

Tourism

An Industry Strategy for Growth to 2025

An Autumn progress report update

2025

Introduction

In March 2018 the Irish Tourism Industry Confederation (ITIC) published an 8 year roadmap for the tourism sector in Ireland entitled *Tourism: An Industry Strategy for Growth to 2025*.

The Strategy, devised after a 10-month long consultation period with the tourism and hospitality sector throughout Ireland, sets out ambitious goals for Irish tourism including a 65% growth in tourism earnings from overseas visitors and 80,000 more jobs nationwide.

The Strategy identified some key enabling factors and sets out 51 policy recommendations that ITIC feel need to be implemented in order for Ireland's largest indigenous industry to realise its potential in the years ahead.

At the Strategy launch ITIC committed to reporting progress updates on the Strategy every 6 months and this Autumn 2018 statement does that. In total we find that key enabling factors are in place but under pressure, while of the 51 recommendations, a total of 6 have already been achieved with 32 in progress and 13 yet to commence.

Thank you for your interest in tourism, a key sector of the economy that should never be taken for granted, and one that has much more potential to deliver which can only be positive for employment, the regions, industry, and the exchequer.



Maurice Pratt
Chair of ITIC



Ruth Andrews
Deputy Chair of ITIC



Eoghan O'Mara Walsh
CEO of ITIC

Size of the prize

2017

2025

Overseas visitor revenue



€4.9 billion

€8.1 billion

+65%

Employment



230,000 jobs

310,000 jobs

+35%

Visitors



8.9 million visitors

13.7 million visitors

+54%

Tax Receipts



€1.13 billion

€1.86 billion

+65%

Enabling factors

2025

Progress update

More hotel bedrooms.

11,000

Latest CBRE analysis identifies 1,468 bedrooms opening in 2018 and further 3,452 are on site. Most new builds are in Dublin, but activity in Cork and Galway too.



Retention of a competitive tax rate.

9%

Tourism Vat rate under threat in Budget 2019. Must be maintained – a key enabling policy for tourism success.



Good to very good value for money ratings.

>60%

According to most recent Fáilte Ireland surveys this rating is at 52%, a fall of 6% from the previous year. Industry and economy must remain competitive.



Annual Government investment programme in tourism development.

€60 million

The National Development Plan 2018 – 2027 allocated €300m (or €30m per annum) to tourism for product development. Inadequate to develop new products of scale and international appeal.



2025

Progress update

More access into Ireland.

40%

Air access will have increased by 6% summer 2018 with 10% growth estimated for winter 2018/9. Sea access affected by operational issues in 2018 but positive for years ahead.



Increased annual agency budgets for overseas marketing and industry support.

€50 million

Await Budget 2019. Tourism current budgets underfunded since 2008 & extra allocation needed to increase overseas marketing, provide Brexit fund, and enhance Agency operational budgets.



Ireland's rating as matching or exceeding holiday expectations.

>90%

Latest Fáilte Ireland surveys identify 99% of respondents as stating that Irish holidays matched or exceeded expectations.



Enhanced terminal facilities and new runway at Dublin Airport.








Ireland's key infrastructural issue. DAA making significant progress with €900m planned investment on new runway and increasing gates by 30%. Planning restrictions on runway must be lifted.







Competitiveness – the key ingredient for sustainable tourism growth

Recommendation	Progress Update
Recommendation Tourism development programmes encouraging investment be aligned with the Government's infrastructure plans as outlined in the National Planning Framework to 2040.	Progress Update Await national tourism product development plan to be unveiled by Fáilte Ireland Q4 2018.
Lead Responsibility Fáilte Ireland & industry	Progress Indicator 
Recommendation Tourism competitiveness be monitored and addressed in line with recommendations of the National Competitiveness Council paying particular attention to labour, insurance and taxation costs.	Progress Update According to National Competitiveness Council latest report, Ireland is losing competitiveness with business costs rising.
Lead Responsibility Government	Progress Indicator 
Recommendation Assessment of the impact of the range of state imposed costs on tourism businesses and the sector's competitiveness.	Progress Update This study to be carried out by Fáilte Ireland in 2019/20.
Lead Responsibility Fáilte Ireland & industry	Progress Indicator 
Recommendation Employment permits system to be reviewed in consultation with industry to ensure it is aligned with emerging labour market needs and visitor profiles.	Progress Update Concern in this area for tourism industry. Relaxation of restrictions in non-EU employees but new maximum of permits per hospitality business.
Lead Responsibility Department of Business, Enterprise and Innovation	Progress Indicator 
Recommendation A competitiveness monitor be upgraded and shared with the industry in real-time to influence policy and commercial decisions for the benefit of the visitor.	Progress Update Monitor expected to be developed and published by Fáilte Ireland in 2019/20.
Lead Responsibility Fáilte Ireland	Progress Indicator 






Improving access and delivering opportunities

Recommendation	Progress Update
Recommendation Prioritise and expedite terminal enhancements and new runway development at Dublin Airport.	Progress Update Commitment by daa of €900m in new runway and 30% more piers/gates and improved transfer facilities. Planning concerns remain a major obstacle to maximizing development of new runway.
Lead Responsibility Government/daa	Progress Indicator 
Recommendation Continued zero-rating of Airport Departure Tax, competitiveness of landing charges, and expansion of US pre-clearance facilities.	Progress Update Await Budget 2019. No ADT vital to incentivise new routes. Landing charges for Dublin Airport for next 5 years to be determined by Regulator in 2019.
Lead Responsibility Government/ Commission of Aviation Regulation	Progress Indicator 
Recommendation Increased co-operative marketing funds with industry partners in line with agency budget increases.	Progress Update Await Budget 2019 and Tourism Ireland budget allocation. Marketing budget needs to be restored to pre-recession levels to ensure that opportunities are maximized.
Lead Responsibility Tourism Ireland	Progress Indicator 
Recommendation Formation of an airport task-force to drive demand on sustainable tourism routes to support regional access.	Progress Update Limited progress in this area to date. Regional tourism groups to be established.
Lead Responsibility Fáilte Ireland with Tourism Ireland	Progress Indicator 
Recommendation A liberalised access regime is secured as part of any new EU/UK deal.	Progress Update Await outcome of Brexit negotiations. Very worrying that aviation not given more prominence in EU/UK negotiations and no alternative to Open Skies in place.
Lead Responsibility Government	Progress Indicator 







Increasing capacity to meet aspiration growth

Recommendation	Progress Update
Recommendation A clear, prioritised and actionable strategy designed to ensure visitors are dispersed and stay throughout the country is put in place.	Progress Update Key strategic pillar of Fáilte Ireland over past two years. Fáilte Ireland development plan to be published Q4 2018 to provide greater insight.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation An ongoing review of key enablers and barriers to new accommodation including strategic development zones, streamlined & fast-tracked planning to enable new builds.	Progress Update Significant construction underway however planning delays and problems still apparent.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation A review be undertaken of historic state owned buildings that could be used for tourism purposes.	Progress Update No progress on this to date.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation That a €600 million capital investment programme, channeled through Fáilte Ireland, is allocated to tourism over the coming decade to help create new attractors of scale and international appeal.	Progress Update Current National Development Plan 2018-27 allocates only €300m to tourism and funding back-loaded. Review of Plan in 2021 and tourism needs more capital funding.
Lead Responsibility Government	Progress Indicator 







Exchequer capital investment in Irish tourism; Investing in new tourism products and experiences

Recommendation	Progress Update
Recommendation A published spatial plan outlining Exchequer investment in new tourism products of scale and international appeal.	Progress Update Await Fáilte Ireland's development plan for Irish tourism which is due to be published Q4 2018.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation A €600 million public capital investment programme in new tourism products over a 10 year period.	Progress Update Current National Development Plan 2018-27 allocates only €300m to tourism and funding back-loaded. Review of Plan in 2021 and tourism needs more capital funding.
Lead Responsibility Government	Progress Indicator 
Recommendation Prioritise and fast-track tourism-enabling infrastructure such as airport development, rail link to Dublin Airport, national broadband plan, improved motorway access, and coach parking facilities.	Progress Update Metro North announced as airport link but not until 2026. Broadband tender submitted by consortium September 2018. Coach parking facilities still inadequate.
Lead Responsibility Government	Progress Indicator 
Recommendation Development of a new events/ convention centre outside Dublin.	Progress Update Cork Events /Conference Centre very slow to progress and causing great frustration to regional industry. New planning submitted for 6,000 capacity venue to Cork City Council. Public-Private project and funding still to be finalised.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation Maximising public investment and operational efficacy in state-owned tourism assets.	Progress Update Significant investment by Fáilte Ireland in state owned assets but same assets are still not tourism-oriented enough.
Lead Responsibility Fáilte Ireland	Progress Indicator 






Managing the challenge of Brexit

Recommendation	Progress Update
Recommendation The preservation of the Common Travel Area between the UK and Ireland and a soft border on the island of Ireland.	Progress Update No clarity yet - major concern for Irish tourism industry. Must be a key part of Brexit outcome. Backstop seemed to assure a soft border but this now in doubt.
Lead Responsibility Government	Progress Indicator 
Recommendation Ensuring that value for money is delivered consistently to the British consumer and no additional tax or regulatory burdens are placed on the Irish tourism industry.	Progress Update British holidaymakers reporting a decline in value for money ratings. This is driven by weakened sterling but onus on industry and Government to ensure costs are managed.
Lead Responsibility Industry and Government	Progress Indicator 
Recommendation The harmonisation of regulatory standards across the island of Ireland.	Progress Update No clarity yet - major concern for Irish tourism industry. Must be a key part of Brexit outcome.
Lead Responsibility Government	Progress Indicator 
Recommendation The retention of liberalised aviation and sea access regime between the UK and the EU.	Progress Update Await outcome of Brexit negotiations. Very worrying that aviation not given more prominence in EU/UK negotiations and no alternative to Open Skies in place. Will customs checks be applied at sea ports thereby affecting smooth flow of tourism?
Lead Responsibility Government	Progress Indicator 
Recommendation The support of an all-island approach to tourism marketing.	Progress Update Key outcome of post-Brexit scenario - all island marketing has worked well for Ireland and should not be undermined.
Lead Responsibility Government	Progress Indicator 
Recommendation A resourced Brexit action plan for tourism sector.	Progress Update To date no additional resources for tourism to Brexit-proof sector. ITIC has estimated a hard Brexit will cost Irish tourism €260m in immediate aftermath. Irish tourism uniquely vulnerable to Brexit with 39% of all visitors coming from Britain.
Lead Responsibility Government	Progress Indicator 

State support framework to facilitate tourism growth

Recommendation	Progress Update
Recommendation Tourism to be strengthened as a senior cabinet post with economic focus.	Progress Update Tourism still not elevated at cabinet level as powerful economic engine.
Lead Responsibility Government	Progress Indicator 
Recommendation A "whole of government" approach and national policies tourism-proofed to ensure best fit with industry and visitor needs.	Progress Update Government decisions taken in isolation from tourism - example the Public Health Alcohol Bill and potential damage to visitor attractions.
Lead Responsibility Government	Progress Indicator 
Recommendation Alignment between local authorities and Fáilte Ireland to ensure maximisation of tourism strategies and enhanced tourism role for publicly-elected Dublin Lord Mayor.	Progress Update Fáilte Ireland signed a Memorandum of Understanding in late March with Local Authority Managers which commits both organisations to work together in strategic areas.
Lead Responsibility Local Authorities/ Fáilte Ireland	Progress Indicator 
Recommendation External review be conducted of Fáilte Ireland to ensure sharper definition of role and responsibilities with appropriate levels of funding and resourcing.	Progress Update It is anticipated that an action within the department's next Tourism Action Plan 2018-2020 will be to conduct an assessment of Fáilte Ireland, specifically in areas of product development, labour skills and research, to ensure appropriate resources and improved output.
Lead Responsibility Department of Transport, Tourism and Sport	Progress Indicator 
Recommendation The IDA, working with Fáilte Ireland, to be tasked with attracting would-be international investors to Irish tourism sector.	Progress Update No progress on this to date.
Lead Responsibility Government	Progress Indicator 
Recommendation Enhanced and improved data be made available in real time to the tourism industry including creation of Tourism Satellite Account.	Progress Update Fáilte Ireland have committed to quicker qualitative data to industry and CSO have agreed to explore development of a Tourism Satellite Account.
Lead Responsibility Fáilte Ireland/ CSO	Progress Indicator 






Delivering a better regional and seasonal spread of tourism

Recommendation	Progress Update
Recommendation Development of a Greenways strategy and new stand-out tourism experiences in the North West and Midlands regions of Ireland.	Progress Update Greenways strategy launched with commitment by Government of €53m over 3 years and at least one cost-to-coast Greenway. No evidence yet of stand-out attraction investment by state in NW or Midlands but await Fáilte Ireland development plan expected Q4 2018.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation A published spatial plan outlining exchequer investment in new tourism products of scale and international appeal with regional targets of growth.	Progress Update Await Fáilte Ireland's national development plan for Irish tourism which is due to be published Q4 2018.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation Industry support of regional brand experiences in interpretation and promotion.	Progress Update Widespread use of Wild Atlantic Way and Ireland's Ancient East logos and collateral. Dublin branding still not warmly embraced and Ireland's Hidden Heartlands only recently launched.
Lead Responsibility Industry	Progress Indicator 
Recommendation Roll out of Midlands brand experience and cap number thereafter of regional brand experiences: Wild Atlantic Way, Ireland's Ancient East, Dublin, and Midlands.	Progress Update Ireland's Hidden Heartlands launched in April 2018 as brand for Midlands/Shannon corridor region. Broad welcome from industry.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation Prioritise enabling infrastructure to ensure ease of access to Ireland's regions, establishment of an airport access task-force, and enhanced co-operative marketing funds.	Progress Update Mixed results – better access to and within the regions needed to ensure tourism benefits spread
Lead Responsibility Government	Progress Indicator 

Getting marketing right — Selling Ireland to the world

Recommendation	Progress Update
Recommendation Invest in rejuvenation of tourism brand Ireland to increase levels of interest, share of voice and drive brand reassessment.	Progress Update New Ireland brand creative to be launched by Tourism Ireland in Q4 2018.
Lead Responsibility Tourism Ireland	Progress Indicator 
Recommendation An increase of €25 million in overseas tourism marketing funds.	Progress Update No increase in funding to date. Vital that this is addressed in Budget 2019.
Lead Responsibility Government	Progress Indicator 
Recommendation Growing Ireland's digital leadership in tourism marketing and e-commerce capabilities.	Progress Update New creative from Tourism Ireland needed to consolidate brand Ireland's strong digital leadership.
Lead Responsibility Tourism Ireland and Industry	Progress Indicator 
Recommendation Brand Ireland's communication message be developed to incorporate the quality and depth of Ireland's food offering.	Progress Update New Ireland brand creative to be launched by Tourism Ireland in Q4 2018 and expected to dial up Ireland's food offering.
Lead Responsibility Tourism Ireland	Progress Indicator 

An educated skilled and motivated workforce

Recommendation	Progress Update
Recommendation A strategically managed and funded communications programme to promote careers within tourism sector.	Progress Update Industry and agency initiatives continue but strategically managed and funded communications programme needed - await Fáilte Ireland tourism development plan Q4 2018.
Lead Responsibility Fáilte Ireland and Industry	Progress Indicator 
Recommendation Single accountable state agency, and appointment of Director of Function within, to assume management and co-ordination of tourism education, training, and skills needs.	Progress Update No director of function at Fáilte Ireland – await tourism development plan Q4 2018 to see how agency set to tackle this key area.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation Attracting talent from overseas to fill employment gaps.	Progress Update Visa numbers increased for non-EU workers but cap imposed on number of permits per hospitality business. No proactive overseas recruitment for tourism sector by Fáilte Ireland to date.
Lead Responsibility Fáilte Ireland and Department of Business, Enterprise & Innovation	Progress Indicator 
Recommendation Development of pilot programme to incentivise seasonal businesses to operate as training centres in off-season and roll-out of national apprenticeship schemes.	Progress Update No progress to date – a proportion of tourism businesses close October to March and opportunity missed to use facilities for training/skills update.
Lead Responsibility Fáilte Ireland and Industry	Progress Indicator 
Recommendation An Industry Talent Retention Strategy and Emerging Leaders Programme.	Progress Update New working group established by ITIC, IHF, RAI, VFI, AVEA, ITOA in this area.
Lead Responsibility ITIC and sectoral bodies	Progress Indicator 

A balanced portfolio of tourism markets

Recommendation	Progress Update
Recommendation Increasing Ireland's global footprint and destination marketing funds.	Progress Update No increase in funding to date for tourism. Finite budgets being spread too thinly. Government must start honouring commitment and increase tourism funding in Budget 2019.
Lead Responsibility Government	Progress Indicator 
Recommendation Emphasis and focus on North America and Mainland Europe for accelerated growth.	Progress Update Significant growth and increased air and sea access coming from these markets.
Lead Responsibility Industry and Tourism Ireland	Progress Indicator 
Recommendation Investment in emerging new source markets to unlock growth opportunities and industry engagement in overseas sales missions.	Progress Update No increase in funding to date. Vital that this is addressed in Budget 2019 or else opportunity will be lost in new source markets.
Lead Responsibility Tourism Ireland and Industry	Progress Indicator 
Recommendation A strategic review of British market to consolidate share and target new segments.	Progress Update British market review close to completion and due to be published Q4 2018.
Lead Responsibility Tourism Ireland	Progress Indicator 
Recommendation Industry development programme to enhance capability to meet new market opportunities.	Progress Update New programmes underway with Fáilte Ireland, but additional funding needs to be allocated to meet industry needs.
Lead Responsibility Fáilte Ireland	Progress Indicator 
Recommendation Expansion of British-Irish Visa Schemes to other emerging markets to ensure competitive and efficient visa regimes for long-haul markets.	Progress Update Visa exemption for UAE. No expansion of British-Irish visa scheme to date and Brexit puts such schemes under threat.
Lead Responsibility Department of Justice and Equality	Progress Indicator 

Summary of Progress

Green progress indicator



Total
6

Action has been completed or is progressing well

Orange progress indicator



Total
32

Action is work in progress. Attention needed to ensure recommendation goes forward rather than slips back.

Red progress indicator



Total
13

No progress to date in this action. Improvement needed in this area to ensure tourism sector stays on track.

ABOUT ITIC

The Irish Tourism Industry Confederation (ITIC) represents the leading tourism interests and businesses throughout the Republic of Ireland. Through independent research, analysis and interpretation ITIC aims to help the tourism sector realise its full potential.

This strategy, devised and developed by Ireland’s tourism industry, sets ambitious goals and objectives for Irish inbound tourism to 2025 that can lead to higher revenues, more jobs and greater exchequer receipts.

MEMBERS

Aer Lingus
AIPCO
(Association of Irish Professional
Conference Organisers)
AVEA
(Association of Visitor
Experiences & Attractions)
B&B Ireland
Car Rental Council of Ireland
CIE Tours International
Coach Tourism & Transport Council
Convention Centre Dublin
Dublin Airport Authority

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Emirates
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Heritage Island
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Ireland’s Blue Book
Irish Boat Rental Association

Irish Caravan & Camping Council
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