

TOURISM INVESTMENT 2023

Global greenfield investment trends in tourism



In association with



Out now: The fDi Report 2023

Global greenfield investment trends

The fDi Report 2023 is the annual assessment of crossborder investment, based on data from fDi Markets – a service from the Financial Times.

Key foreign direct investment trends spotted include:

- For a 4th year running, the renewable energy sector has attracted the highest total capital investment globally
- Inbound FDI for China declined further in 2022. Compared to 2019, the number of projects into China last year were down 60%
- Following Russia's invasion of Ukraine in early 2022, the number of announced FDI projects into Russia plummeted to only 13



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Now that tourism is bouncing back, sustainability must be the priority



The global tourism sector can look at the figures in this report with a sense of relief. International arrivals have bounced back — they are not quite yet at pre-Covid levels, but the recovery momentum has built up.

And there is more good news: greenfield foreign direct investment (FDI) into the tourism sector is showing signs of life

after all but vanishing in the pandemic years. With Covid-19 behind us, the industry has no time to waste in addressing the biggest challenge of our times: climate change and the resulting sustainability imperative.

Once again, **fDi** Intelligence has teamed up with the World Tourism Organization of the United Nations (UNWTO) to look at the current state of the global tourism cluster through the lens of international arrivals and greenfield FDI.

As mentioned, international tourism arrivals are not quite there yet, but they are coming back. They more than doubled globally from 2021 to 2022, reducing the gap with pre-Covid levels to 34.3%. The recovery picked up further in the first quarter of 2023, when the gap narrowed further down to 20.4%, UNWTO data shows.

But this recovery is very nuanced. The Middle East is the bright spot, being the only region where arrivals in the first quarter of 2023 exceeded those of the same period of 2019 (+15.4%) as the light-touch approach to lockdowns and travel restrictions of many governments in the region set the scene for a quick comeback. Policymakers in China took a very different approach, leaving in place draconian zero-Covid rules until early 2023. Inevitably, this

affected tourism flows across the whole Asia-Pacific region, where arrivals remain far below pre-pandemic levels (-46% year-on-year in the first quarter of 2023, but bouncing back at tremendous pace).

Foreign investors have finally started navigating the nuances of the global tourism recovery. Although capital expenditure figures have yet to recover, they announced 21% more projects in the tourism cluster in 2022 than they did in the previous year, as shown by the analysis that follows in this report, which is based on **fDi** Intelligence proprietary database of greenfield FDI projects, **fDi** Markets. The number of jobs created by FDI projects bounced back too. That marks a clear departure from the lows of 2020 and 2021, when investment activity in the tourism cluster almost evaporated, coming off record years in 2018 and 2019. If we look at the data at a more granular level, foreign investors have favoured countries that have been quick to bounce back, such as the Dominican Republic and the UAE.



Foreign investors have finally started navigating the nuances of the global tourism recovery

If face masks and lockdown are a fading memory, the reality of climate change is as palpable as ever. Wildfires, triggered by extreme high temperatures as much as by reckless arson, have been ravaging tourist destinations across the Mediterranean, leaving thousands of tourists stranded.

Major touristic cities like Rome have set in motion emergency protocols to close main attractions during heat waves. Meanwhile, in the San Blas archipelago, a tropical paradise in Panama that is home to indigenous Kuna people and a few boutique hotels, a whole island community of 300 families is being moved to the mainland because of rising sea levels. These are just a few examples of how climate change is disrupting tourism hotspots, but the list is much longer.

The climate shock calls for immediate climate resilience action to limit the damage as much as possible. Assertive agendas at national and local levels are also needed to secure sustainability in the long-term. They will inevitably affect tourism too, and the way we all travel and spend our spare time.

If anything, the Covid-19 pandemic gave policymakers a chance to go back to the drawing room and better incorporate sustainability and net-zero approaches to their development strategies. The tourism ecosystem, which is a major source of wealth and employment the world over, has a key role to play in shaping these policies and reducing its environmental footprint. It is not only about its own survival. It is about our own survival.

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

Global overview

• Foreign investors announced a total of 2415 foreign direct investment (FDI) projects in the tourism cluster between 2018 and 2022 according to **fDi** Markets, the greenfield investment monitor of the *Financial Times*. These projects involved a total capital investment of \$175.5bn and created an estimated 388,000 jobs.

• While international travel continues to rebound from the coronavirus pandemic, the number of greenfield foreign direct investment (FDI) projects in the tourism cluster started its tentative recovery in 2022 after posting declines in both 2020 and 2021.

• FDI project numbers and job creation in the tourism cluster grew by 23% from 286 investments in 2021 to 352 in 2022. Job creation in tourism FDI over the period also increased by 23% to an estimated 36,400 in 2022.

• The sector entered 2020 off the back of a very strong FDI performance in 2019, with 753 greenfield projects announced — a 5.8% increase from 2018 and the peak year for tourism projects since **fDi** Markets began recording data in 2003.

• As one of the areas of FDI most affected by the coronavirus pandemic, tourism has taken a long time to recover from the initial shock of 2020 — when the sector experienced a 59% year-on-year decrease in the number of projects, dropping to 312. Capital investment in the sector also experienced a 70% decrease, with estimated capital investment dropping from \$60.9bn to \$18.2bn.

• The leading destination region for tourism FDI projects in 2022 was Western Europe with 143 announced investments at a combined estimated value of \$2.2bn.

TOP 10 COUNTRIES FOR TOURISM FDI PROJECTS 2018–2022

Destination country	Total
US	198
UK	160
Spain	133
Germany	133
UAE	114
Mexico	105
France	96
China	79
Portugal	58
Japan	57

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

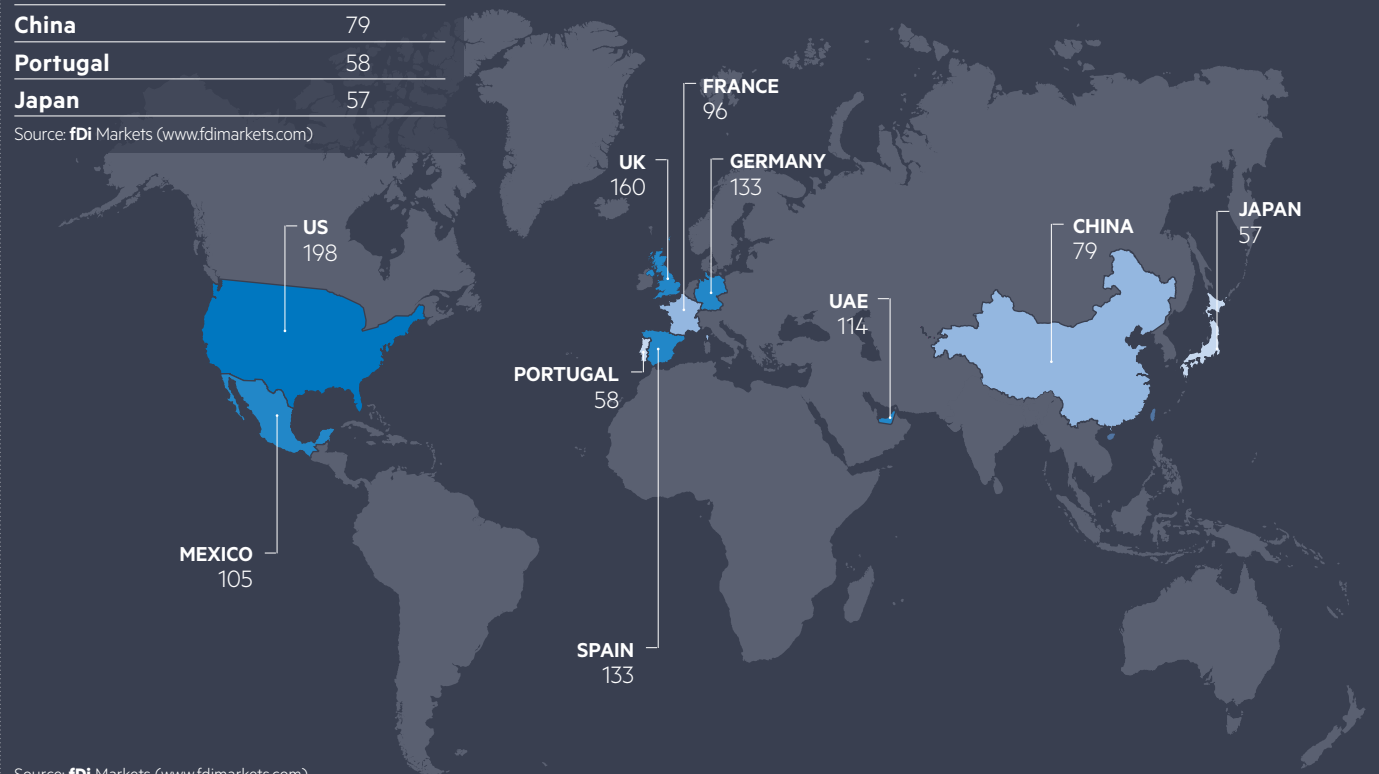
TOURISM FDI GLOBALLY 2018–2022

Year	Capital investment (\$bn)*
2018	74.5
2019	60.9
2020	18.2
2021	11.6
2022	10.2

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

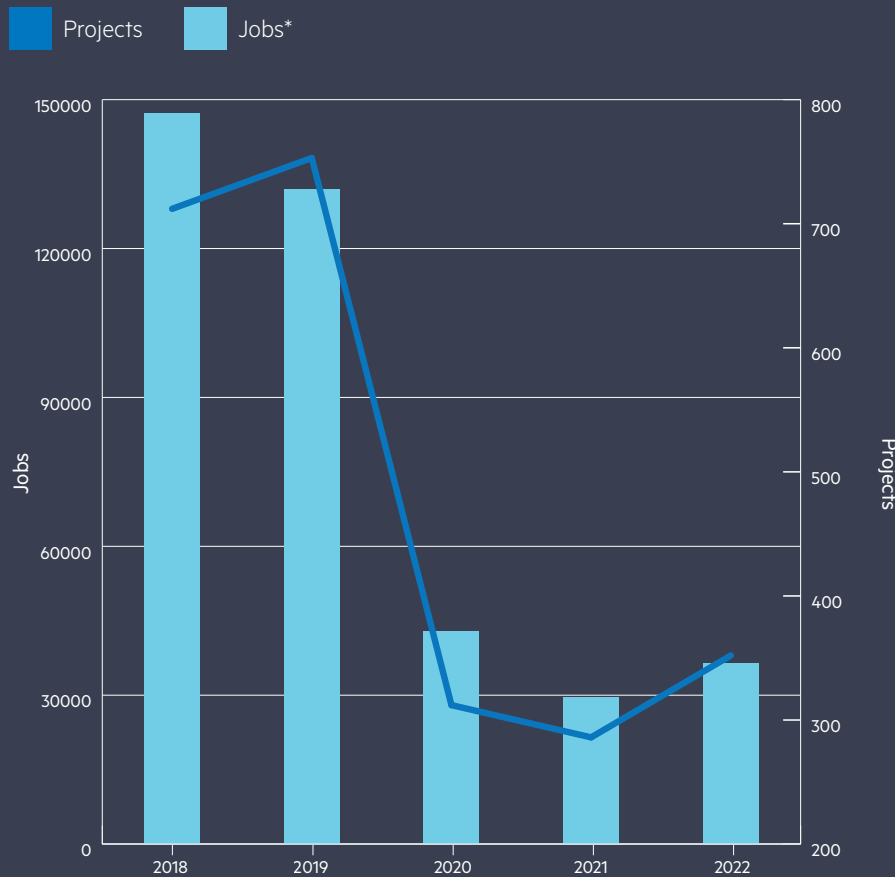
*Estimates included

TOP 10 COUNTRIES FOR TOURISM FDI PROJECTS 2018–2022

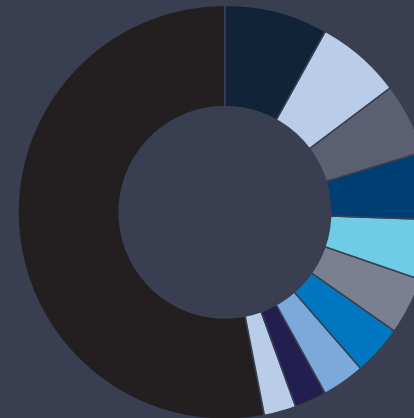


Source: **fDi** Markets (www.fdimarkets.com)

TOURISM FDI GLOBALLY 2018–2022 (PROJECTS AND JOBS)



LOCATION OF GLOBAL FDI PROJECTS 2018–2022



8.2%	US
6.6%	UK
5.5%	Spain
5.5%	Germany
4.7%	UAE
4.3%	Mexico
4.0%	France
3.3%	China
2.4%	Portugal
2.4%	Japan
53%	Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **The US** was the largest recipient of tourism FDI between 2018 and 2022 with 198 projects, followed by the UK (160), Spain (133) and Germany (133).
- **The top 10** countries for tourism FDI attraction accounted for nearly half (47%) of all announced tourism projects globally between 2018 and 2022.
- **Capital investment** in the sector totalled \$175.5bn between 2018 and 2022 with Spain being the leading recipient (\$19.4bn), followed by China (\$11.5bn) and the Philippines (\$11.1bn).
- **Job creation** in tourism FDI was highest in Mexico between 2018 and 2022 with an estimated 31,000 jobs created in the sector, followed by China (22,130) and Spain (20,590).

Total projects
2415

Total jobs*
387,964

International tourist arrivals

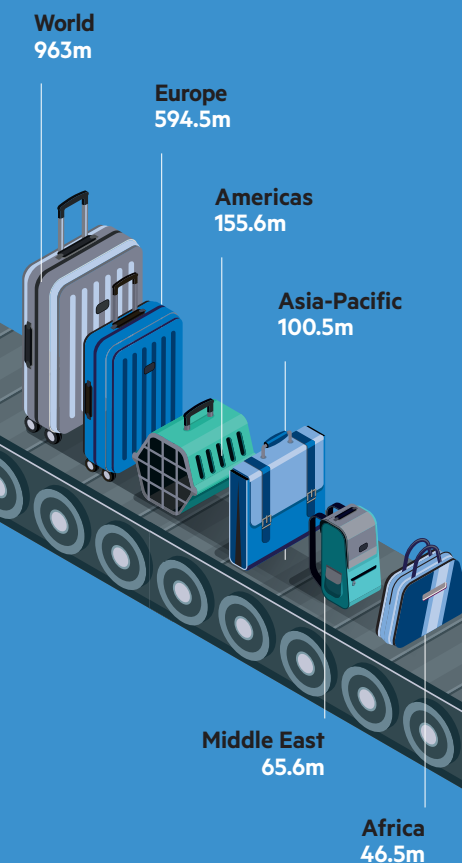
INTERNATIONAL TOURIST ARRIVALS BY REGION IN 2020–2022*

	(million)			Share	Change		2023 Monthly/ quarterly data							
	2020	2021	2022*	2022*	21/19	22*/19	% Change				2023 versus 2019			
							2023 versus 2022*	2023 versus 2019	Q1	Jan	Feb	Mar	Q1	Jan
World	407	456	963	100	-68.9	-34.3	86	121	86	65	-20.4	-22.0	-20.1	-19.3
Advanced economies ¹	221	244	541	56.2	-68.6	-30.4	90	126	87	70	-18.4	-21	-18	-16
Emerging economies ¹	186	212	422	43.8	-69.2	-38.8	83	116	85	59	-22.4	-23	-22	-22
Europe	239.6	304.9	594.5	61.8	-59.0	-20.1	52	81	47	37	-9.6	-8.5	-9.2	-10.8
Northern Europe	23.7	21.9	71.7	7.4	-73.8	-14.4	73	151	72	37	-9.2	-11.1	-8.1	-8.4
Western Europe	83.5	87.7	167.4	17.4	-57.2	-18.4	57	88	54	40	-8.4	-6.3	-7.1	-11.2
Central/Eastern Europe	44.1	56.3	88.7	9.2	-62.7	-41.2	45	53	37	44	-27.8	-28.6	-28.7	-26.3
Southern/Medit. Eur.	88.4	138.9	266.7	27.7	-54.3	-12.3	45	75	39	32	0.6	4.2	1.2	-3.1
- of which EU-27	182.7	225.9	440.6	45.8	-58.1	-18.3	53	86	49	37	-7.7	-6.4	-6.8	-9.4
Asia-Pacific	59.1	24.8	100.5	10.4	-93.1	-72.1	474	538	496	412	-46.0	-49.9	-45.2	-43.1
North-East Asia	20.3	10.9	19.2	2.0	-93.6	-88.7	503	414	474	603	-64.5	-72.0	-64.6	-57.4
South-East Asia	25.5	3.3	46.9	4.9	-97.6	-66.2	▲	▲	▲	▲	-32.3	-34.3	-33.6	-29.1
Oceania	3.6	0.8	6.7	0.7	-95.7	-61.4	477	695	655	292	-36.7	-40.1	-36.6	-33.5
South Asia	9.8	10.0	27.7	2.9	-70.5	-17.9	85	144	112	25	-16.7	-11.4	-9.6	-29.5
Americas	69.6	81.5	155.6	16.2	-62.8	-29.1	70	86	72	56	-14.5	-16.8	-13.4	-13.1
North America	46.5	57.0	102.0	10.6	-61.1	-30.4	68	76	71	61	-16.3	-18.9	-15.9	-14.3
Caribbean	10.3	14.5	22.6	2.3	-45.1	-14.2	39	58	36	29	-6.2	-6.1	-6.2	-6.3
Central America	3.1	4.7	9.3	1.0	-57.1	-15.0	44	67	42	28	-2.4	-8.2	1.5	0.4
South America	9.8	5.3	21.7	2.3	-85.0	-38.8	132	174	135	92	-18.3	-20.0	-15.5	-19.3
Africa	18.7	19.6	46.5	4.8	-71.5	-32.6	101	170	98	62	-11.7	-10.8	-10.6	-13.6
North Africa	5.6	6.6	19.0	2.0	-74.4	-25.9	159	505	147	74	4.3	7.2	9.2	-2.3
Subsaharan Africa	13.1	13.1	27.5	2.9	-69.9	-36.6	73	97	71	53	-20.8	-19.9	-21.9	-20.7
Middle East	19.8	24.9	65.6	6.8	-65.9	-10.1	49	101	55	16	15.4	13.6	15.8	16.7

Source: World Tourism Organization of the United Nations (UNWTO) *Provisional data ¹Classification 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. ²Arrows (▲) indicate percentage change above 1000. See methodological notes. See box in page Annex 1 for explanation of abbreviations and symbols used

Key stats

International tourist arrivals by region in 2022



Unlocking the full potential of tourism: a call for high-level action

Zurab Pololikashvili, secretary-general, UNWTO



As the global community navigates the aftermath of the pandemic, the tourism sector has shown remarkable resilience. In the first quarter of

2023, international tourist arrivals reached 80% of pre-pandemic levels, surpassing the overall recovery rate of 66% witnessed in 2022. However, urgent, strategic policy action is required to address the critical challenge of inadequate investments in the sector, which is vital for long-term sustainability and innovation.

Despite the positive trends seen over recent months, the tourism sector continues to face economic and geopolitical headwinds. It is imperative to recognise that a robust and sustainable recovery hinges on decisive policy measures that stimulate investments. Investments in tourism



The pandemic alone has resulted in a loss of \$2.6tn in international tourism revenues since 2020

not only drive economic growth, but also serve as a catalyst for job creation, innovation, and inclusive development. Globally, foreign direct investment (FDI) has faced several challenges, including rising interest rates, which constrain financing, and geopolitical tensions. These factors have not only impacted the tourism sector, but also other industries around it. We estimate that

the Covid pandemic alone has resulted in a loss of \$2.6tn in international tourism revenues since 2020.

To expedite economic recovery and ensure the long-term sustainability of the tourism value chain, concerted policy action is required to attract, promote, and mobilise FDI in the sector. These investments serve as powerful drivers, revitalising destinations and facilitating sustainable and green initiatives. By prioritising investments aligned with the Sustainable Development Goals, as outlined in the Glasgow Declaration on Climate Action in Tourism, policymakers can accelerate the transition towards more environmentally friendly practices. This encompasses initiatives such as the development of green buildings, retrofitting projects, and the adoption of sustainable technologies.

The UNWTO calls on its member states to unlock the full potential of the tourism sector as a catalyst for positive change, first by investing in education and supporting innovative talent. To ensure the growth and competitiveness of the sector, significant investments must be made in education and talent by upskilling the professional workforce and implementing vocational and technical programmes. Only in this way can we equip young people — of whom only 50% have completed secondary education — with the knowledge and capabilities they need to thrive in the sector. These investments will then pave the way for a skilled workforce that can deliver exceptional growth,

drive innovation and, by embracing digital technologies, enhance the competitiveness and resilience of the tourism sector.

By prioritising investments in talent and innovation, we can unlock new opportunities and ensure the sector remains at the forefront of technological advancements. We also call for greater collaborations and partnerships between governments, international organisations, financial institutions and private sector stakeholders. By leveraging the collective expertise and resources of these entities, we can foster sustainable tourism development. It is crucial to develop investment frameworks and guidelines that will enable our member states to innovate their approach to attract, promote and facilitate investments driving the sector forward.

The UNWTO is honoured to once again collaborate with fDi Intelligence to present this report. By leveraging trusted data and insights, this report aims to provide a comprehensive understanding of greenfield investments in our sector. It is crucial to prioritise policy actions that support the accelerated achievement of the 2030 Agenda, encompassing the pillars of People, Planet and Prosperity, thereby ensuring a sustainable future for tourism.

Asia-Pacific

FDI projects into Asia-Pacific

• In total, 517 tourism foreign direct investment (FDI) projects were recorded in the Asia-Pacific region between 2018 and 2022, representing \$65.1bn of capital investment and creating more than 105,600 jobs. Following a decline in 2020 and 2021, the number of announced projects into the region increased marginally by 2.4% to 42 projects in 2022.

• Job creation in the region peaked in 2018, with more than 49,000 jobs created and fell to its lowest in 2021, when approximately 4300 jobs were created through tourism FDI. The number of jobs created from tourism-related investments increased by 6% from 2021 to 2022.

• China attracted the highest number of tourism FDI projects between 2018 and 2022, receiving 79 announced projects; 15% of the total market share in the region. China peaked for tourism FDI in 2019, with 30 announced projects, yet inbound project numbers have steadily declined since then.

• India attracted three times more tourism FDI projects in 2022 than it did in 2021, and ranked as the top destination country in the region last year. Between 2018 and 2022, India received a total of 51 announced tourism FDI projects, representing a market share of 9.9% in Asia-Pacific and more than \$2.2bn in capital investment.

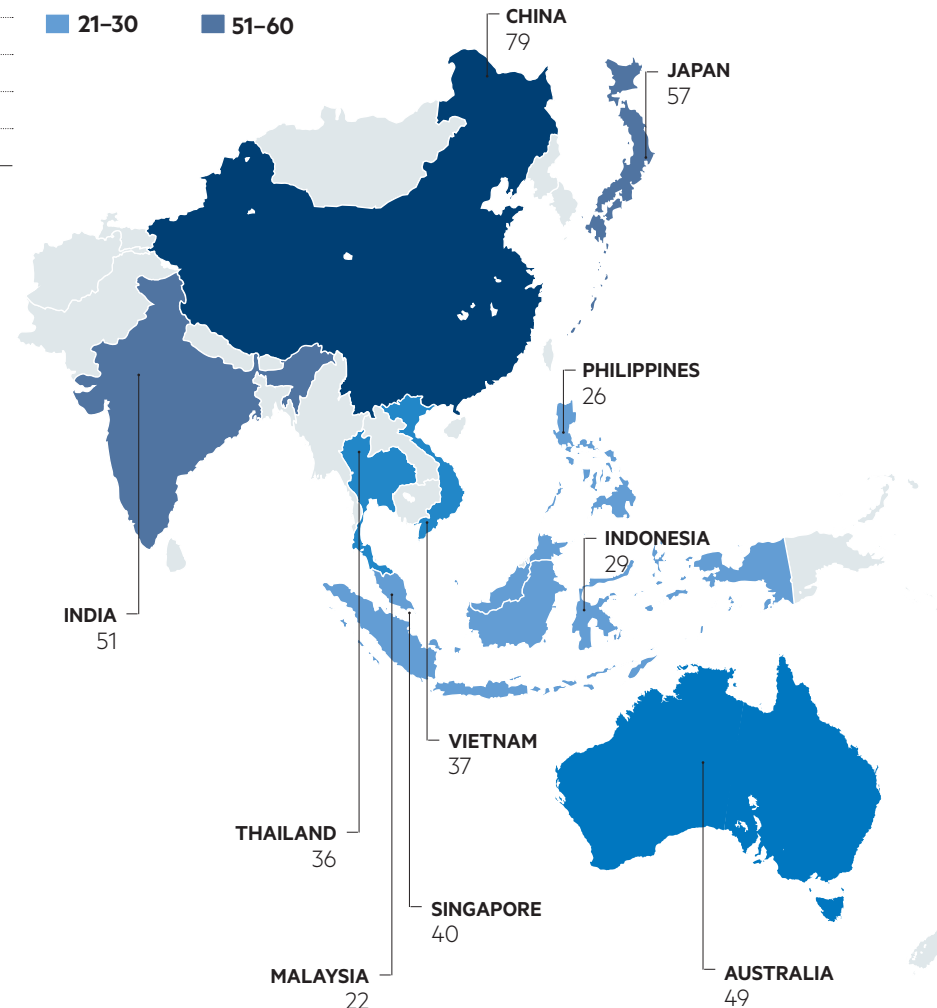
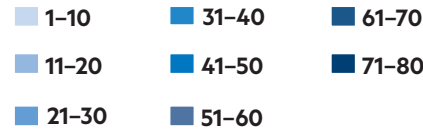
• India was the source of 15 tourism investments in 2022, making it the sector's largest source country in the Asia-Pacific region last year. Between 2018 and 2022, India was the source of 16% of the region's outbound tourism FDI projects.

TOURISM FDI INTO ASIA-PACIFIC 2018-2022

Year	Capital investment (\$bn)*
2018	30.3
2019	25.6
2020	5.3
2021	2.6
2022	1.2
Total	65.1

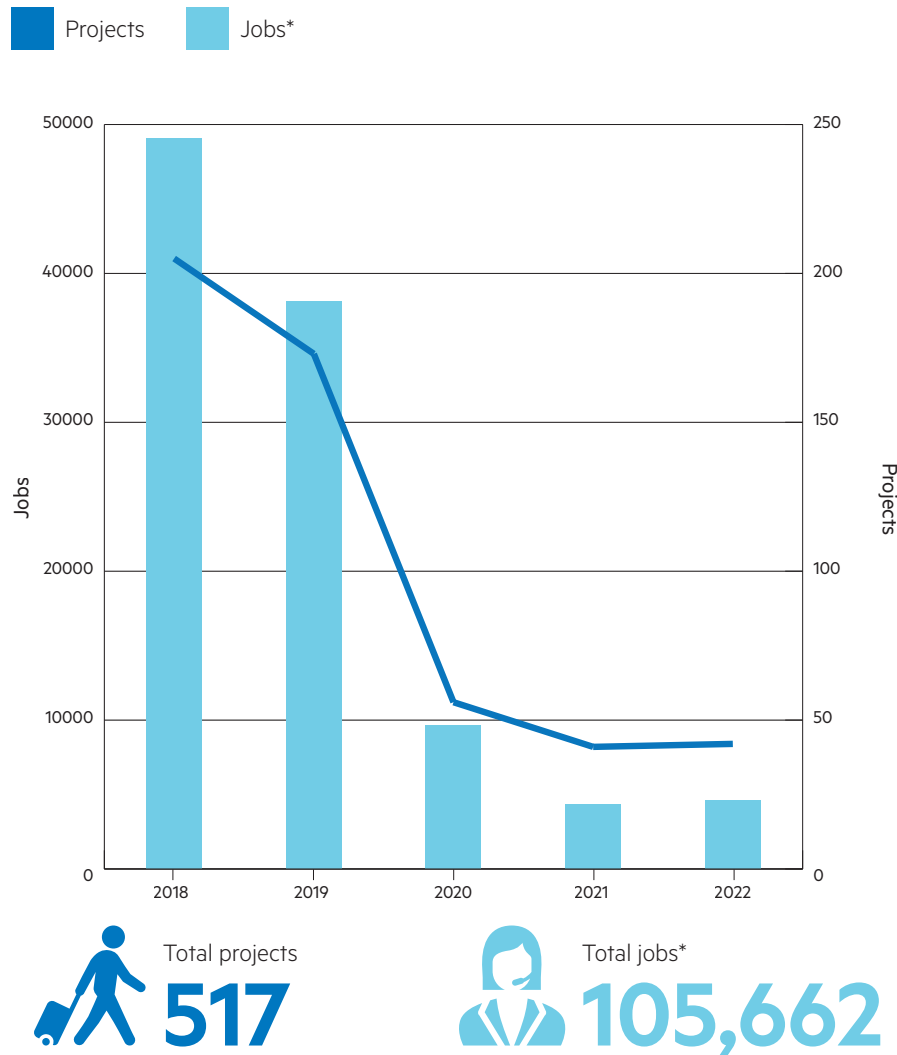
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP 10 COUNTRIES IN ASIA-PACIFIC FOR TOURISM FDI, 2018-2022



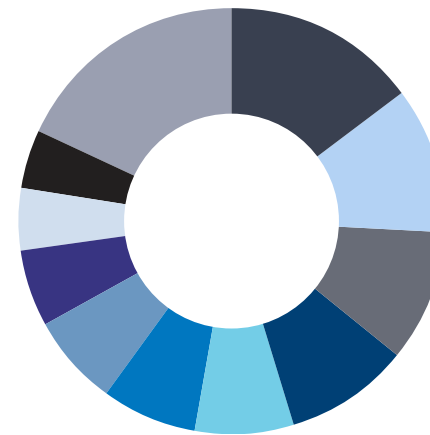
Source: fDi Markets (www.fdimarkets.com)

TOURISM FDI INTO ASIA-PACIFIC, 2018-2022



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

LOCATION OF TOURISM FDI PROJECTS INTO ASIA-PACIFIC, 2018-2022



- 15% China
- 11% Japan
- 10% India
- 9.5% Australia
- 7.7% Singapore
- 7.2% Vietnam
- 7.0% Thailand
- 5.6% Indonesia
- 5.0% Philippines
- 4.3% Malaysia
- 18% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- ▶ **Australia** attracted the second-largest number of tourism FDI projects in the Asia-Pacific region in 2022. Tourism FDI project numbers grew by 40% from five in 2021 to seven in 2022. Between 2018 and 2022, Australia was the region's fourth-largest market for tourism FDI projects. It held a market share of 9.5% with a total of 49 tourism related investments, valued at more than \$2.2bn.
- ▶ **Japan** attracted the second-largest number of tourism FDI projects between 2018 and 2022, receiving 57 announced projects which represented 11% of the total market share in the Asia-Pacific region. However, tourism FDI into Japan remained stagnant between 2021 and 2022.
- ▶ Between 2018 and 2022, **Vietnam** received 37 tourism FDI projects which represented a regional market share of 7.2%. Tourism FDI into Vietnam generated more than 7800 new jobs and \$6.4bn from 2018 to 2022.

Europe

FDI projects into Europe

• Europe attracted 1004 tourism foreign direct investment (FDI) projects between 2018 and 2022. During this period, \$51.1bn was invested and more than 102,000 jobs were created. The volume of tourism FDI projects in Europe increased by 16% from 2021 to 2022, attracting 167 projects last year. However, FDI projects in the region's tourism industry remained below 55% of its 2019 figures.

• Capital investment and the number of jobs created by tourism FDI both peaked in 2018. Over the following four years, capital investment and job creation in the tourism cluster declined by 89% and 68% respectively.

• The UK was the top destination for tourism FDI in Europe between 2018 and 2022, attracting 160 projects; 16% of total tourism FDI in Europe. The UK was also the top source market, with 311 outbound tourism projects tracked at a value of \$18.3bn.

• The top destination market for capital investment in the region between 2018 and 2022 was Spain. Projects into the country generated \$19.4bn worth of capital investment which equated to a market share of 38%.

• Spain and Germany ranked second and third respectively in the region by inbound project numbers in the tourism cluster between 2018 and 2022. When combined, the two countries accounted for more than one-quarter of inbound tourism projects in Europe.

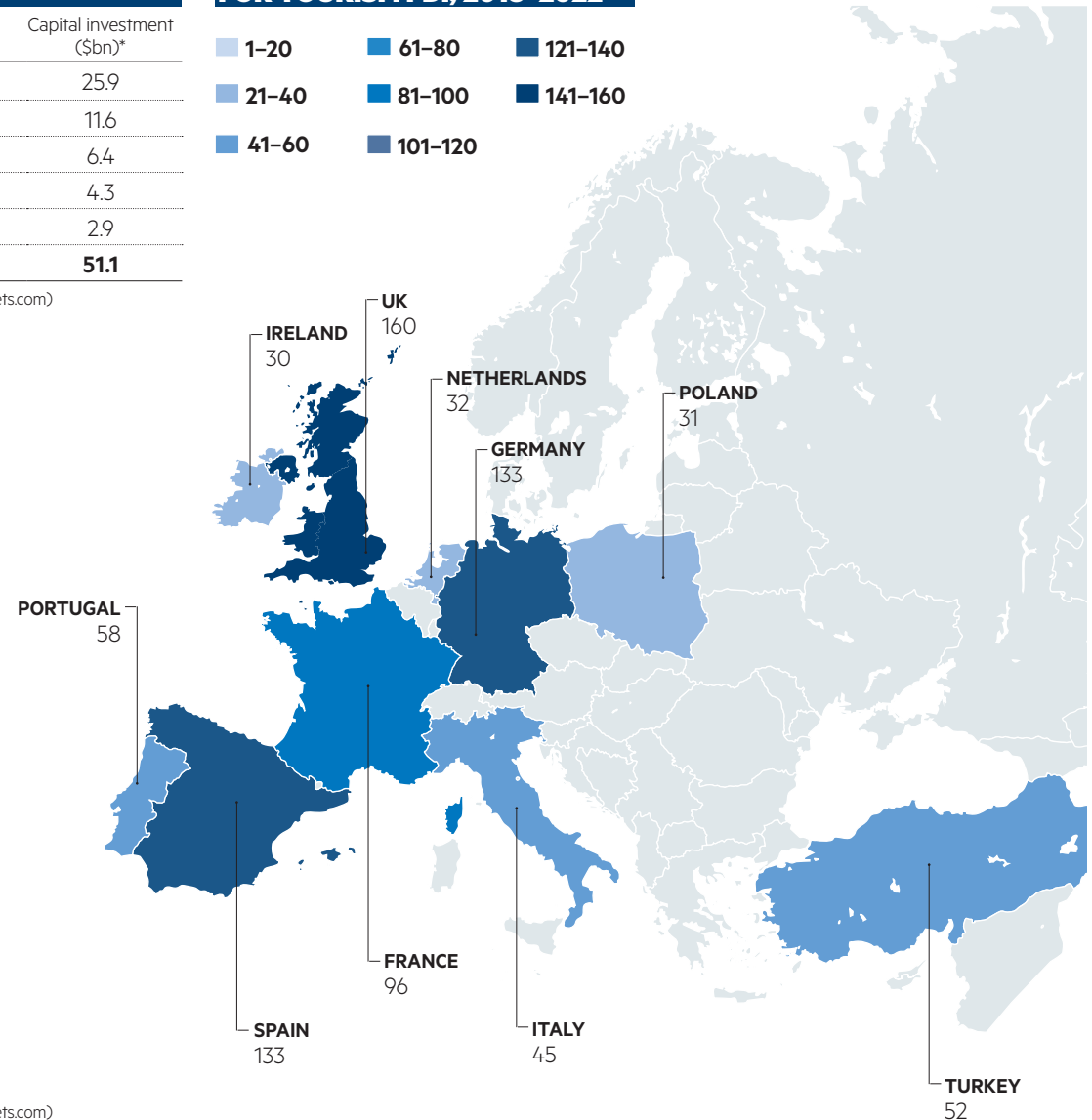
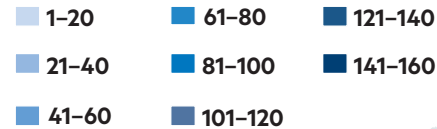
• Turkey was the top tourism FDI destination and source market in emerging Europe, attracting 27% of inbound tourism FDI projects (52) in emerging Europe. The country also accounted for 20% of the outbound FDI projects (12).

TOURISM FDI INTO EUROPE, 2018-2022

Year	Capital investment (\$bn)*
2018	25.9
2019	11.6
2020	6.4
2021	4.3
2022	2.9
Total	51.1

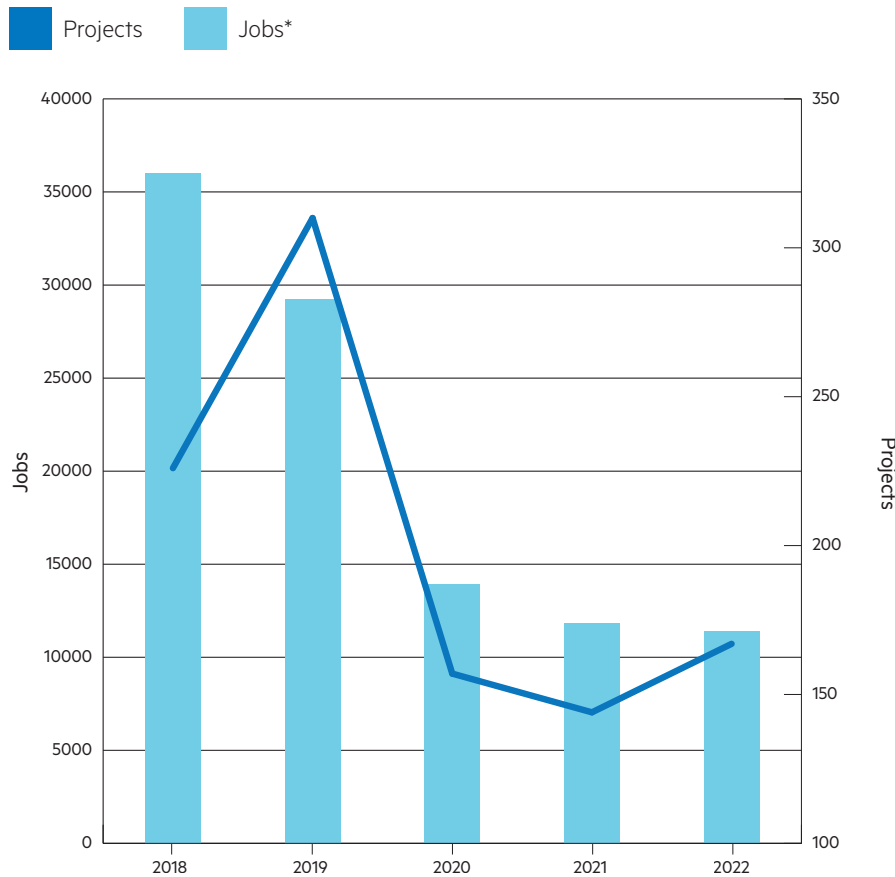
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP 10 COUNTRIES IN EUROPE FOR TOURISM FDI, 2018-2022



Source: fDi Markets (www.fdimarkets.com)

TOURISM FDI INTO EUROPE, 2018-2022

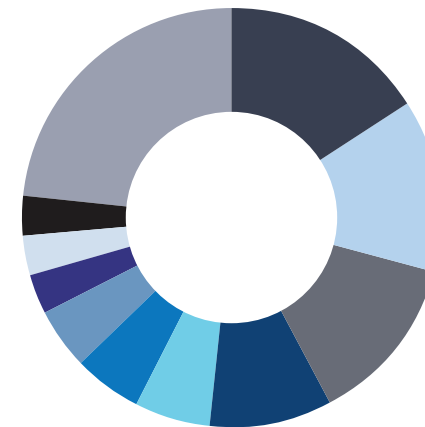


Total projects
1004

Total jobs*
102,389

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

LOCATION OF TOURISM FDI PROJECTS INTO EUROPE, 2018-2022



16%	UK
13%	Spain
13%	Germany
9.6%	France
5.8%	Portugal
5.2%	Turkey
4.5%	Italy
3.2%	Netherlands
3.1%	Poland
3.0%	Ireland
23%	Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **France** saw a 85% increase in the number of inbound tourism FDI projects from 13 in 2021 to 24 in 2022. The number of projects announced into France in 2022 is only marginally less than the 28 tourism FDI projects announced in 2019.
- Last year, **Ireland** matched the number of FDI tourism projects that it attracted in 2021, registering nine new project announcements. FDI tourism created close to 600 new jobs in Ireland last year, with capital investment valued at \$194m.
- Despite the war, **Ukraine** attracted an impressive six tourism FDI projects between 2018 and 2022, with a capital expenditure value of more \$145m in 2022.

Tourism sector embraces recovery through strategic investments and innovation

Natalia Bayona, executive director, UNWTO



Strategic investments hold the key to propelling the recovery of the tourism sector and fostering its long-term sustainability through innovation.

In line with its wider vision, the World Tourism Organization of the United Nations (UNWTO) remains dedicated to bolstering the investment promotion frameworks of its member states and nurturing a robust tourism innovation ecosystem. Through pioneering innovative strategies that attract and promote investments, we advocate for measures ranging from tax exemptions for sustainable projects to the establishment of initiatives fostering matchmaking funds. These initiatives strengthen social impact, community development and inclusion through tourism, setting the stage for a

more equitable and thriving industry.

The UNWTO urges its member states to make bold strides in innovation and education, too. Our research has shown that venture capital (VC) investments in the travel sector have shown continuous growth over the past decade. To take just one example, \$455bn was invested in travel and mobility tech start-ups between 2010 and 2019. VC investment into the sector inevitably retreated in the pandemic years, only to come back in force, with \$20bn into travel and mobility start-ups in 2022 alone.

As the sector steers its course towards recovery and growth, UNWTO now, more than ever, prioritises innovation, education and strategic investments as the pillars for recalibrating and adapting to these ever-evolving market dynamics. Spearheading a series of initiatives, we equip the professional workforce



\$455bn was invested in travel and mobility tech start-ups between 2010 and 2019

with new skills through upskilling and vocational workforce programmes, creating quality job opportunities, and raising average wages across the entire tourism value chain. Additionally, we champion substantial investments in digitalisation, especially for the small and medium-sized enterprises that constitute 80% of the tourism sector.

The fruits of these endeavours have been nothing short of remarkable, with the organisation executing 15 start-up competitions, drawing 18,764 participants from more than 150 countries. Accompanying these efforts are eight innovation challenges, attracting 2450 participants from more than 130 countries.

What sets these initiatives apart is the unmistakable quality of the start-ups that have gravitated to UNWTO's programs. Distinguished by their pioneering ideas and visionary solutions, these ventures have shown their clear potential. Such is the magnitude of their impact that they have successfully secured an astounding \$2bn in funding, empowering the young and talented, and infusing the sector's overall development with renewed vigour and resilience for the future.

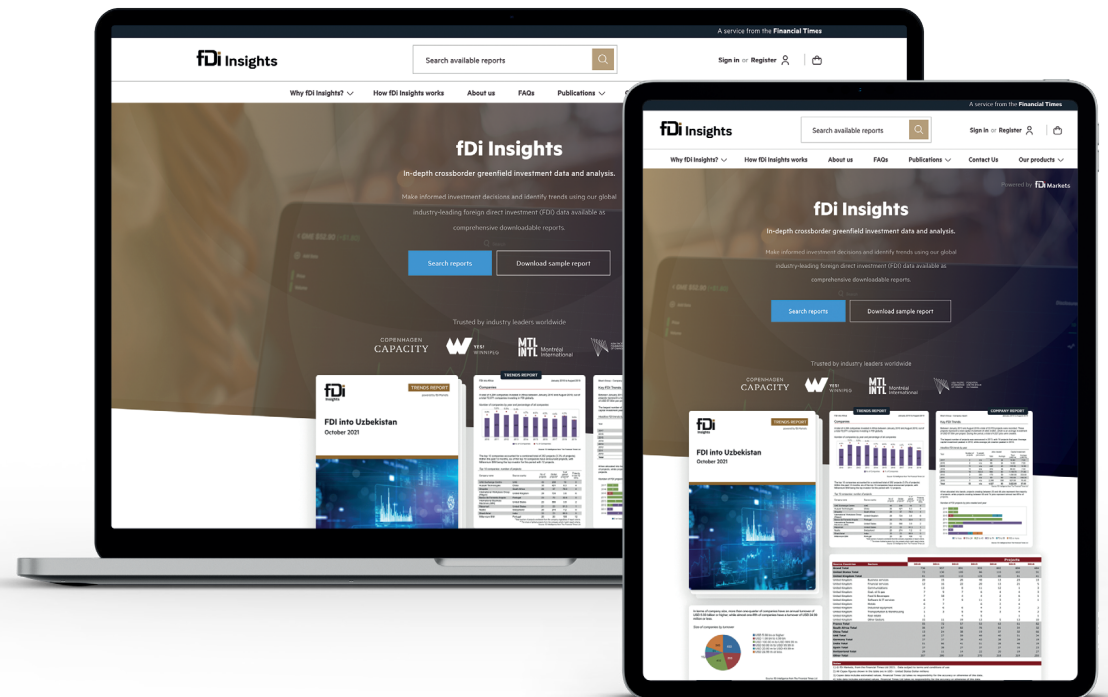


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North America

FDI projects into North America

• North America attracted 232 tourism foreign direct investment (FDI) projects between 2018 and 2022, representing \$10.4bn in capital investment and more than 19,600 jobs.

• The number of FDI tourism projects in North America increased from 33 in 2021 to 39 in 2022. In the same period, capital investment in the tourism cluster in North America decreased by 9% to \$1.1bn. Job creation in the region also declined from approximately 2800 jobs in 2021 to 2500 jobs in 2022.

• Florida was North America's leading state for tourism FDI projects between 2018 and 2022. In the five-year period, the state attracted 37 tourism FDI projects, followed by California (34) and New York (33). The three aforementioned states captured 45% of all tourism FDI projects in North America.

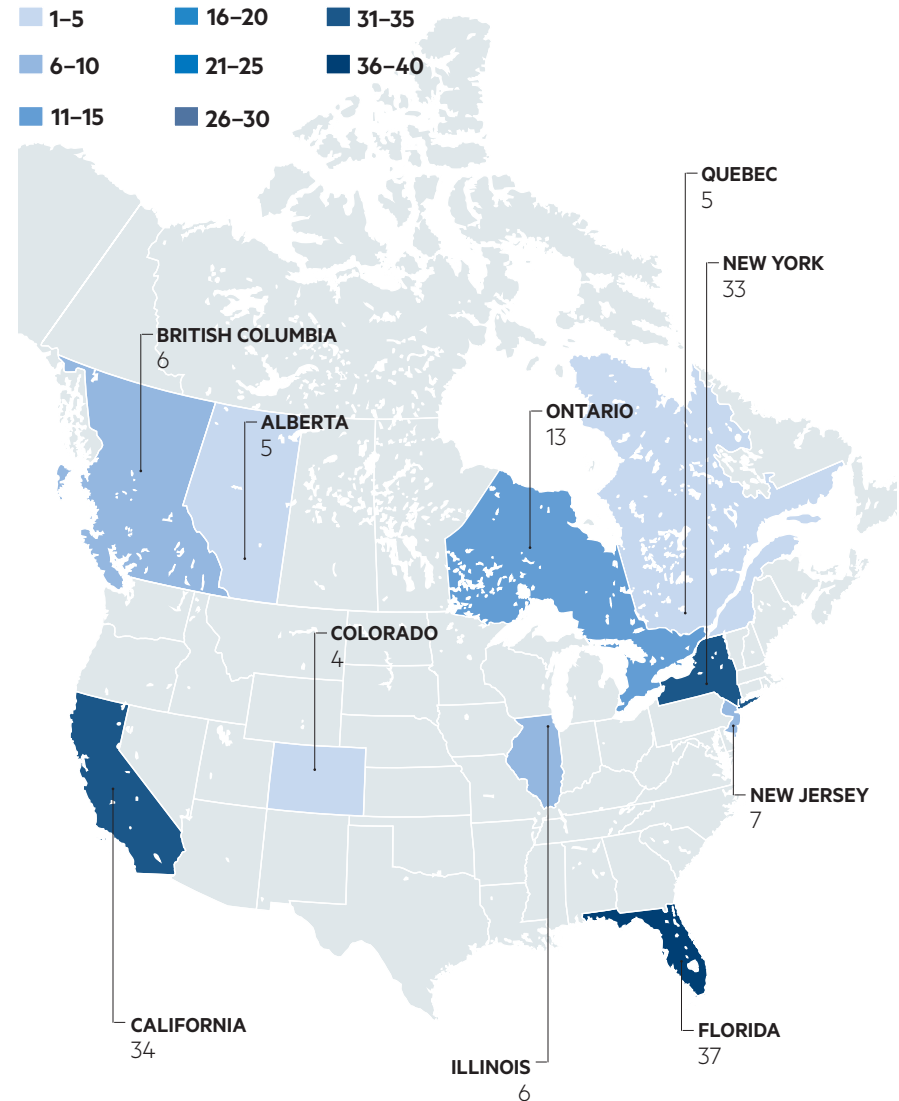
• Florida maintained the top position as the most attractive destination market for tourism FDI in the North America region also in 2022. Despite recording the same number of tourism FDI projects in 2022 as 2021, capital investment into the state's tourism industry increased by 18% from \$230m in 2021 to almost \$340m last year. However, job creation declined by 25% from 2021.

• Between 2018 and 2022, the US held its rank as the top performing country for tourism FDI in the North America region with 198 tourism FDI projects, worth an estimated \$8.7bn. Canada meanwhile, witnessed an increase of tourism FDI projects from three in 2021 to eight in 2022 and experienced an impressive 79% rise in job creation from 96 in 2021 to more than 460 in 2022.

TOURISM FDI INTO NORTH AMERICA, 2018-2022	
Year	Capital investment (\$bn)*
2018	3.4
2019	3.6
2020	1.0
2021	1.2
2022	1.1
Total	10.4

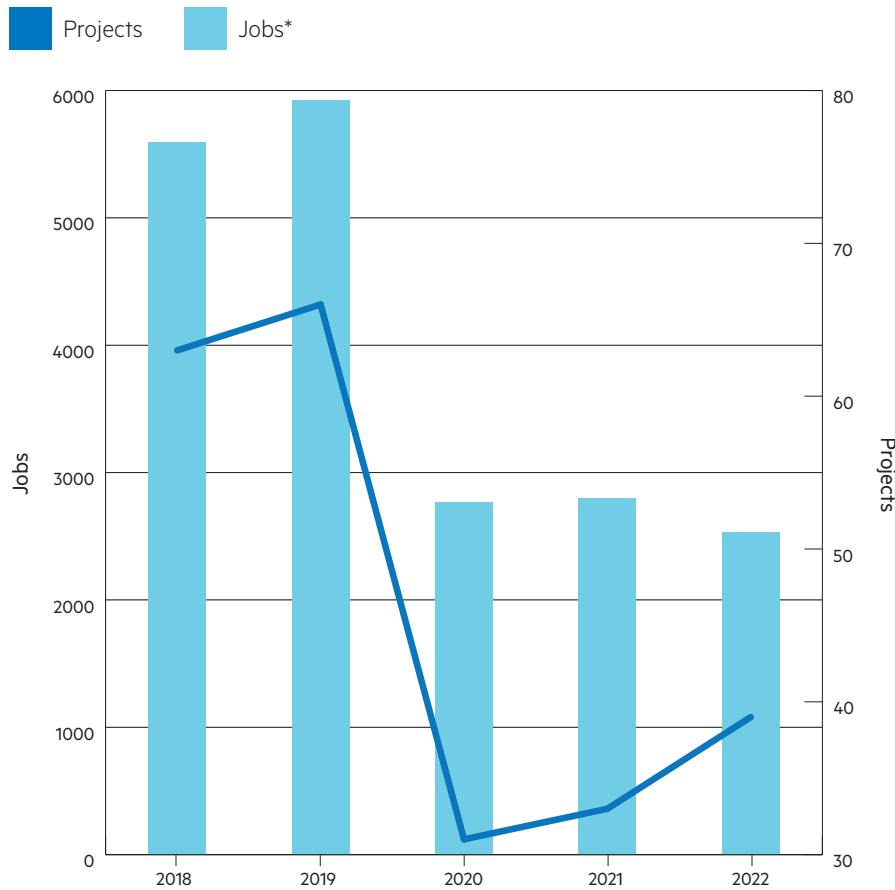
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP 10 STATES/PROVINCES IN NORTH AMERICA FOR TOURISM FDI, 2018-2022



Source: fDi Markets (www.fdimarkets.com)

TOURISM FDI INTO NORTH AMERICA, 2018-2022

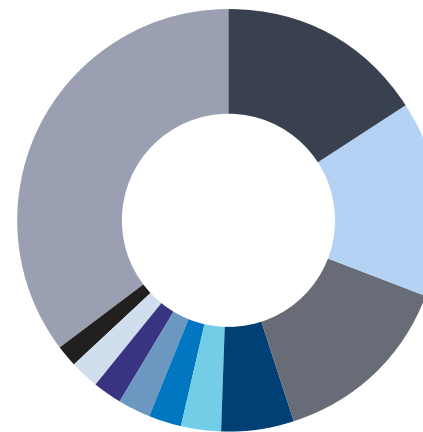


Total projects
232

Total jobs*
19,616

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

LOCATION OF TOURISM FDI PROJECTS INTO NORTH AMERICA, 2018-2022



- 16% Florida
- 15% California
- 14% New York
- 5.6% Ontario
- 3.0% New Jersey
- 2.6% British Columbia
- 2.6% Illinois
- 2.2% Quebec
- 2.2% Alberta
- 1.7% Colorado
- 35% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **Florida** attracted the most tourism FDI projects in North America between 2018 and 2022, with a 16% market share of all tourism projects in the region.
- **California** garnered the highest proportion of capital expenditure and job creation in the region between 2018 and 2022. It held a 22% share of tourism capital investment and 17% share in job creation. The state was also the largest source market for tourism capital investment in North America, accounting for \$17.4bn of outbound capital investment between 2018 and 2022.
- **Ontario** was Canada's top-performing province and fourth-largest destination market in North America for tourism FDI projects. It retained this position due to the attraction of four tourism FDI projects in 2022 and the creation of an estimated 300 jobs.

Latin America and the Caribbean

FDI projects into Latin America and the Caribbean

• Latin America and the Caribbean attracted 340 tourism foreign direct investment (FDI) projects between 2018 and 2022. This resulted in \$27.9bn-worth of capital investment and more than 112,300 new jobs created.

• Tourism FDI by capital expenditure in Latin America and the Caribbean more than doubled last year, from \$1.1bn in 2021 to \$2.5bn in 2022. Job creation in the region also rose by 95% from 5700 in 2021 to more than 11,000 in 2022.

• The primary investment destination for tourism FDI in Latin America and the Caribbean between 2018 and 2022 was Mexico, representing 31% of all tourism FDI projects into the region. Mexico was also the top country for capital investment holding 31% (\$8.6bn) of market share and job creation (more than 31,100) in the region.

• Colombia and Brazil ranked second and third for FDI tourism projects, attracting 45 and 31 projects between 2018 and 2022, representing 13% and 9.1% regional market share, respectively.

• The Dominican Republic came second for capital investment between 2018 and 2022, attracting \$6.2bn, representing 22% of the market share. Moreover, it was the top destination country for capital investment and jobs created in 2022, with \$1.5bn invested and more than 7000 jobs created.

TOURISM FDI INTO LATIN AMERICA AND THE CARIBBEAN, 2018-2022

Year	Capital investment (\$bn)*
2018	9.0
2019	11.3
2020	4.0
2021	1.1
2022	2.5
Total	27.9

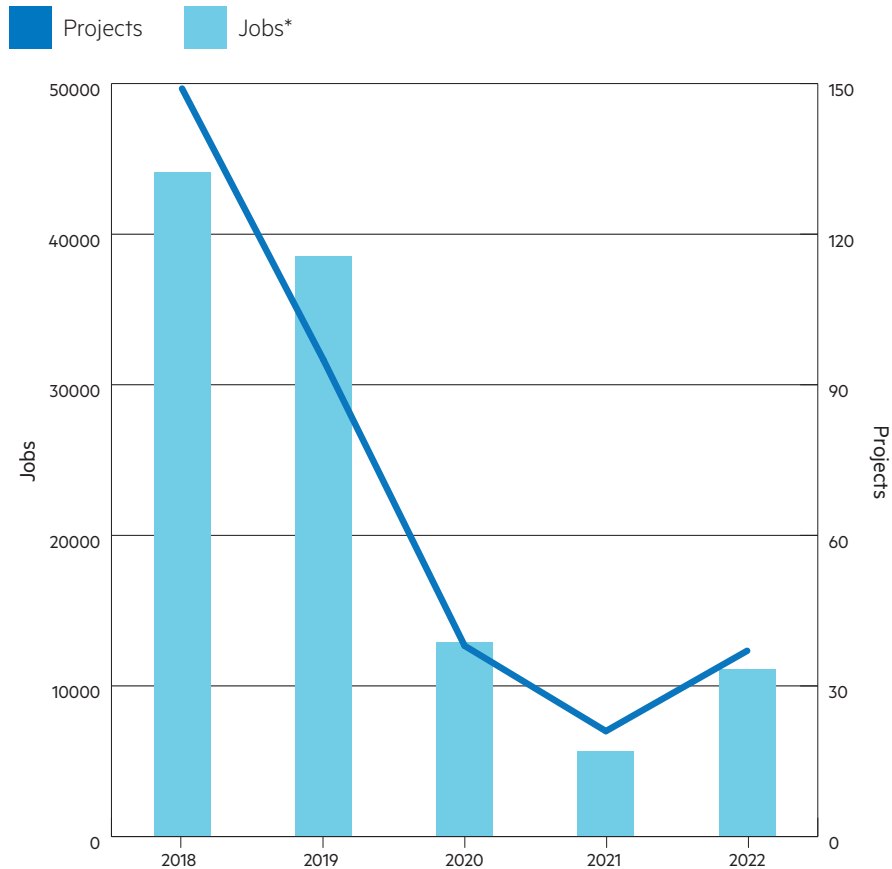
Source: fDi Markets (www.fdimarkets.com)
*Estimates included

TOP 10 COUNTRIES IN LATIN AMERICA AND THE CARIBBEAN FOR TOURISM FDI, 2018-2022



Source: fDi Markets (www.fdimarkets.com)

TOURISM FDI INTO LATIN AMERICA AND THE CARIBBEAN, 2018-2022

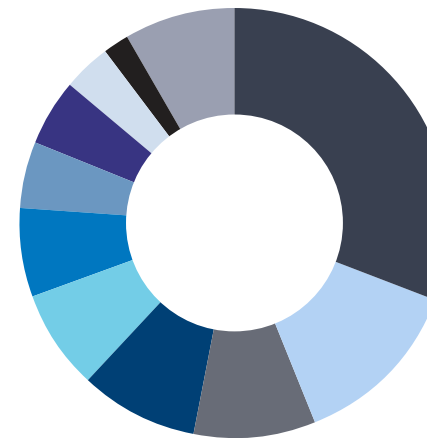


Total projects
340

Total jobs*
112,375

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

LOCATION OF TOURISM FDI PROJECTS INTO LATIN AMERICA & THE CARIBBEAN, 2018-2022



- 31% Mexico
- 13% Colombia
- 9.1% Brazil
- 8.8% Peru
- 7.6% Dominican Republic
- 6.5% Argentina
- 5.0% Cuba
- 5.0% Chile
- 3.8% Costa Rica
- 1.8% Ecuador
- 8.2% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- ▶ **Peru** faced a significant decline in capital investment in tourism FDI from 2021 to 2022, falling from \$117.2m to \$1.2m. Job creation over the period also decreased by 98%. This decline has been ongoing since the outbreak of the coronavirus pandemic.
- ▶ **Panama** was the top source market for tourism FDI between 2018 and 2022 with a market share of 37%. The country's strong outbound performance can be traced back to the outbound projects announced by Selina, a hospitality brand that targets millennial and Gen Z travellers, which was headquartered in Panama before relocating to the UK in early 2019.
- ▶ **Brazil** and **Colombia** were the second- and third-largest source markets for tourism FDI in Latin America and the Caribbean between 2018 and 2022, with a combined market share of 28%.

Middle East and Africa

FDI projects into Middle East and Africa

- A total of 322 tourism foreign direct investment (FDI) projects were recorded in the Middle East and Africa (MEA) region between 2018 and 2022, representing \$20.9bn of capital investment and creating more than 47,900 jobs.

- Tourism FDI projects in the MEA region increased by 43% from 47 in 2021 to 67 in 2022. Tourism FDI into the region in 2022 created more than 6700 jobs and generated more than \$2.5bn of capital investment.

- The UAE attracted the highest number of tourism FDI projects between 2018 and 2022, receiving 114 announced projects, representing more than a third (35%) of the total market share in the MEA region. Following a 65% increase on 2021, it attracted the highest number of tourism related investments in 2022, with 33 announced projects at a combined value of more than \$752m.

- Between 2018 and 2022, Saudi Arabia attracted 31 tourism related FDI projects. It attracted a total of nine tourism FDI projects in 2022, which was on par with its performance in 2019 and up 80% from 2021.

- Between 2018 and 2022, the MEA region was the source of 131 tourism related investments. Of this, 72 projects came from firms based in the UAE. Outbound tourism FDI from the UAE during this period was valued at more than \$3.6bn.

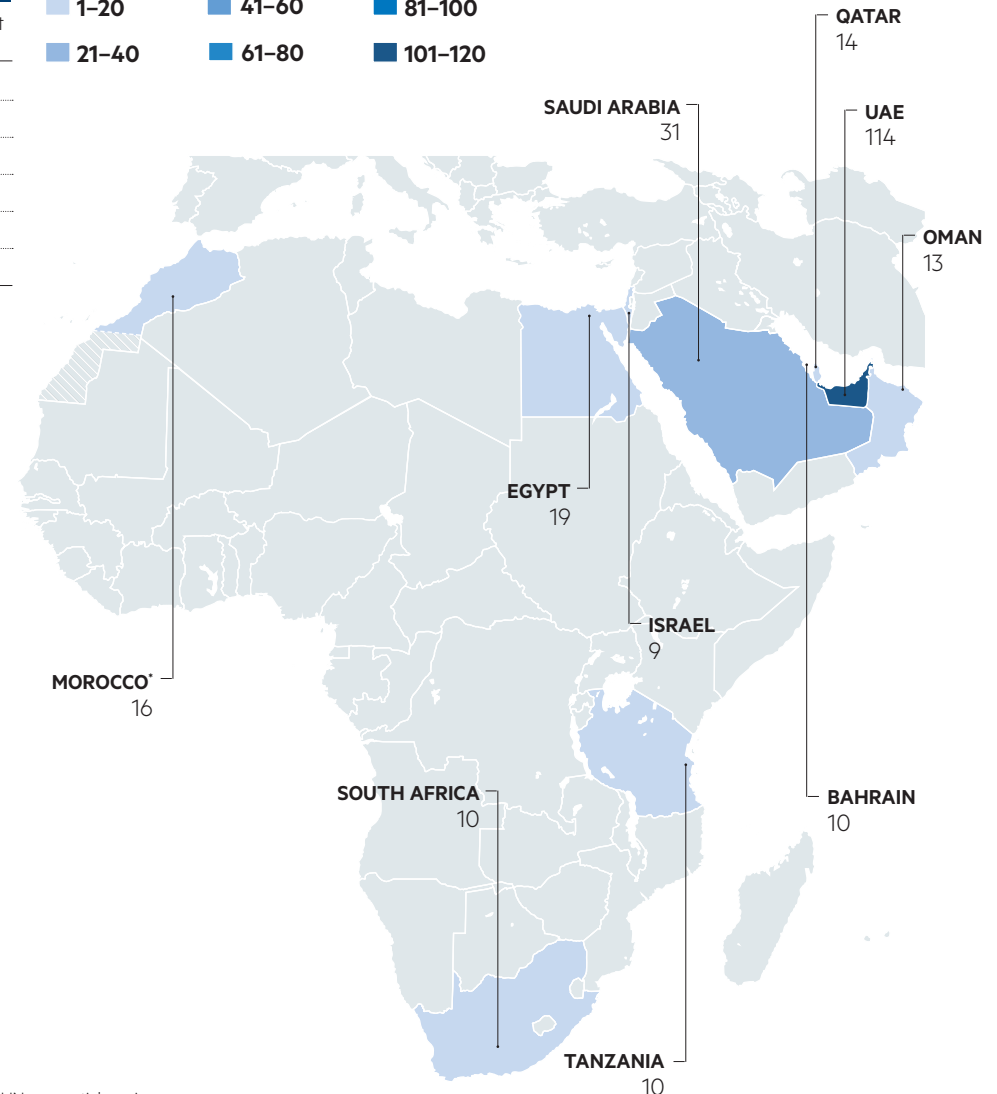
TOURISM FDI INTO THE MIDDLE EAST AND AFRICA, 2018-2022

Year	Capital investment (\$bn)*
2018	5.8
2019	8.7
2020	1.5
2021	2.4
2022	2.5
Total	20.9

Source: fDi Markets (www.fdimarkets.com)

*Estimates included

TOP 10 COUNTRIES IN THE MIDDLE EAST AND AFRICA FOR TOURISM FDI, 2018-2022

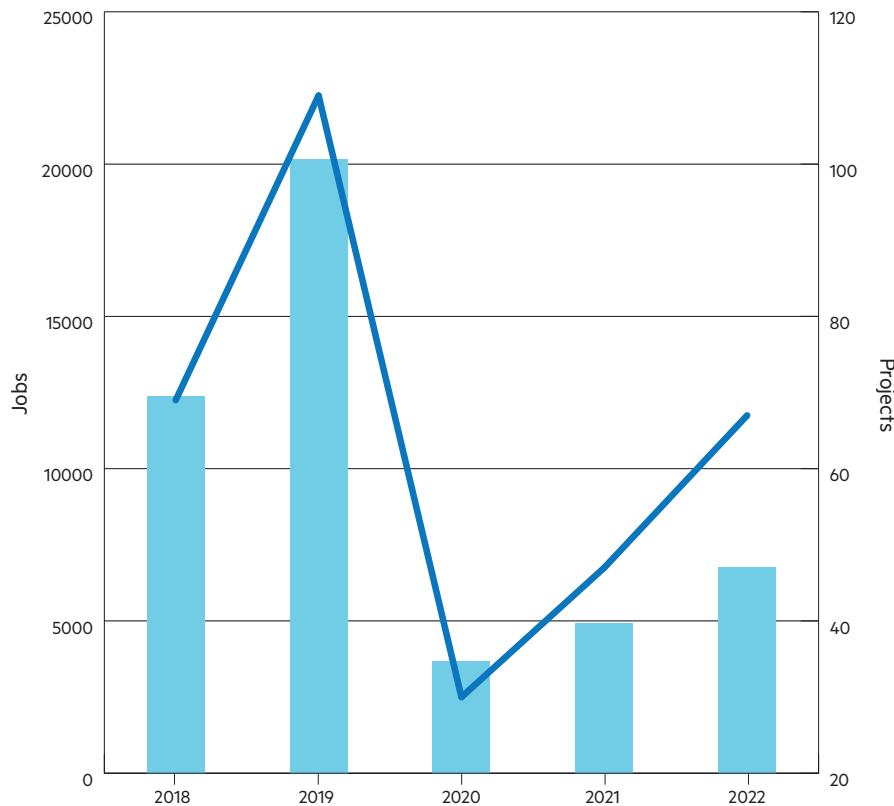


Source: fDi Markets (www.fdimarkets.com)

*Morocco's borders are based on the map published by the UN geospatial service

TOURISM FDI INTO THE MIDDLE EAST AND AFRICA, 2018-2022

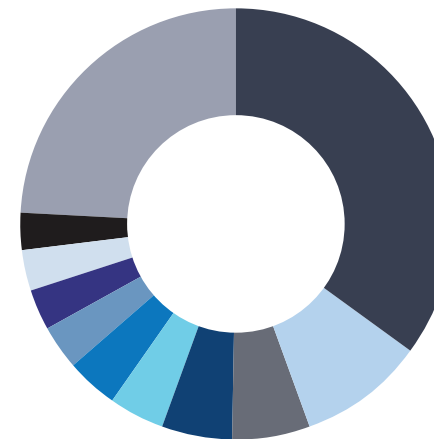
Projects Jobs*



Total projects
322

Total jobs*
47,922

LOCATION OF TOURISM FDI PROJECTS INTO THE MIDDLE EAST AND AFRICA, 2018-2022



- 35% UAE
- 9.6% Saudi Arabia
- 5.9% Egypt
- 5.0% Morocco
- 4.3% Qatar
- 4.0% Oman
- 3.1% South Africa
- 3.1% Bahrain
- 3.1% Tanzania
- 2.8% Israel
- 24% Other

Source: fDi Markets (www.fdimarkets.com)

Facts and figures

- **Israel** garnered \$224m-worth of tourism FDI in 2022, which was a five-year high. Meanwhile the number of announced tourism-related investments destined for Israel declined by 33% from 2021 to 2022.
- The number of tourism FDI projects into **South Africa** declined by one-third from 2021 to 2022. Last year, South Africa welcomed 1.7% less capital investment than in 2021. However, tourism FDI into the country in 2022 resulted in the creation of approximately 360 new jobs which equates to 44% of all tourism jobs created in South Africa between 2018 and 2022.
- Between 2018 and 2022, **Oman** attracted more than \$1.8bn in capital investment from tourism FDI.
- In 2022, tourism FDI into **Mozambique** created more than 400 jobs and represented more than \$200m of capital investment. This accounts for approximately two-thirds of the total amount of tourism related investment into Mozambique between 2018 and 2022.

Sector overview

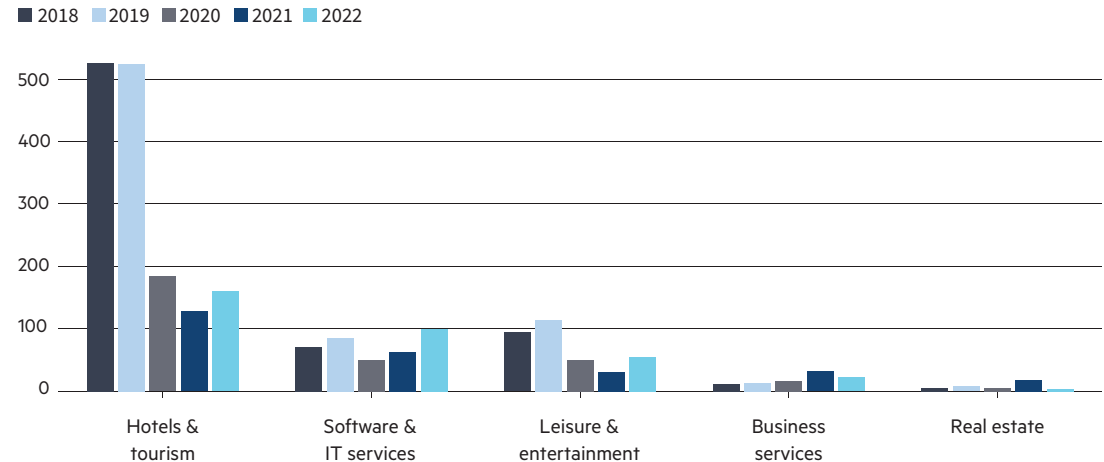
- The hotel and tourism sector accounted for almost two-thirds of all projects in the tourism cluster between 2018 and 2022. Foreign direct investment (FDI) project numbers increased by 25% from 2021 to 2022. However, capital investment in the hotel and tourism sector declined from \$48.9bn in 2018 to \$7.8bn in 2022. Meanwhile, job creation in the sector has remained at less than a third of its 2019 high of 94,300 since 2020.

- Between 2018 and 2022, accommodation remained the largest sub-sector of tourism FDI globally, accounting for more than half (51%) of all FDI projects. More than 70% of capital investment (\$126.8bn) and job creation (270,000) in the tourism cluster was generated by the accommodation sub-sector during the same period.

- Travel arrangements and reservation services ranked as the second-largest sub-sector for tourism FDI by number of projects recorded between 2018 and 2022. FDI project numbers in the sub-sector grew almost 2.5 times from 29 in 2021 to 72 in 2022 — almost equal the subsector’s 2019 total, signalling a strong rebound in the industry as international tourism started to recover following the impact of Covid-19.

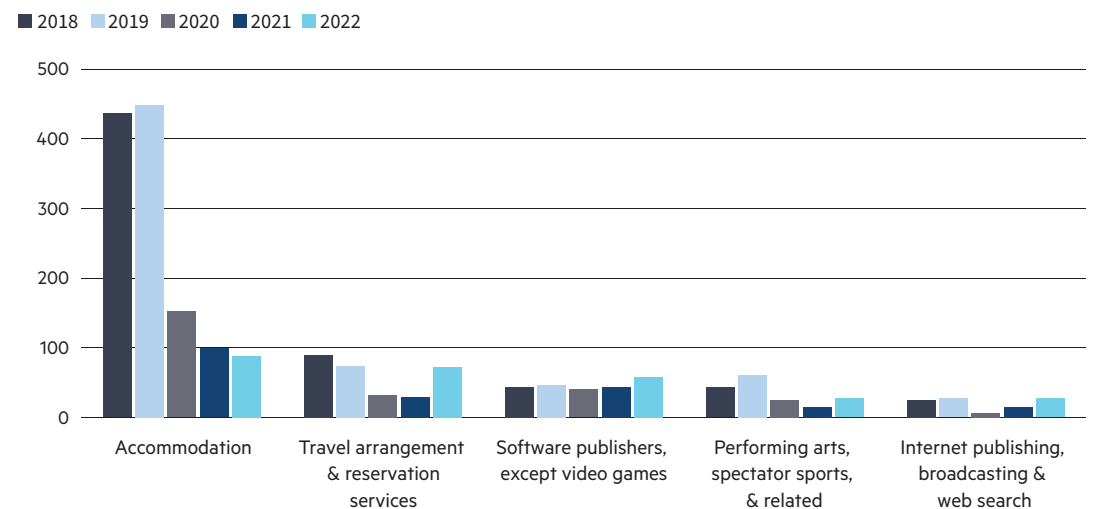
- Software and IT services was the second-largest sector for tourism FDI projects between 2018 and 2022. Its share of global FDI tourism projects grew from 10% in 2018 to 16% in 2020, 22% in 2021 and 28% in 2022, indicating the sector’s resilience and its ongoing shift towards digitisation. The software publishers (excluding video games) sub-sector was the third-largest recipient of FDI projects, growing by 32% between 2018 and 2022.

TOP FIVE SECTORS FOR GLOBAL TOURISM FDI PROJECTS 2018-2022



Source: fDi Markets (www.fdimarkets.com)

TOP FIVE SUB-SECTORS FOR GLOBAL TOURISM FDI PROJECTS 2018-2022



Source: fDi Markets (www.fdimarkets.com)

Companies

The North America and Asia-Pacific regions each contribute three companies to the top 10 investors list for tourism foreign direct investment (FDI) between 2018 and 2022. The rest of the top 10 comprises companies from Europe, with Spain-based Melia, UK-based Intercontinental Hotels Group, France-based Accor and UK-based Selina all featuring.

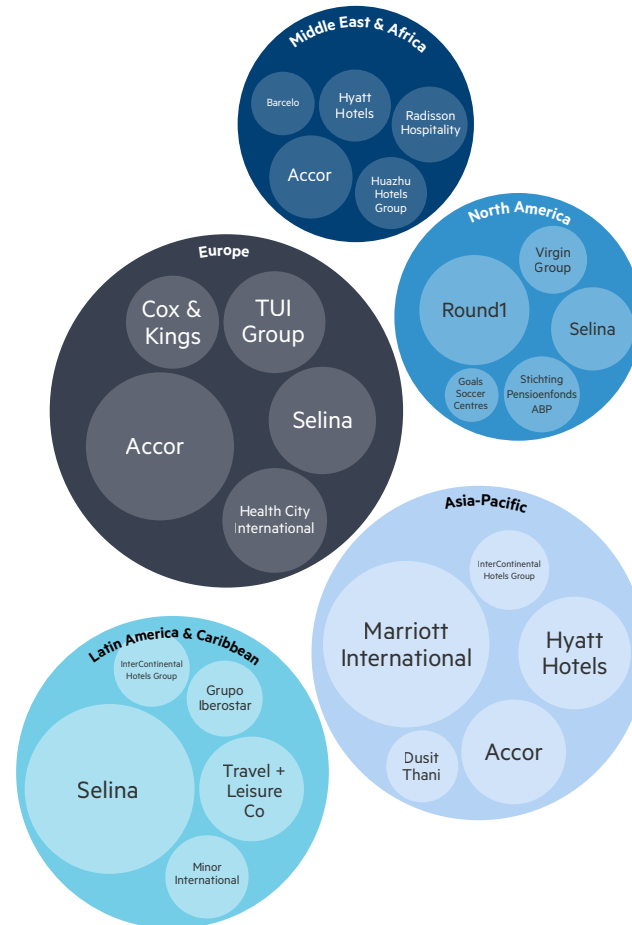
Selina, a hospitality brand that targets millennial and Gen Z travellers, was the top company for tourism FDI between 2018 and 2022. The company, which was founded in 2012, announced 90 projects during the 2018–2022 period, which is 11 more than second-placed Accor. Selina was also significantly ahead of other investors for new jobs, with an estimated 23,700 roles created. The main regional destination market was Latin America. The company also established a research and development centre in Tel Aviv, Israel in February 2018, which created 40 jobs for developers and software engineers, reinforced by an announcement in April 2019 that the centre would be further expanded.

Despite being in expansion mode across hotels and technology, Selina has faced hurdles this year. In the first quarter of 2023, the company published revenues of \$54.2m, which represents a 32% increase on the same quarter in 2022, while occupancy rates also experienced growth. Yet the company still incurred a loss of \$30.3m and is laying off 350 full-time employees by October 2023, with property closures also on the agenda.

US-based Marriott International, the lead tourism investor between 2017 and 2021, announced 75 projects in the 2018–2022 period. Its top market was Asia-Pacific, with 48 inbound projects recorded. Marriott placed second for jobs created and capital invested, with an estimated 17,400 jobs and \$11.3bn of capital investment generated.

The company looks in healthy shape moving forward, despite losing its hold over the tourism FDI market, with net income

TOP FIVE INVESTORS BY REGION FOR TOURISM FDI, BY NUMBER OF PROJECTS 2018–2022



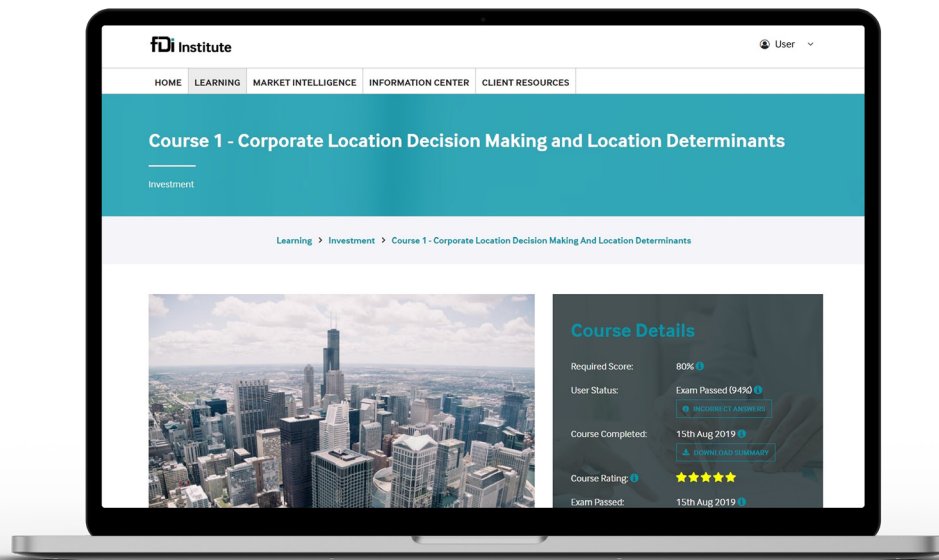
Source: fDi Markets (www.fdimarkets.com)



Selina, a hospitality brand that targets millennial and Gen Z travellers, was the top company for tourism FDI between 2018 and 2022

during the fourth quarter of 2022 representing an increase of \$205m on the same quarter in 2021. Marriott also intends to make significant investments in its customer-facing technologies, a positive considering the multiple data breaches recently experienced by the company.

The top company for tourism software FDI for the 2018–2022 period was China-based Shiji Group, which announced 12 projects. Key investments included the establishment of a new corporate headquarters in Hollywood, Florida, which created 70 jobs, and a European headquarters opening in Amsterdam for its StayNTouch subsidiary, a company focused on mobile technology and property management systems. Germany-based Holidu, the developer of a software solution for the tourism market, also announced more than 10 projects, with several offices opened across Europe for its Bookiplay subsidiary.



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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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