North America	137.4	142.2	146.4	10.0	3.5	3.0	-47.8	-14.3	3.7	4.1	-45.1	-91.2	-91.4
Caribbean	25.8	25.8	26.7	1.8	0.1	3.6	-49.8	-20.9	-2.0	0.3	-55.4	-96.8	-99.5
Central America	11.1	10.8	10.9	0.7	-2.2	0.8	-45.6	-17.1	-2.7	5.2	-52.6	-92.7	-99.0
South America	36.6	37.1	35.3	2.4	1.3	-4.8	-44.9	-18.3	-5.3	1.2	-56.4	-98.6	-99.6
Africa	63.3	68.7	73.1	5.0	8.4	6.4	-47.3	-13.6	2.6	1.8	-44.2	-95.8	-98.5
North Africa	21.7	24.1	26.1	1.8	11.1	8.5	-52.9	-17.5	5.3	4.8	-56.6	-97.2	-99.4
Subsaharan Africa	41.7	44.6	46.9	3.2	7.0	5.2	-44.4	-11.8	1.6	0.4	-37.8	-95.0	-98.0
Middle East	57.6	60.1	61.4	4.2	4.3	2.1	-51.6	-20.2	8.8	-23.4	-44.9	-98.2	-98.6

Source: World Tourism Organization (UNWTO) © (Data as collected by UNWTO, July 2020) * Provisional data

¹ Classification based on the International Monetary Fund (IMF), see the Statistical Annex of the IMF World Economic Outlook of April 2017, page 175, at www.imf.org/external/ns/cs.aspx?id=29.

Key stats

International tourist arrivals by (sub)region



Non-traditional investments in innovation and sustainability should now be prioritised

by UNWTO secretary-general Zurab Pololikashvili



By the second quarter of 2020, 100 per cent of global destinations had introduced full or partial travel restrictions in response to the Covid-19 pandemic. This unprecedented measure brought international travel to an abrupt halt. The global tourism sector, a lifeline for millions, was at a standstill.

To help guide the global response and assist governments and the private sector plan for the future, UNWTO set out three likely scenarios. These indicated that, depending on the speed with which travel restrictions are lifted, international tourist numbers could fall between 60 and 80% this year. This translates into a loss of 850 million to 1.1 billion international tourist arrivals and a fall of \$910bn to \$1200bn in export revenues. At the same time, 100-120 million direct tourism jobs are at risk, affecting people's livelihoods,

including in developing and least-developed countries. Furthermore, falling tourist numbers threatens to roll back the progress we have made in establishing tourism as a driver towards achieving the Sustainable Development Goals (SDGs).

Nevertheless, global tourism has never been more united than it is now. UNWTO has been leading the Global Tourism Crisis Committee to restart tourism, producing concrete actions for recovery. Our efforts are being rewarded at the highest level, from heads of state to landmark support from the secretary-general of the United Nations. Antonio Guterres identified the sector as a pillar of economic growth, recognising UNWTO's leadership as he told the citizens of the world that "tourism can be a platform for overcoming the pandemic".

In some destinations, restrictions are slowly being lifted and the number of tourists crossing



Sustainable tourism must no longer be a niche part of our sector

borders is growing. Businesses are also opening up again and people are getting back to work. However, this is no time for complacency. We need to take this opportunity to reflect, learn and move forward to make tourism more sustainable, more resilient and more innovative.

The Covid-19 pandemic made it clear that we cannot go back to 'business as usual', with its focus on traditional investments that promote and underpin economic growth and productivity alone. Rather, non-traditional investments that enhance innovation and encourage environmental



sustainability should be prioritised. Sustainable tourism must no longer be a niche part of our sector.

To harness the power of investment, it is critical that governments have both policies in place and new investment vehicles that will allow them to recover, retain and attract foreign direct investments. This way, countries can reimagine tourism and enhance the sector's positive impact on people and planet as we accelerate the achievement of the SDGs.

As such, UNWTO is proud to once again partner with the Financial Times' fDi Intelligence Unit. In times of uncertainty, expertise and trusted information is more important than ever. This report helps provide the investment and market data that both investors and stakeholders will need to maximise the impact of the sector in terms of economic growth, job creation and sustainability.

Tourism FDI in Tier 2 cities

A closer examination of tourism FDI projects into Tier 2 cities across the world

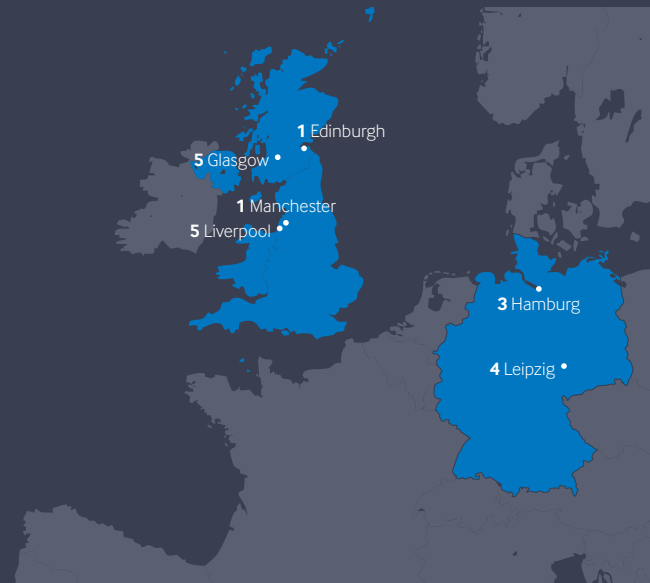
Top Tier 2 cities for tourism FDI in Asia-Pacific, by number of projects, 2015–2019



Rank	City	Country
1	Bali	Indonesia
=2	Brisbane	Australia
=2	Gurugram	India
=2	Da Nang	Vietnam
=5	Jaipur	India
=5	Sanya	China

Source: fDi Markets (www.fdimarkets.com)

Top Tier 2 cities for tourism FDI in Europe, by number of projects, 2015–2019



Rank	City	Country
=1	Manchester	United Kingdom
=1	Edinburgh	United Kingdom
3	Hamburg	Germany
4	Leipzig	Germany
=5	Glasgow	United Kingdom
=5	Liverpool	United Kingdom

Source: fDi Markets (www.fdimarkets.com)

Top Tier 2 cities for tourism FDI in North America, by number of projects, 2015–2019



Rank	City	Country
1	Vancouver	British Columbia Canada
2	Las Vegas	Nevada United States
=3	Seattle	Washington United States
=3	Orlando	Florida United States
=5	San Diego	California United States
=5	Portland	Oregon United States

Source: fDi Markets (www.fdimarkets.com)

Methodology for Tier 2 cities

To determine if a city is included in fDi's Tier 2 list, we included cities based on the following parameters:

- A population between 200,000 and five million
- No capital cities of countries, or no state/provincial capitals in North America
- Under 10% of the country's FDI
- No cities ranked first or second within the country for FDI
- No cities with fewer than five FDI projects between 2015 and 2019

There were 143 cities deemed 'Tier 2' cities in this study

Top Tier 2 cities for tourism FDI in Latin America & Caribbean, by number of projects, 2015–2019



Rank	City	Country
1	Cancun	Mexico
2	Cartagena	Colombia
3	Medellin	Colombia
4	Monterrey	Mexico
=5	Leon	Mexico
=5	Santa Marta	Colombia
=5	Puebla	Mexico
=5	Merida	Mexico

Source: fDi Markets (www.fdimarkets.com)

Top Tier 2 cities for tourism FDI in Middle East & Africa, by number of projects, 2015–2019



Rank	City	Country
1	Marrakesh	Morocco
2	Al-Khobar	Saudi Arabia
=3	Agadir	Morocco
=3	Ras al Khaimah	UAE

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- Bali remains the top Tier 2 city for tourism FDI in the Asia-Pacific region, attracting 11 projects in the cluster between 2015 and 2019.
- Recent investors include Four Points by Sheraton, a hotel chain and ultimate subsidiary of US-based Marriott International, which opened the Four Points by Sheraton Bali Ungasan in December 2019 and hotel operator Raffles Hotels & Resorts, an ultimate subsidiary of France-based Accor, which announced plans to open a new hotel in Jimbaran Bay in July 2019.
- Manchester and Edinburgh are Europe's joint top Tier 2 cities for tourism FDI, attracting 10 projects each between 2015 and 2019.
- Half of Manchester's tourism FDI projects during this period were sales, marketing and support operations.
- Projects in the accommodation subsector made up 60% of Edinburgh's tourism FDI projects during this time. Investors include Red Carnation Hotels, a subsidiary of Australia-based The Travel Corporation, and Vastint Hospitality, a subsidiary of Switzerland-based Interogo Holding.

Asia-Pacific

FDI projects into Asia-Pacific

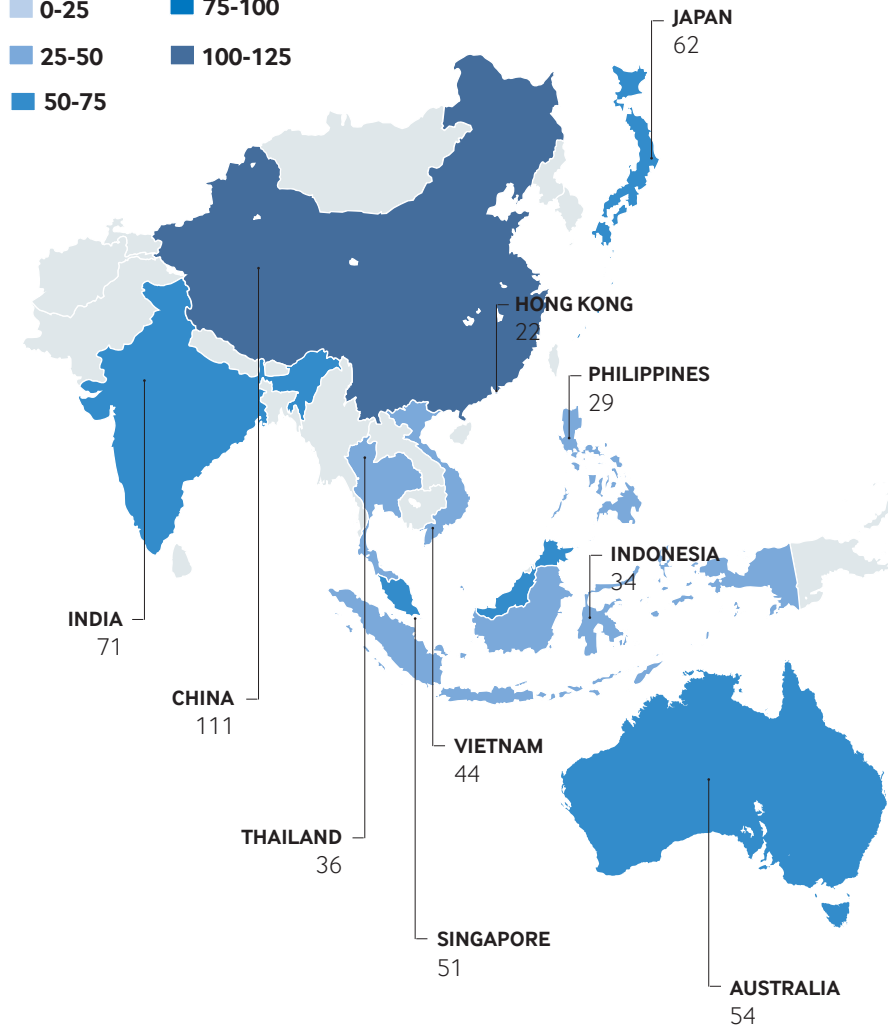
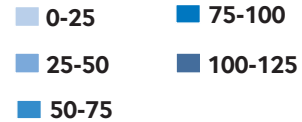
- A total of 638 FDI projects were recorded in the Asia-Pacific (APAC) region between 2015 and 2019, resulting in \$79.6bn in capital investment and the creation of more than 165,000 jobs.
- Tourism investment into the Asia-Pacific region peaked in 2018 when 195 projects were announced, representing \$29bn in capital investment and more than 50,000 jobs. Project numbers fell by 12.3% between 2018 and 2019, while capital investment dropped 11.1% and job creation by 20.2%.
- Greenfield tourism FDI into the Asia-Pacific region fell significantly between the first half of 2019 and the first half of 2020, with project numbers dropping approximately 70% from 81 to 25. Capital investment also plummeted from \$13.6bn in the first half of 2019 to \$1.8bn in the same period in 2020 (–86.8%) and jobs fell from 21,345 to 2835 (–86.8%).
- China attracted the largest share of tourism FDI projects in the Asia-Pacific region between 2015 and 2019. Its projects numbers rose from 24 to 36 between 2018 and 2019 (+50%) and its share of APAC tourism FDI projects also increased from 12.3% in 2018 to 21.1% in 2019.

TOURISM FDI INTO ASIA-PACIFIC, 2015–2019

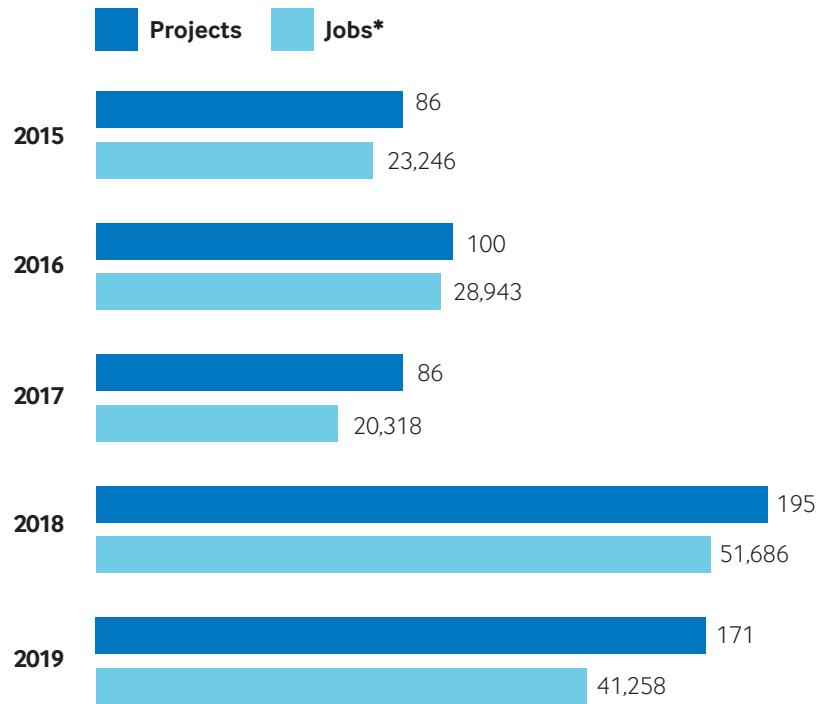
Year	Capital investment (\$m)*
2015	7812
2016	10,416
2017	6546
2018	29,003
2019	25,787
Total	79,566

Source: **FDI Markets** (www.fdimarkets.com)
*Estimates included

TOP 10 COUNTRIES IN ASIA-PACIFIC FOR TOURISM FDI, 2015–2019



TOURISM FDI INTO ASIA-PACIFIC, 2015–2019

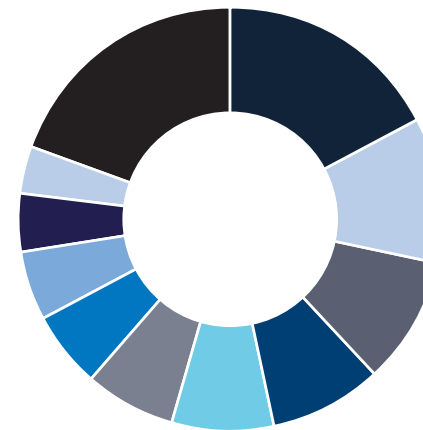


TOURISM FDI IN ASIA-PACIFIC, FIRST HALF OF 2020

Year	Projects with tourism cluster	Capital investment with the tourism cluster*	Jobs with tourism cluster*
First half of 2020	25	1790	2835

Source: fDi (www.fdimarkets.com) *Includes estimates

TOP 10 COUNTRIES IN ASIA-PACIFIC FOR TOURISM FDI, 2015–2019



- 17.40% China
- 11.13% India
- 9.72% Japan
- 8.46% Australia
- 7.99% Singapore
- 6.90% Vietnam
- 5.64% Thailand
- 5.33% Indonesia
- 4.55% Philippines
- 3.45% Hong Kong
- 19.44% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **India attracted** 17 tourism FDI projects in 2019, the same number that it received in 2018. 2019 was the country's best year in terms of tourism capital investment since 2013, attracting more than \$940m.
- **Japan's top year** for job creation in tourism FDI was in 2019, when it announced more than 6500 jobs, an 11.1% increase compared to 2018.
- **In 2019**, more than half of all tourism FDI projects created in the APAC region were concentrated in China, India, Japan, Australia and Singapore.
- **Thailand was the biggest** source market for tourism FDI between 2015 and 2019. Thailand-based companies were responsible for the creation of 94 tourism FDI projects during this period, followed by India (71) and Australia and China (59 each).

Europe

FDI projects into Europe

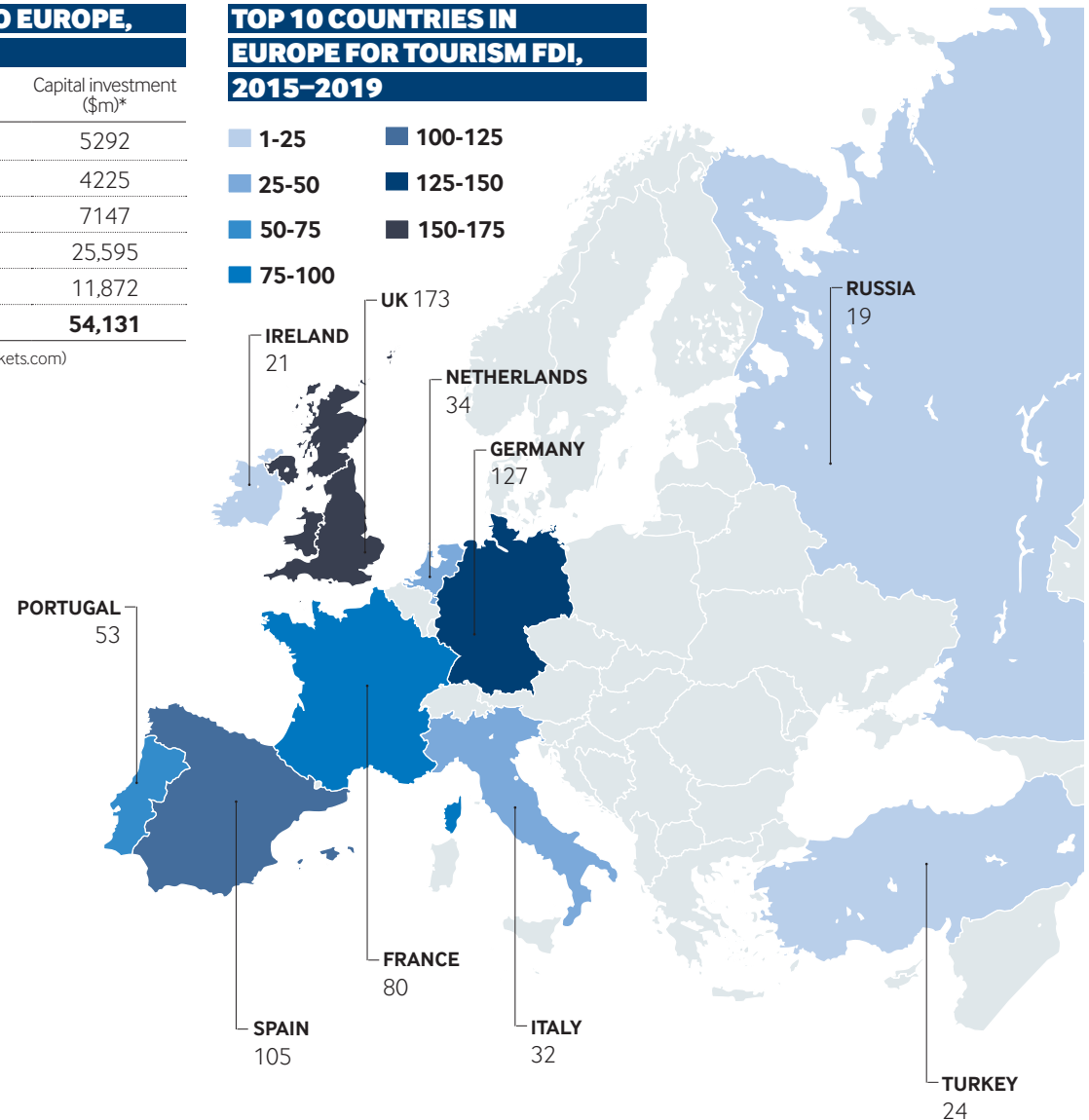
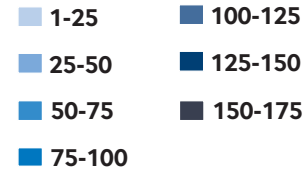
- Europe attracted 856 tourism FDI projects between 2015 and 2019, with more than \$54.1bn invested and more than 102,000 jobs created.
- Although tourism FDI project numbers in Europe were up 40.6% in 2019 compared to 2018, capital investment and job creation fell by 53.6% and 12% respectively .
- Tourism FDI into Europe dropped considerably in the first half of 2020, compared to the same period in 2019. Project numbers fell by almost 50% from 149 to 77 while capital investment sank from \$5.2bn in the first half of 2019 to \$3bn in the same period in 2020 (–42%). Jobs also dropped from 12,729 to 6247 (–50.9%).
- The UK was the strongest performer for tourism FDI projects in Europe between 2015 and 2019, attracting approximately one-fifth of all the region’s tourism projects during this period. The UK received 42 tourism FDI projects in 2019, the same amount it attracted in 2018, but saw its share of tourism FDI projects in Europe drop from 20.3% in 2018 to 14.4% in 2019.
- Germany attracted 54 tourism FDI projects in 2019, a 38.8% increase from 2018 and its highest amount since fDi Markets began recording data in 2003. Germany also attracted the highest amount of tourism capital investment in Europe in 2019, at more than \$2.5bn, a 35.1% increase from 2018.

TOURISM FDI INTO EUROPE, 2015–2019

Year	Capital investment (\$m)*
2015	5292
2016	4225
2017	7147
2018	25,595
2019	11,872
Total	54,131

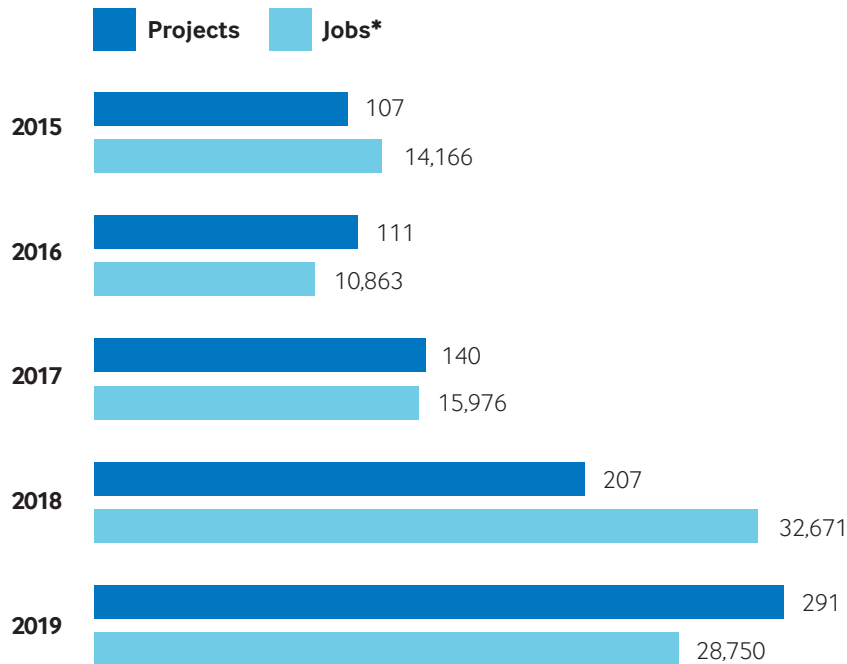
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP 10 COUNTRIES IN EUROPE FOR TOURISM FDI, 2015–2019



Source: fDi Markets (www.fdimarkets.com)

TOURISM FDI INTO EUROPE, 2015–2019

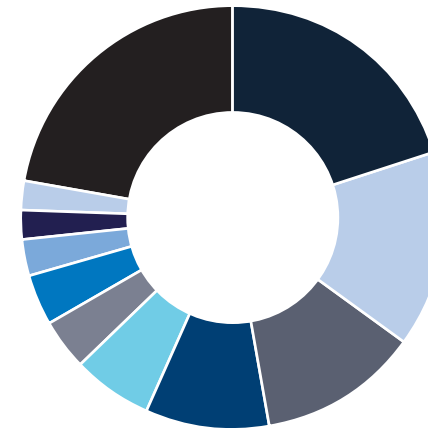


TOURISM FDI INTO EUROPE, FIRST HALF OF 2020

Year	Projects with tourism cluster	Capital investment with the tourism cluster*	Jobs with tourism cluster*
First half of 2020	77	3036	6247

Source: fDi (www.fdimarkets.com) *Includes estimates

PROPORTION OF TOURISM FDI PROJECTS INTO EUROPE, 2015–2019



- 20.21% UK
- 14.84% Germany
- 12.27% Spain
- 9.35% France
- 6.19% Portugal
- 3.97% Netherlands
- 3.74% Italy
- 2.80% Turkey
- 2.45% Ireland
- 2.22% Russia
- 21.96% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- Spain was Europe's top tourism FDI destination in terms of job creation in 2019. More than 5800 tourism FDI jobs were announced in Spain in 2019, more than double that of its closest competitor the UK (2784).
- The UK was the biggest source market for tourism FDI projects in Europe. Between 2015 and 2019, 256 FDI projects came from companies based in the UK, followed by Spain (255) and France (131).
- According to 2020 data from Dun & Bradstreet, Portugal is home to Europe's largest number of hotels and tourism-related companies per capita (296.48), followed by Iceland (262.75) and Italy (208.9).
- According to data from the World Trade Organization: Integrated Trade Intelligence Portal (I-TIP), almost 70% of Croatia's commercial service exports were in travel services in 2019, the highest level in Europe.

North America

FDI projects into North America

• North America attracted 192 tourism FDI projects between 2015 and 2019. During this period, more than \$12.3bn was invested and more than 27,000 jobs were created.

• In 2019, 56 tourism projects were recorded – a 27.3% increase from 2018. These projects generated \$3.5bn (+56.6% from 2018) and saw the creation of almost 7000 jobs (+36.1%).

• The number of tourism FDI projects in North America peaked in 2019, while 2015 remains the year with the highest level of job creation and capital investment.

• The level of tourism investment into North America fell dramatically in the first six months of 2020, in comparison to the first half of 2019. Project numbers dropped from 32 in H1 2019 to 18 in H1 2020 (–43.8%). Tourism capital investment went from \$2.1bn to \$1.4bn (–35.7%) and jobs fell from approximately 4500 to just over 2500 (–42.9%).

• Between 2015 and 2019, New York was North America’s leading state for tourism FDI projects (37), followed by California (32) and Florida (30).

• These top three states represent more than half of all tourism FDI projects in the region.

TOURISM FDI INTO NORTH AMERICA, 2015–2019

Year	Capital investment (\$m)*
2015	3990
2016	685
2017	1928
2018	2204
2019	3452
Total	12,261

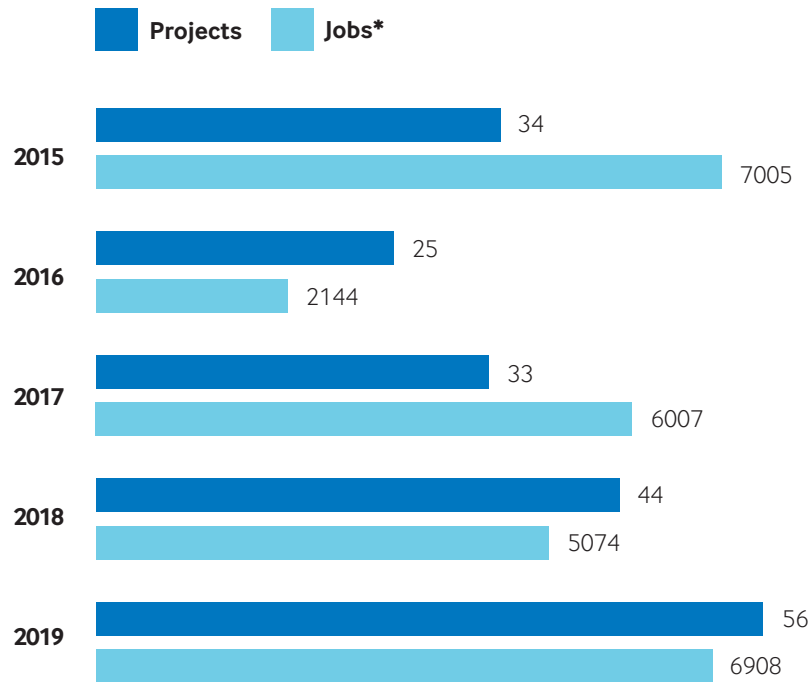
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP FIVE NORTH AMERICAN STATES FOR TOURISM FDI, 2015–2019

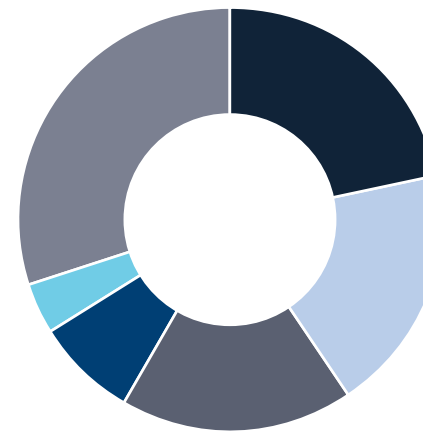


Source: fDi Markets (www.fdimarkets.com)

TOURISM FDI INTO NORTH AMERICA, 2015–2019



PROPORTION OF TOURISM FDI PROJECTS INTO NORTH AMERICA 2015–2019



- **22.02%** New York
- **19.05%** California
- **17.86%** Florida
- **7.74%** Ontario
- **4.17%** Texas
- **29.17%** Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **The state of New York** also attracted the highest proportion of capital expenditure and job creation in the region, with almost 40% of tourism capital investment and more than 30% of tourism FDI jobs.
- **Canada's top province, Ontario**, had a record-breaking year for tourism investment in 2019. It attracted six projects in 2019 resulting in approximately 680 jobs and more than \$340m in capital investment.
- **Maryland** was North America's biggest source market for tourism FDI. Between 2015 and 2019, Maryland-based companies (including hospitality giant Marriott International) were responsible for the creation of 98 tourism FDI projects, followed by California (62) and Florida (50).

TOURISM FDI INTO NORTH AMERICA, FIRST HALF OF 2020

Year	Projects with tourism cluster	Capital investment with the tourism cluster*	Jobs with tourism cluster*
First half of 2020	18	1375	2582

Source: fDi (www.fdimarkets.com) *Includes estimates

Latin America and the Caribbean

FDI projects into Latin America and the Caribbean

- A total of 342 tourism FDI projects were recorded in the Latin America and Caribbean region between 2015 and 2019, generating \$26.7bn in capital investment and more than 134,000 jobs.

- Although tourism FDI project numbers and jobs fell between 2018 and 2019 (by -31.1% and -7.1% respectively), capital investment in the cluster witnessed a marked increase, rising by 41.8%.

- Tourism FDI into Latin America took a clear hit in the first half of 2020. Compared with the same period in 2019, project numbers dropped from 45 to 13, a decrease of 71.1%. Capital investment also sank, going from \$7.4bn in H1 2019 to \$2.5bn in H2 2020 while jobs fell from 21,454 to 7082.

- Mexico was Latin America's leading destination for tourism FDI projects between 2015 and 2019. It attracted 102 projects during this period, more than double the amount of its closest competitor Colombia (46).

- Mexico was also the strongest performer in the region in terms of capital investment and job creation. Inward investment in the country's tourism cluster has increased year-on-year since 2016, culminating in a record \$3.3bn in 2019, the highest amount since fDi Markets began recording data in 2003.

TOURISM FDI IN LATIN AMERICA & THE CARIBBEAN, 2015-2019	
Year	Capital investment (\$m)*
2015	2156
2016	2513
2017	3439
2018	7709
2019	10,929
Total	26,748

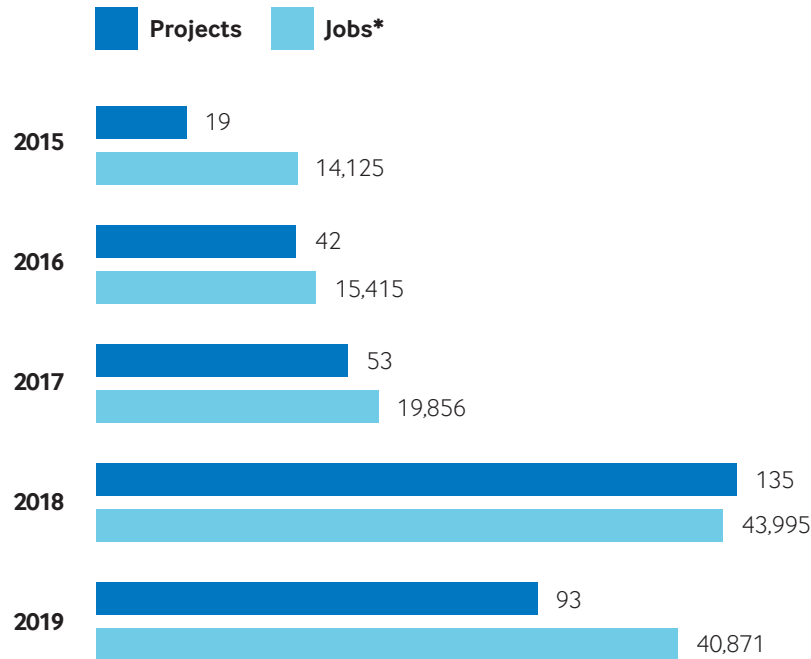
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP 10 COUNTRIES IN LATIN AMERICA & THE CARIBBEAN FOR TOURISM FDI, 2015-2019



Source: fDi Markets (www.fdimarkets.com)

TOURISM FDI IN LATIN AMERICA & THE CARIBBEAN, 2015-2019

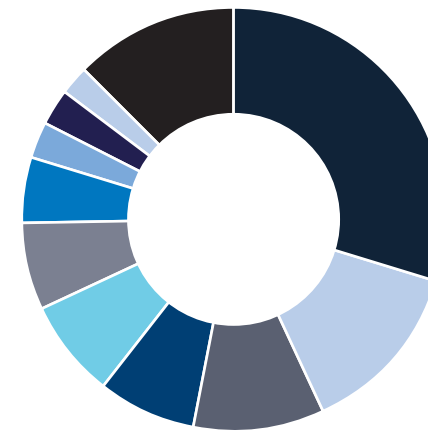


TOURISM FDI IN LATIN AMERICA & THE CARIBBEAN, FIRST HALF 2020

Year	Projects with tourism cluster	Capital investment with the tourism cluster*	Jobs with tourism cluster*
First half of 2020	13	2499	7082

Source: fDi (www.fdimarkets.com) *Includes estimates

PROPORTION OF TOURISM FDI PROJECTS INTO LATIN AMERICA & THE CARIBBEAN, 2015-2019



- 29.82% Mexico
- 13.45% Colombia
- 9.94% Brazil
- 7.60% Cuba
- 7.31% Dominican Republic
- 6.73% Peru
- 4.97% Chile
- 2.92% Argentina
- 2.63% Costa Rica
- 2.34% Ecuador
- 12.28% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **Latin America's** top three destination countries (Mexico, Colombia and Brazil) account for more than 50% of the region's total FDI projects.
- **The largest tourism project** recorded on fDi Markets in 2019 was a joint venture from Spain-based property developer Urbas and CubaGolf, a firm managed by the Cuban Ministry of Tourism. Together, they will build a €3.5bn (\$4.6bn) tourist and residential complex in the Pasacaballos peninsula, south of Cienfuegos, Cuba.
- **In 2019**, more than 85% of Barbados' commercial service exports were in travel services, the highest amount in the Latin America & Caribbean region, according to data from the World Trade Organization: Integrated Trade Intelligence Portal (I-TIP).

Middle East and Africa

FDI projects into Middle East and Africa

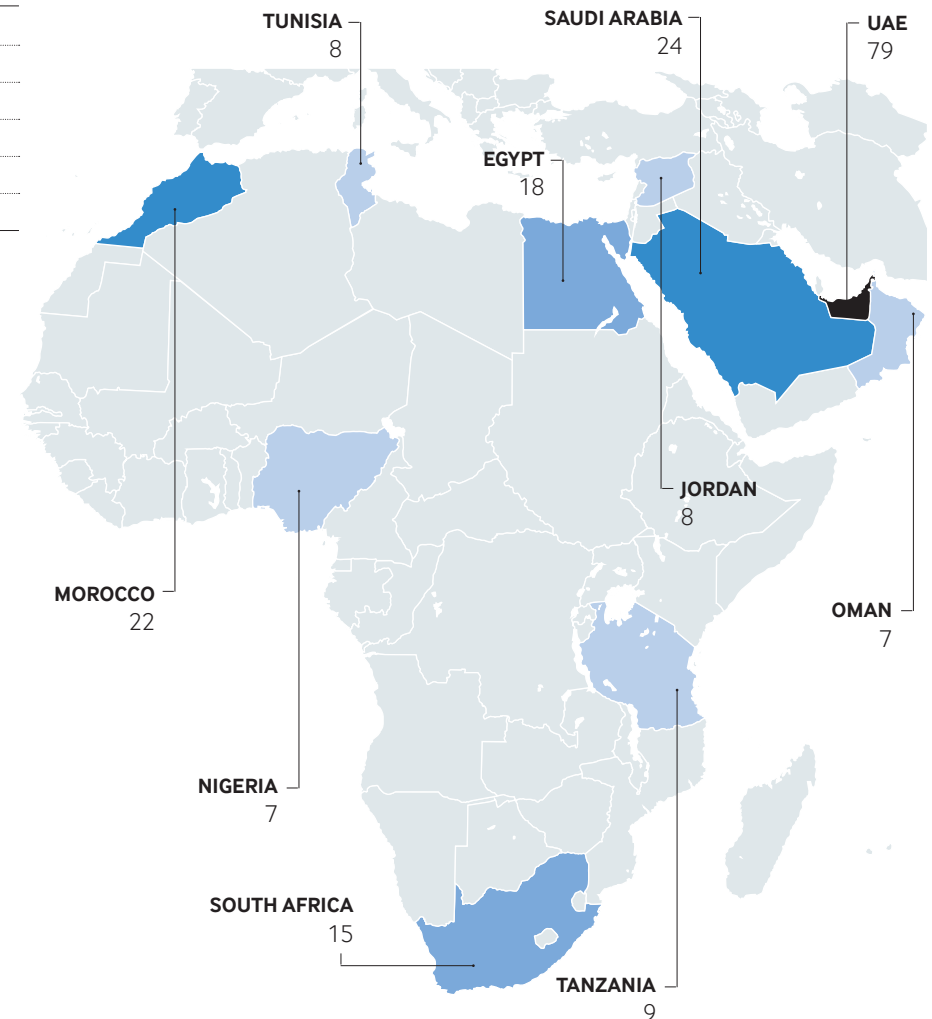
- Between 2015 and 2019, 281 tourism FDI projects were announced in the Middle East and Africa (MEA), generating more than \$23.1bn in capital investment and more than 41,000 jobs.
- 2019 was the region's best year for tourism FDI during the past five years. The number of tourism FDI projects recorded in 2019 rose by 55.2% from 2018, capital investment increased by 46.6% and jobs by 63.3%.
- Tourism FDI into the MEA region plunged in first half of 2020, compared to the same period in 2019. Project numbers dropped by 87.9% from 66 to 8. Capital investment also nose-dived from \$6.4bn in the first half of 2019 to \$623.8m in the same period in 2020 (-90.3%) and jobs fell from 10,654 to 942 (-91.2%).
- The UAE accounted for more than one-quarter of the Middle East and Africa's tourism FDI projects between 2015 and 2019. It was also the region's top destination in terms of capital investment and job creation in the tourism cluster.
- Saudi Arabia attracted nine tourism FDI projects in 2019, triple the amount it received in 2018. Capital investment and jobs in the tourism cluster also rose by 111.7% and 116.7% respectively.

TOURISM FDI IN THE MIDDLE EAST & AFRICA, 2015-2019

Year	Capital investment (\$m)*
2015	1391
2016	2415
2017	2992
2018	6619
2019	9704
Total	23,124

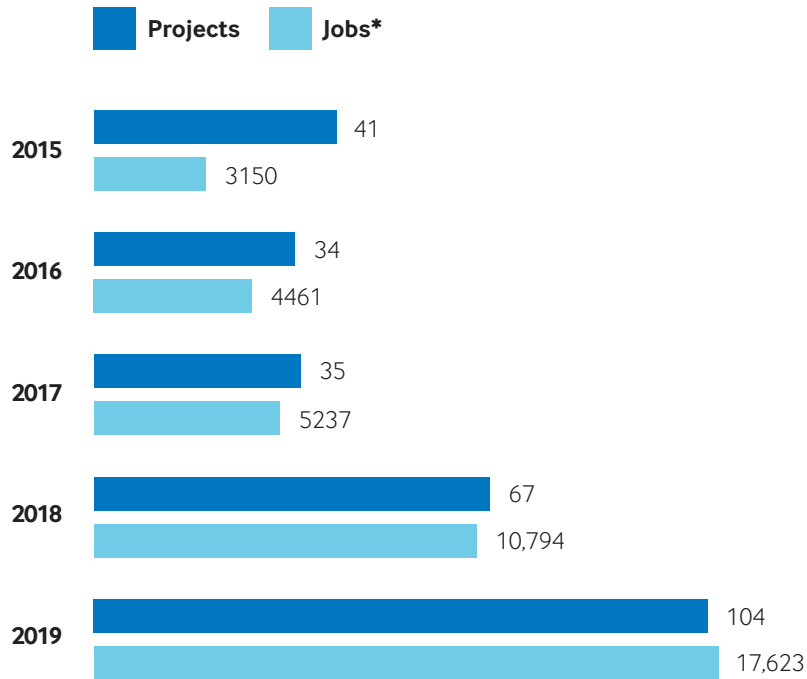
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP 10 COUNTRIES IN THE MIDDLE EAST & AFRICA FOR TOURISM FDI, 2015-2019



Source: fDi Markets (www.fdimarkets.com)

TOP 10 COUNTRIES IN THE MIDDLE EAST & AFRICA FOR TOURISM FDI, 2015–2019

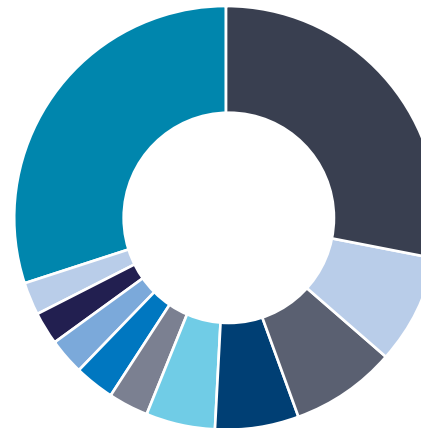


TOURISM FDI IN THE MIDDLE EAST & AFRICA, FIRST HALF OF 2020

Year	Projects with tourism cluster	Capital investment with the tourism cluster*	Jobs with tourism cluster*
First half of 2020	8	623	942

Source: fDi (www.fdimarkets.com) *Includes estimates

PROPORTION OF TOURISM FDI PROJECTS INTO MIDDLE EAST AND AFRICA, 2015–2019



- 28.11% UAE
- 8.54% Saudi Arabia
- 7.83% Morocco
- 6.41% Egypt
- 5.34% South Africa
- 3.20% Tanzania
- 2.85% Tunisia
- 2.85% Jordan
- 2.49% Nigeria
- 2.49% Oman
- 29.89% Other

Source: fDi Markets (www.fdimarkets.com)

Recent major projects

- **Morocco** is the strongest performer in Africa for tourism FDI. It attracted 22 FDI projects in the cluster between 2015 and 2019, resulting in \$1.8bn in capital investment and more than 3800 jobs.
- **According to data** from the World Trade Organization: Integrated Trade Intelligence Portal (I-TIP), more than 86% of Angola's commercial service exports were in travel services in 2019, the highest amount in the MEA region.
- **More than 40%** of the Seychelles' GDP is derived from the tourism sector according to 2020 data from the World Travel & Tourism council, the highest proportion in the region. Tourism revenue accounts for more than 11% of the UAE's GDP, Saudi Arabia 9.5% and Morocco 12%.

Companies

Company projects

- US-based hotel giant Marriot International maintains its position as the world's largest investor in tourism FDI, investing in 96 projects globally between 2015 and 2019.
- Panama-based Selina holds onto second place for the second year in a row. The company, which operates a chain of hostels, hotels and co-working spaces, invested in 62 projects globally during this time.
- France-based hospitality group Accor ranks third, rising from sixth place in the 2019 report. The company invested in 50 projects globally. Chains under the hotel brand include Hotel Sofitel, Novotel and Mama Shelter.

TOP 10 PARENT COMPANIES FOR TOURISM FDI GLOBALLY, BY NUMBER OF PROJECTS, 2015–2019

Rank	Top 10 Parent Companies	Number of projects
1	Marriott International	96
2	Selina	62
3	Accor	50
=5	Hyatt International	44
=5	InterContinental Hotels Group (IHG)	44
6	Melia Hotels International (Sol Melia Hotels & Resorts)	33
7	Barcelo	28
8	Wyndham Destinations	27
9	Minor International	26
10	Booking Holdings (The Priceline Group)	25

Source: fDi Markets (www.fdimarkets.com)

Subsectors

Subsector projects

- Accommodation remains the largest subsector of tourism FDI projects globally. More than 1200 tourism FDI projects were announced between 2015 and 2019, accounting for more than 50% over all projects in the cluster.
- Travel arrangement & reservation services ranked as the second largest subsector for tourism FDI, with 415 projects recorded during this period. Software publishers, except video games came in third with 157 projects.

TOP 10 SUBSECTORS FOR TOURISM FDI GLOBALLY, BY NUMBER OF PROJECTS, 2015–2019

Rank	Top 10 subsectors for tourism FDI – global	Number of projects
1	Accommodation	1249
2	Travel arrangement & reservation services	415
3	Software publishers, except video games	157
4	Performing arts, spectator sports, & related	116
5	Internet publishing & broadcasting & web search	106
6	Amusement & theme parks	62
7	Gambling industries	53
8	Other amusement & recreation industries	40
9	Other (Software & IT services)	13
10	Museums, historical sites, & similar	12

Source: fDi Markets (www.fdimarkets.com)

Business activities

Business projects

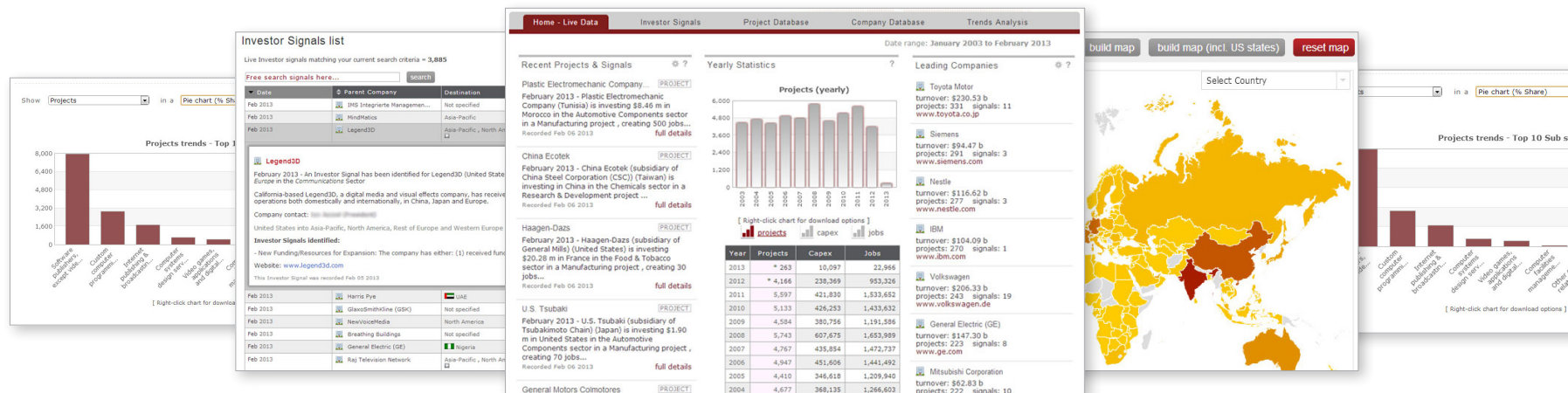
- Construction is still the top business activity for tourism FDI projects, with more than 1300 recorded between 2015 and 2019. It accounts for more than half the total number of tourism FDI projects.
- Sales, Marketing & Support projects account for more than one-third of the total amount of tourism FDI projects. Almost 800 projects were recorded in SMS during this period.
- Headquarters remains in third-place with 79 projects.

TOP 5 BUSINESS ACTIVITIES FOR TOURISM FDI GLOBALLY, BY NUMBER OF PROJECTS, 2015–2019

Rank	Top 5 Business Activities	Number of projects
1	Construction	1302
2	Sales, Marketing & Support	797
3	Headquarters	79
4	Research & Development	39
5	Business Services	33

Source: fDi Markets (www.fdimarkets.com)

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About the data

The report is based on the **fDi** Markets database of The Financial Times Ltd, which tracks greenfield investment projects. It does not include mergers and acquisitions or other equity-based or non-equity investments. Only new investment projects and significant expansions of existing projects are included. **fDi** Markets is the most authoritative source of intelligence on real investment in the global economy, and the only source of greenfield investment data that covers all countries and industries worldwide. Retail projects have been excluded from this analysis but are tracked by **fDi** Markets.

The data presented includes FDI projects that have either been announced or opened by a company. The data on capital investment and job creation is based on the investment the company is making at the time of the project announcement or opening. As companies can raise capital locally, phase their investment over a period of time, and can channel their investment through different countries for tax efficiency, the data used in this report is different to the official data on FDI flows. The data from **fDi** Markets is more accurate and a real-time indicator of the real investment companies are making in their overseas subsidiaries.

The data shown includes estimates for capital investment and job creation derived from algorithms (patent pending) when a company does not release the information.

Note that the investment projects tracked by **fDi** Markets are being constantly updated and revised based on new intelligence being received and the underlying algorithms are constantly improving their accuracy over time. The data presented in this report may therefore differ slightly from the real-time data available at **fDiMarkets.com**.

The World Bank, Unctad, the Economist Intelligence Unit and more than 100 governments around the world as well as major corporations use the data as the primary source of intelligence on greenfield investment trends.

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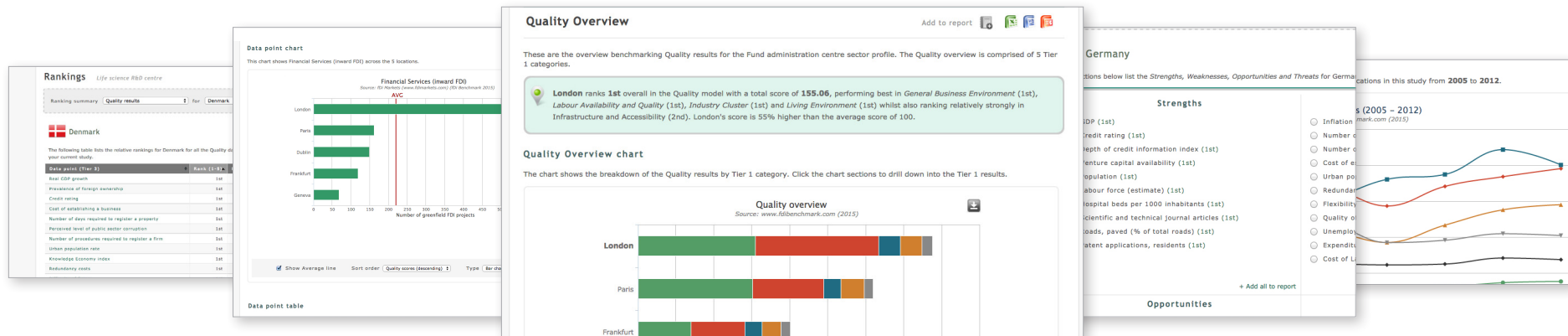


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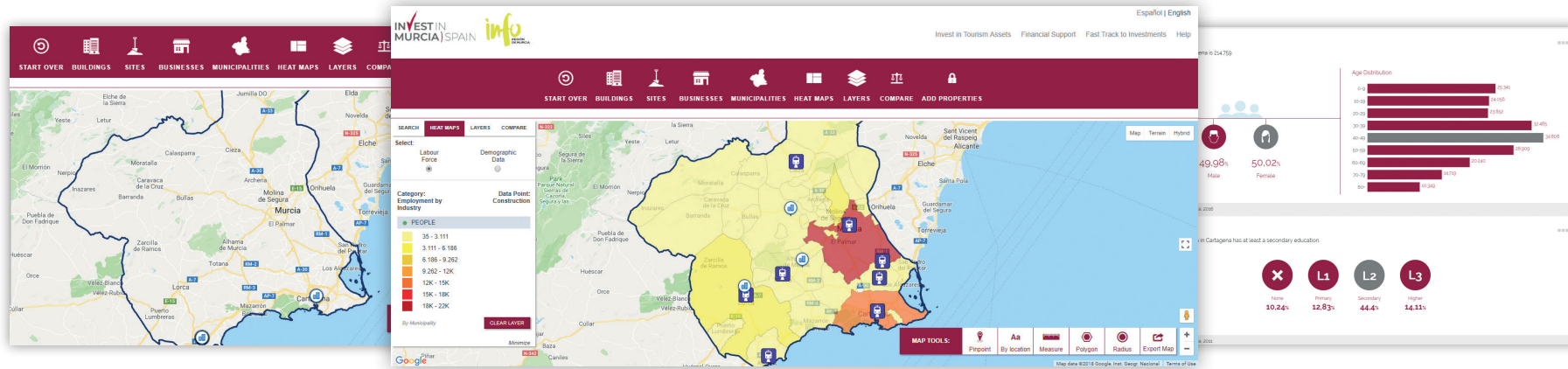
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