

LA HERRERÍA SUMMER SCHOOL

THE ROLE OF TOURISM IN THE RECENT BUOYANCY OF THE SPANISH ECONOMY*

JOSÉ LUIS ESCRIVÁ

GOVERNOR OF THE BANCO DE ESPAÑA

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* ENGLISH TRANSLATION FROM THE ORIGINAL IN SPANISH

BANCO DE **ESPAÑA**
Eurosistema



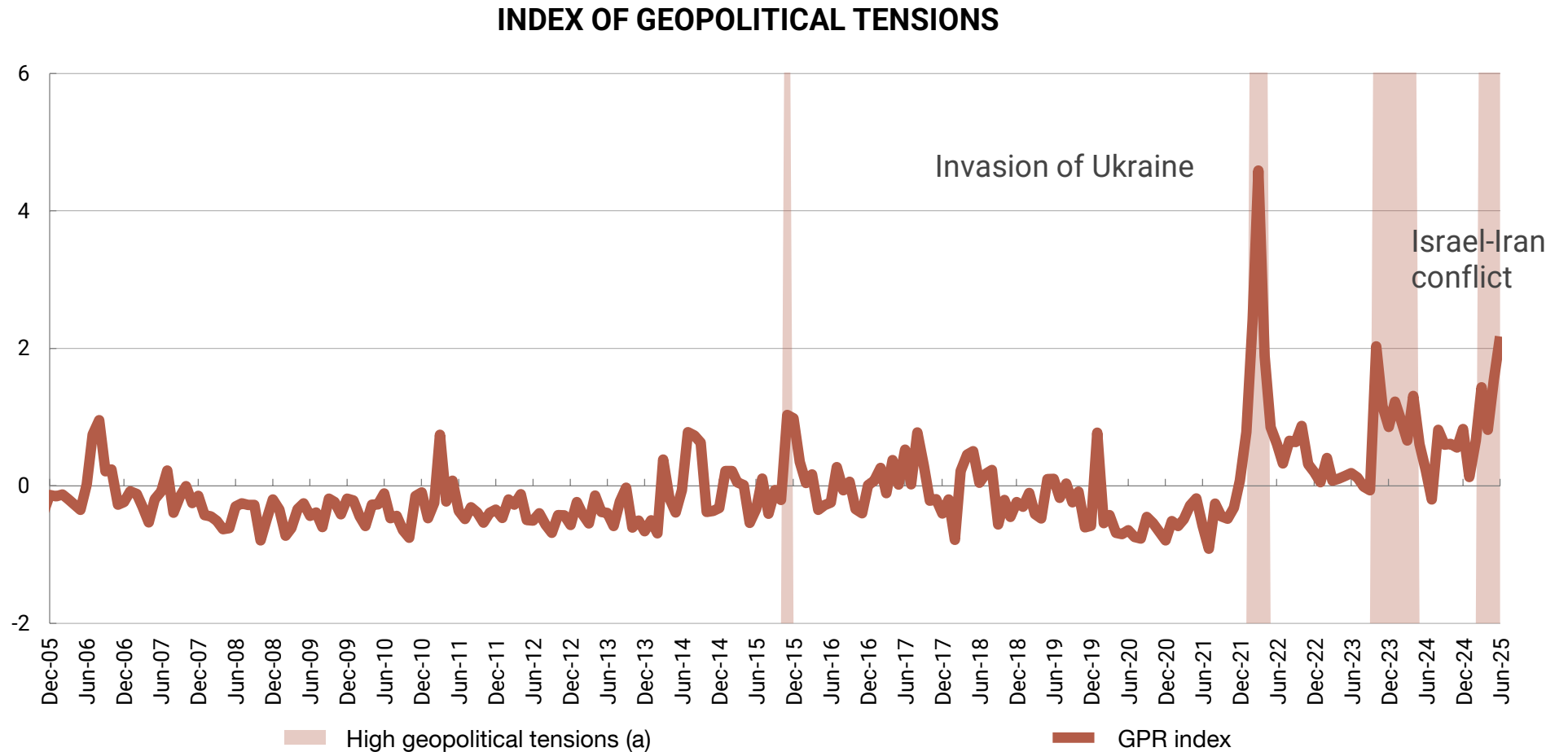


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A SUCCESSION OF GEOPOLITICAL SHOCKS CONTINUE TO IMPACT THE WORLD ECONOMY

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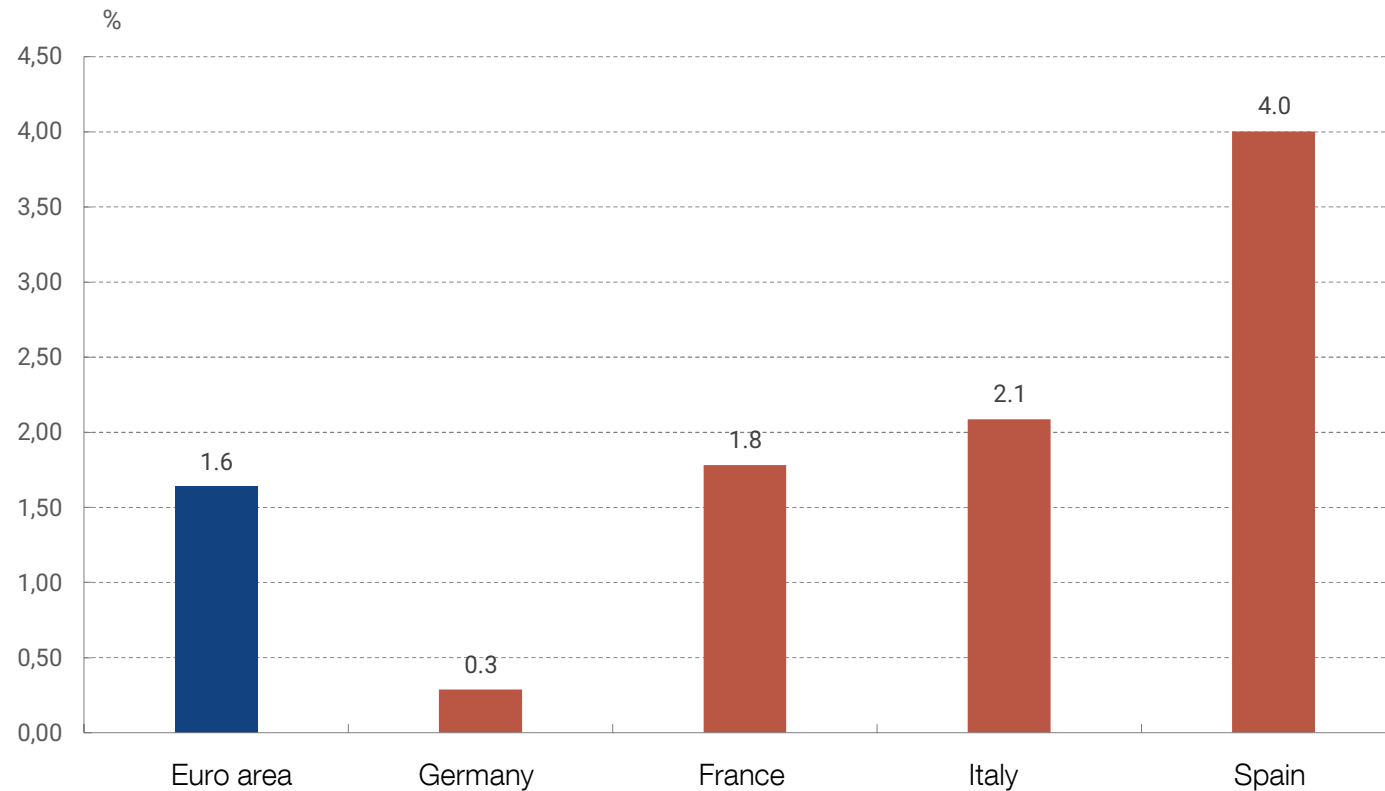


Sources: GPR index: Caldara and Iacoviello (2022).

a. Standardised indices. Shaded bands show the periods when the level of the index exceeds its historical mean by more than one standard deviation. Latest data: June 2025.

IN THIS SETTING, THE SPANISH ECONOMY HAS GROWN MORE THAN OTHER EURO AREA ECONOMIES

ANNUAL AVERAGE GDP GROWTH (2022-24)



Source: Eurostat.

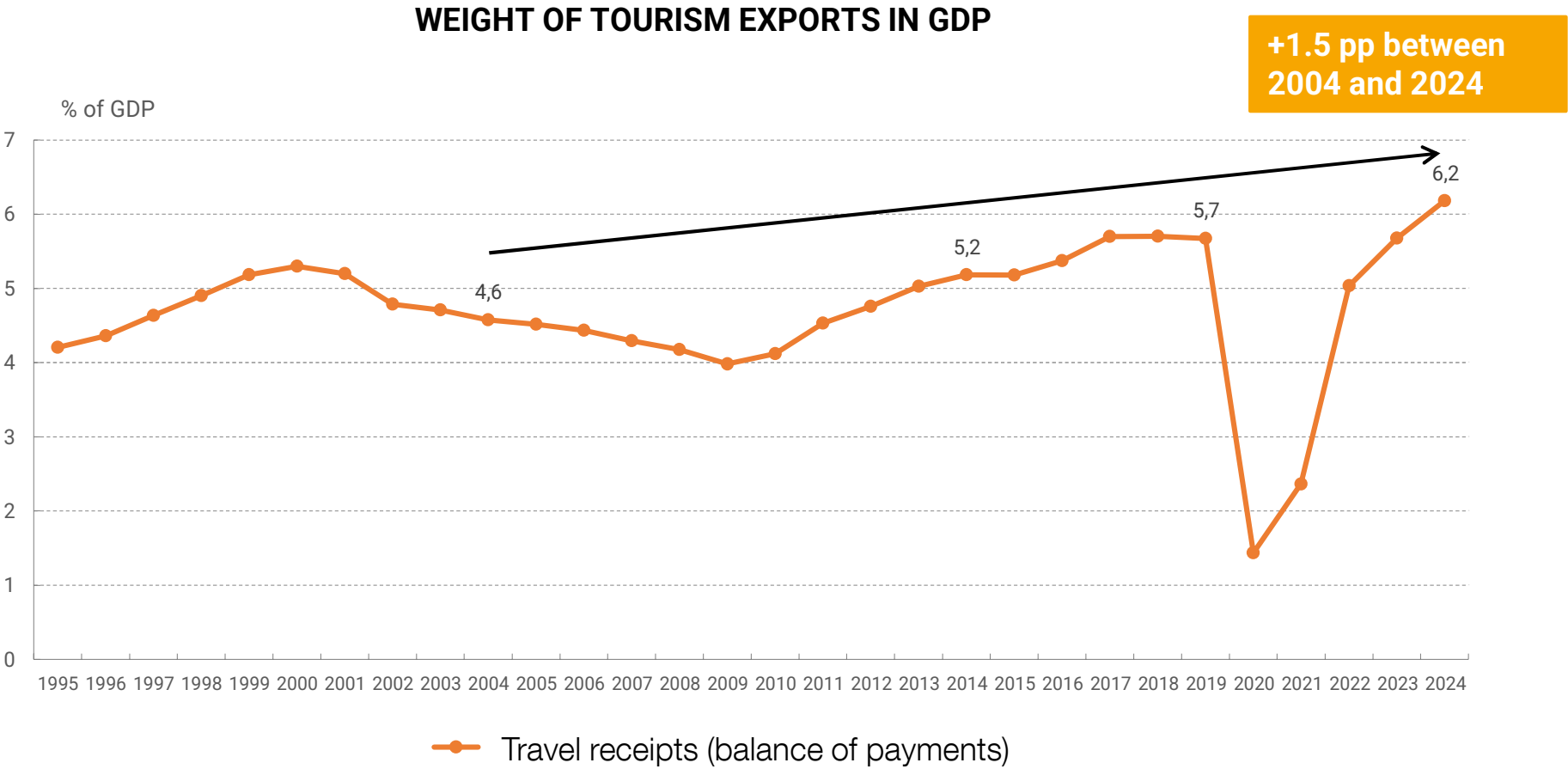
Unlike in other periods, this gap in growth has arisen without a build-up of macroeconomic imbalances being detected

1. TOURISM GROWTH IN FIGURES

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BUOYANT TOURISM EXPORTS HAVE CONTRIBUTED POSITIVELY TO ECONOMIC PERFORMANCE

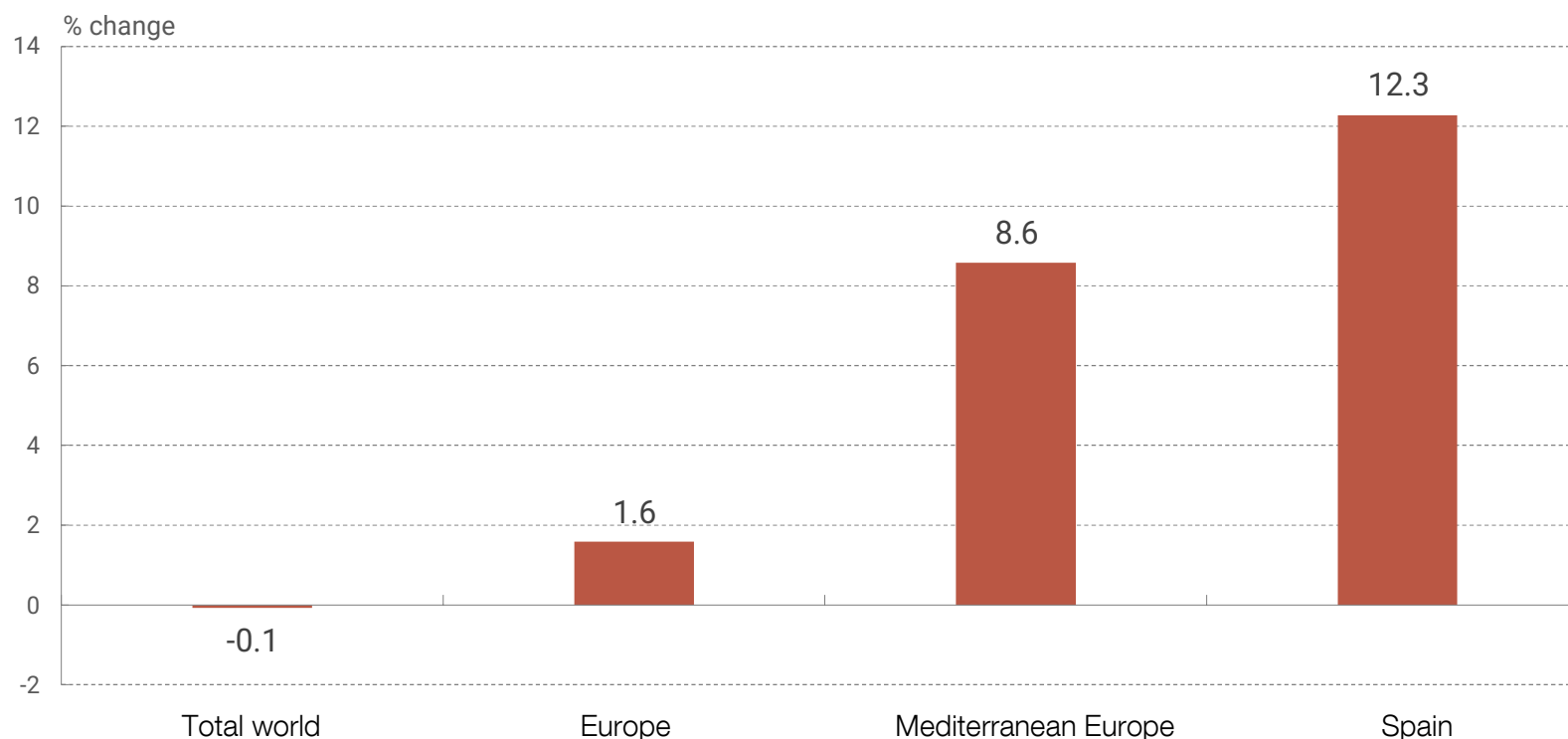
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Source: Banco de España.

ALL MEDITERRANEAN ECONOMIES HAVE SEEN AN INCREASE IN TOURIST NUMBERS SINCE THE PANDEMIC, BUT IT HAS BEEN MORE PRONOUNCED IN SPAIN

FOREIGN TOURIST ARRIVALS IN 2024 COMPARED WITH 2019



Source: UNWTO.

Note: Mediterranean Europe includes Albania, Andorra, Bosnia and Herzegovina, Croatia, Cyprus, Greece, Israel, Italy, Malta, Montenegro, North Macedonia, Portugal, San Marino, Serbia, Slovenia, Spain and Türkiye.

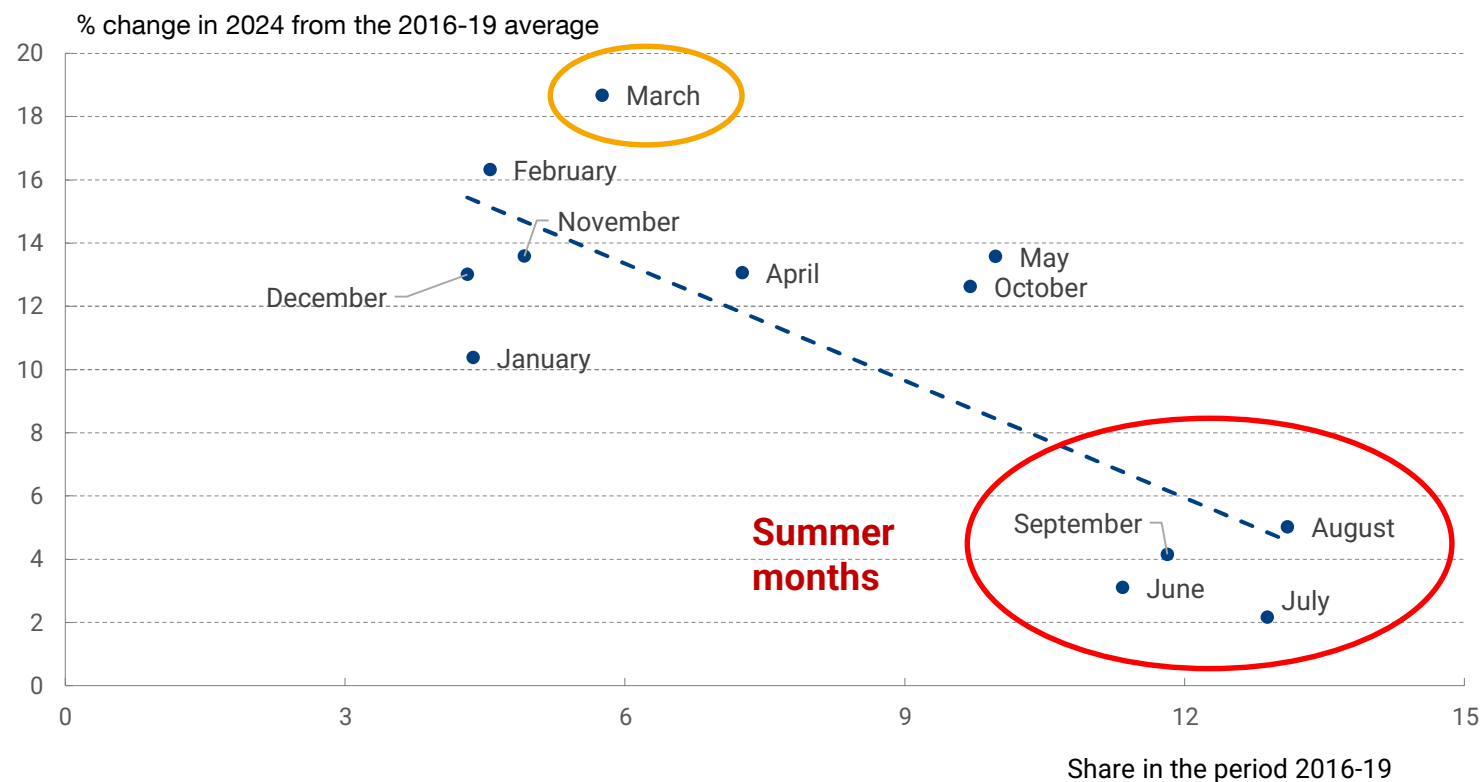
In 2024, nearly 94 million tourists visited Spain, 10 million more than in 2019

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THIS MOMENTUM IN TOURISM APPEARS TO ALSO BE LINKED TO A SEASONAL DIVERSIFICATION OF TOURISM FLOWS TO SPAIN ...

HOTEL OVERNIGHT STAYS BY FOREIGN TOURISTS IN SPAIN BY MONTH



Sources: INE and Banco de España.

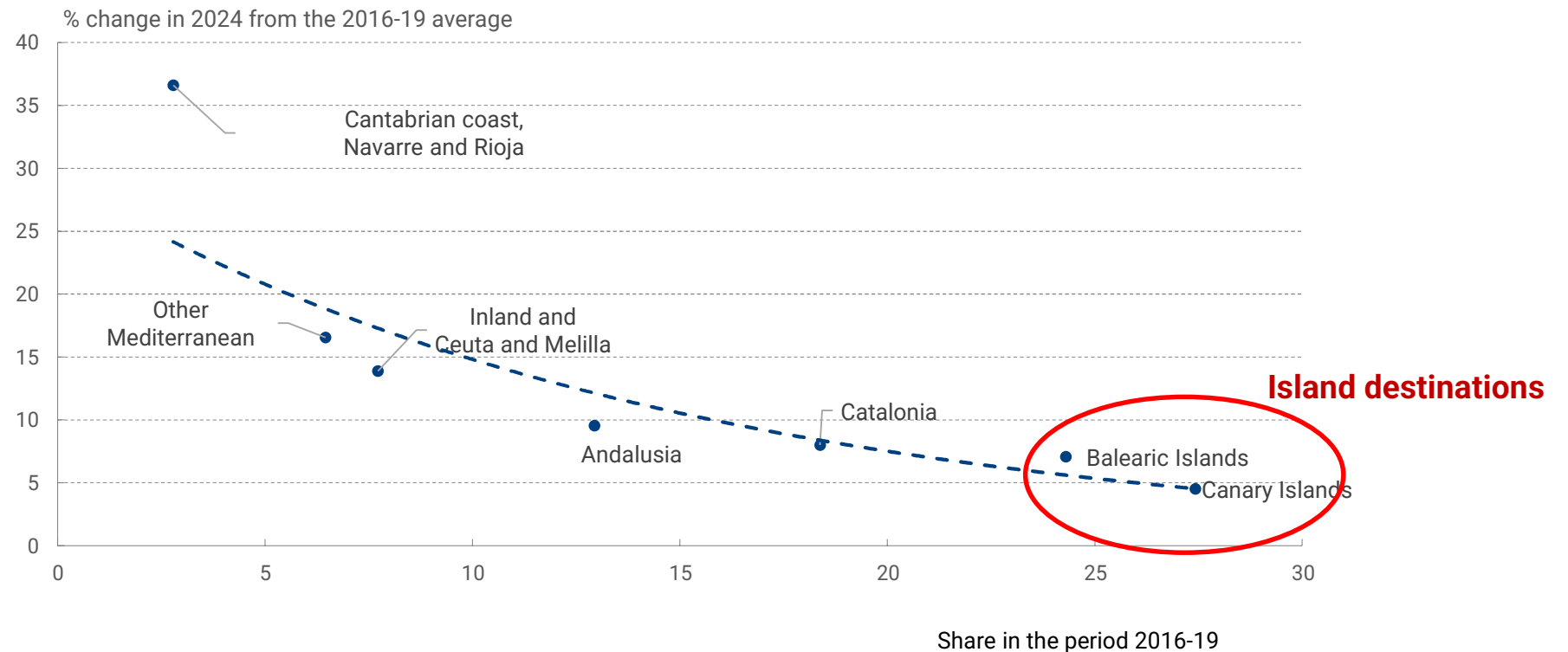
The number of overnight stays in hotels by foreign tourists increased by 18.7% in March 2024, compared with the same month in the years before the pandemic

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... AND TO A GREATER GEOGRAPHICAL DIVERSIFICATION OF DESTINATIONS ...

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HOTEL OVERNIGHT STAYS BY FOREIGN TOURISTS IN SPAIN BY REGION

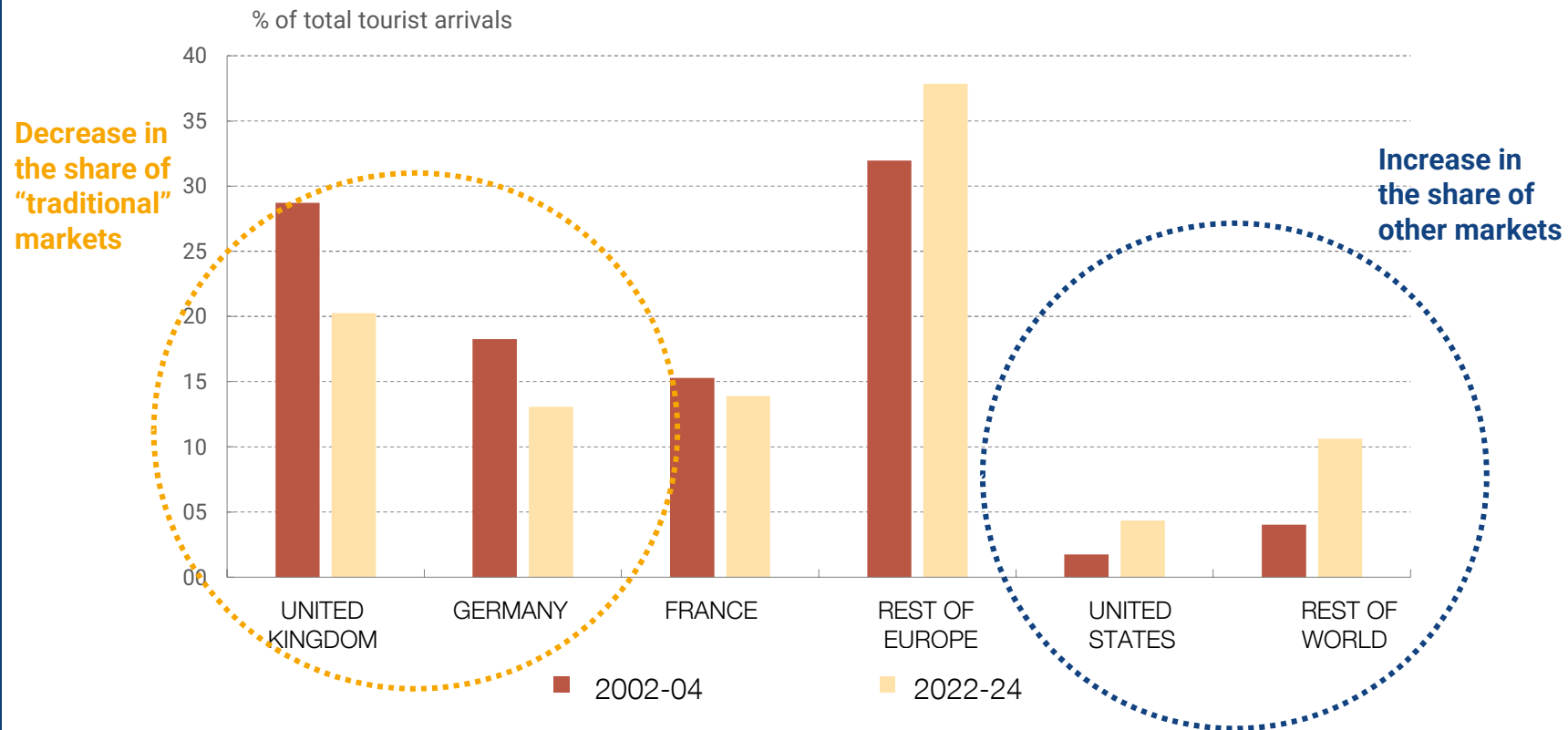


Sources: INE and Banco de España.

Note: "Cantabrian coast" includes Asturias, Galicia, Cantabria and the Basque Country; "Other Mediterranean" comprises Valencia and Murcia.

... AS WELL AS TO A SHIFT IN THE ORIGIN OF TOURISTS, WITH THE SHARE OF TRADITIONAL SOURCE COUNTRIES FALLING AND THAT OF OTHER MARKETS RISING

TOURIST ARRIVALS BY COUNTRY OF ORIGIN

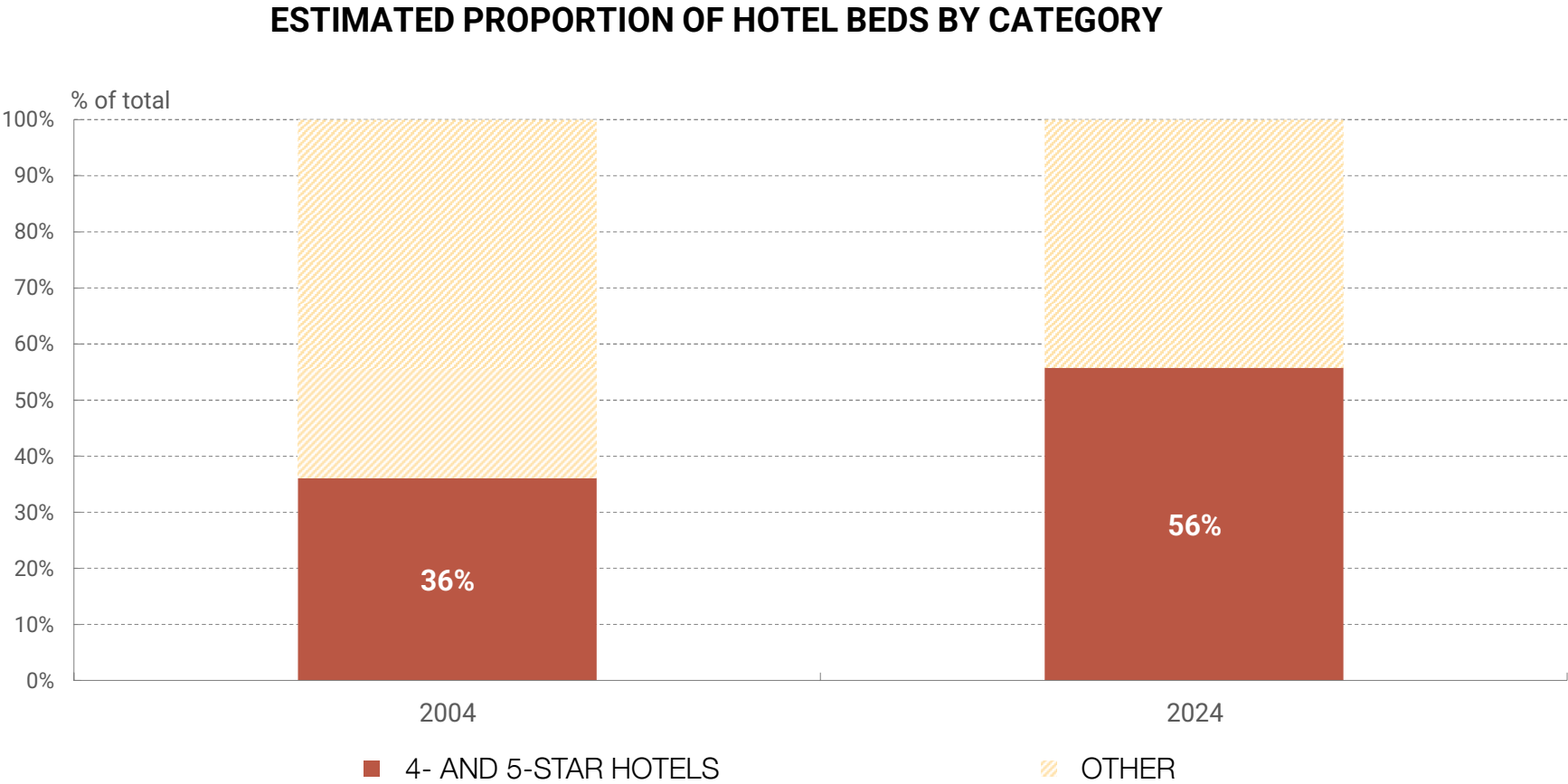


Sources: INE and Banco de España.

The share of tourists from the United Kingdom has fallen by 9 pp and that of German tourists by 5 pp, but we have attracted tourists from the United States and the rest of the world

THE QUALITY OF TOURISM SERVICES HAS ALSO IMPROVED, WITH THE SHARE OF BEDS IN 4- AND 5-STAR HOTELS RISING FROM ONE-THIRD OF THE TOTAL TO MORE THAN HALF OVER THE PAST 20 YEARS

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Sources: INE and Banco de España.



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SOME FACTORS HAVE DRIVEN TOURISM TO THE MEDITERRANEAN IN GENERAL AND TO SPAIN IN PARTICULAR, BUT THEIR STRUCTURAL OR CYCLICAL NATURE HAS YET TO BE STUDIED

A

**Shift in spending
towards leisure**

B

**Awareness that
services are easier to
provide across
borders** since the
pandemic, which has
paved the way for new
**forms of tourism that
combine work and
leisure**

C

**Fewer bottlenecks in
the labour market,**
particularly in
sectors with strong
demand such as
hospitality, owing to
migration flows

D

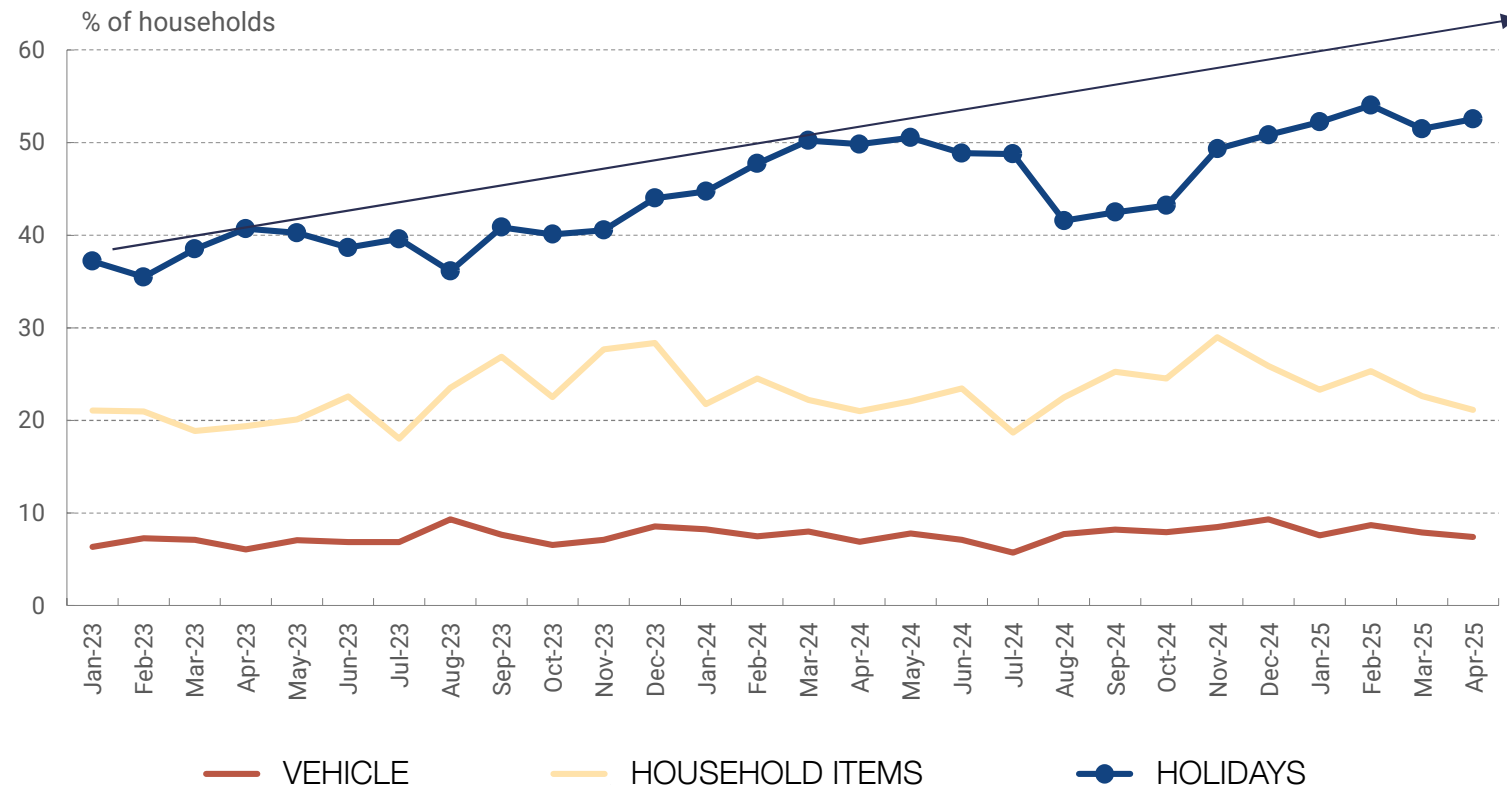
**Favourable
geopolitical swing**
towards southern and
western Europe

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A) SHIFT IN SPENDING TOWARDS LEISURE

PROPORTION OF EUROPEAN HOUSEHOLDS PLANNING TO SPEND ON MAJOR ITEMS OVER THE COMING 12 MONTHS



The proportion of households indicating that they plan to spend on holidays has risen by more than 15 pp

Source: ECB. Consumer Expectations Survey.

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B) SERVICES ARE EASIER TO PROVIDE ACROSS BORDERS SINCE THE PANDEMIC, WHICH HAS PAVED THE WAY FOR NEW FORMS OF TOURISM THAT COMBINE WORK AND LEISURE

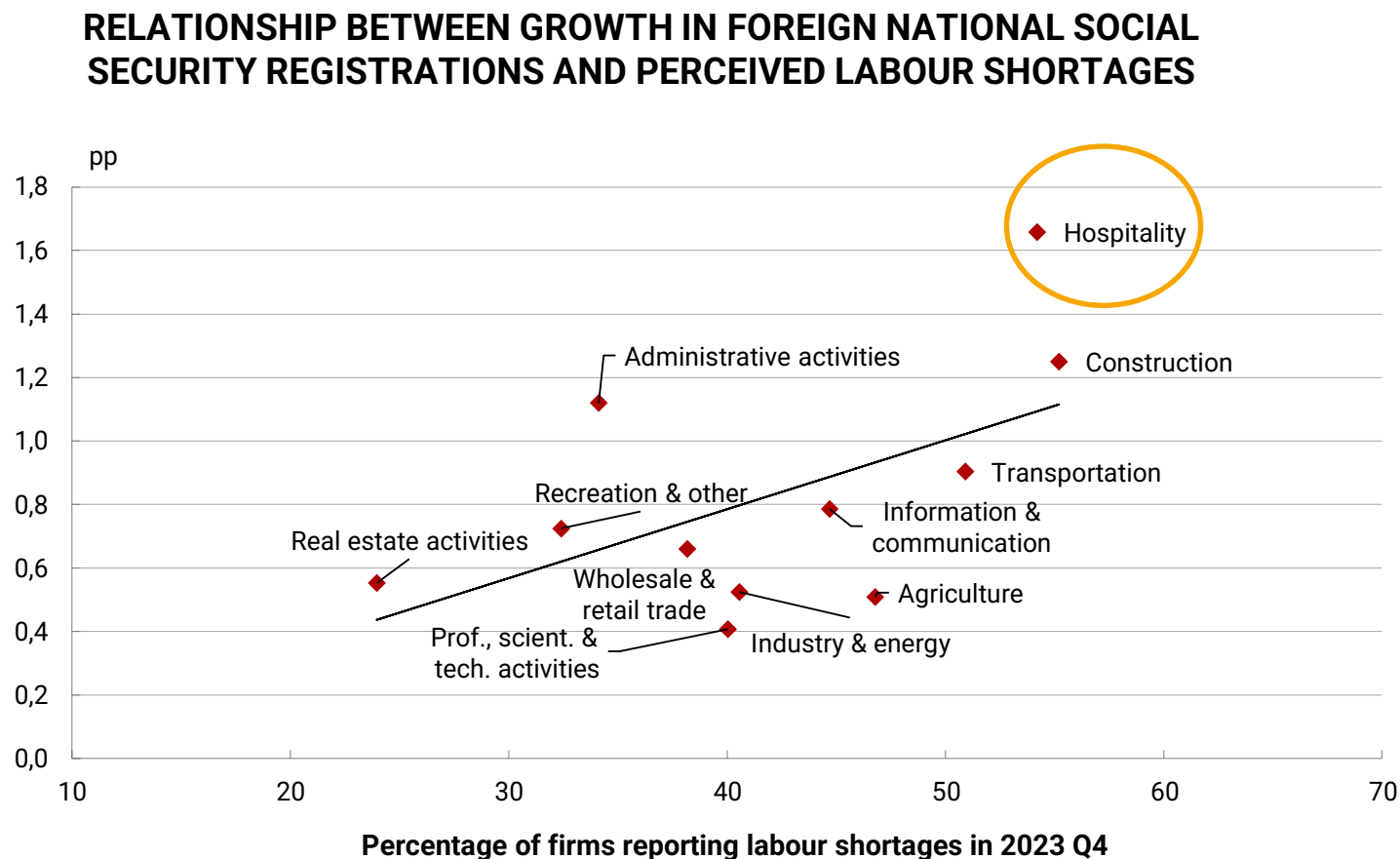


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C) FEWER BOTTLENECKS IN THE LABOUR MARKET, PARTICULARLY IN TOURISM-RELATED SECTORS, OWING TO MIGRATION FLOWS

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Change in the share of foreign national social security registrations between 2023 and 2024



Sources: Banco de España and Ministerio de Inclusión, Seguridad Social y Migraciones.

Growth in the foreign population has helped alleviate labour market tightness, to a greater extent in hospitality

76% of the jobs created in Spain since 2019 have been filled by foreign-born individuals

D) FAVOURABLE GEOPOLITICAL SWING TOWARDS SOUTHERN AND WESTERN EUROPE

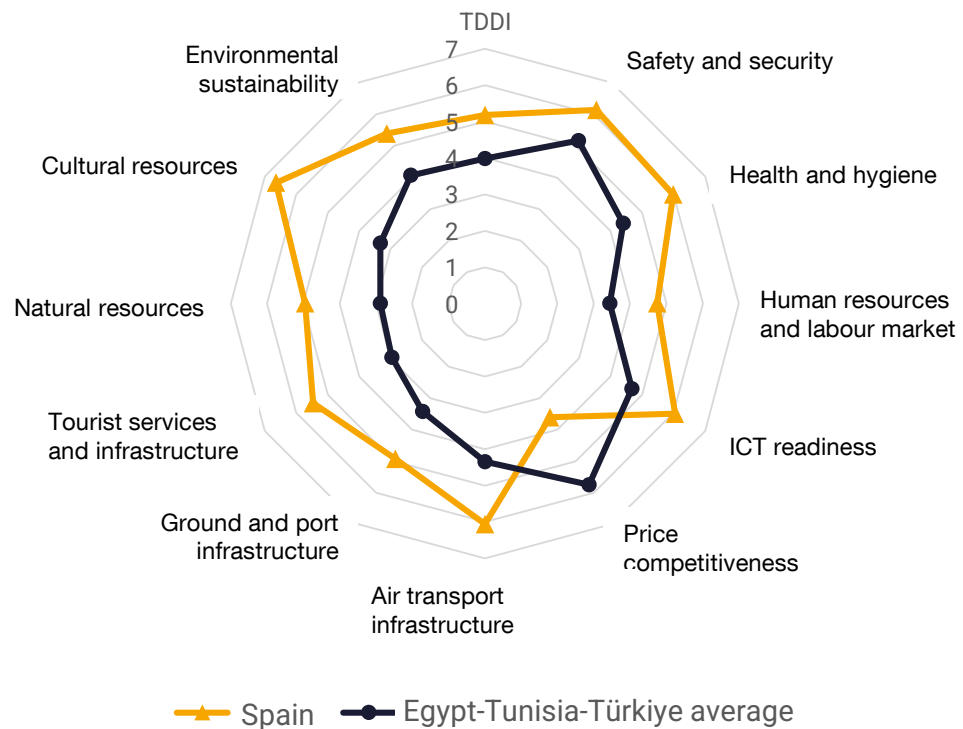
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News reports indicate a much smaller rise in geopolitical risk in southern and western Europe than in central European countries or in competitive tourist destinations such as Türkiye and Egypt

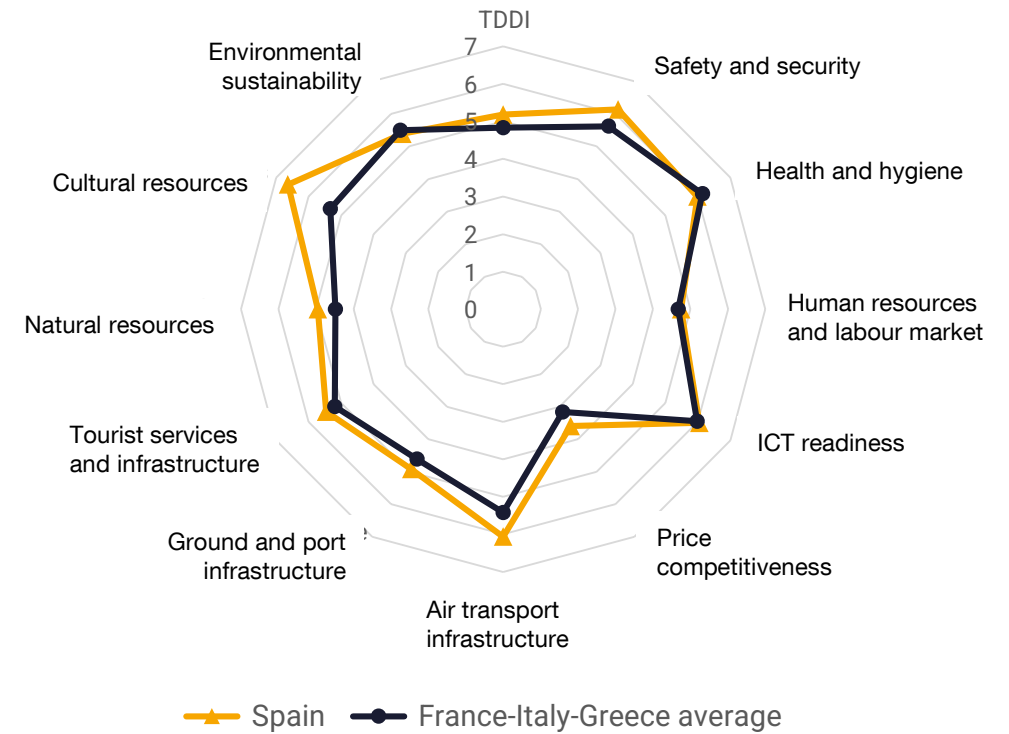
A Banco de España study shows that Spain traditionally receives a dividend on account of its greater stability at times of geopolitical uncertainty: our relative greater security increases the appeal of our tourism sector

BROADLY SPEAKING, THE SPANISH TOURISM SECTOR IS COMPETITIVE BY INTERNATIONAL STANDARDS

TOURISM COMPETITIVE INDEX IN NON-EU MEDITERRANEAN COUNTRIES IN 2024



TOURISM COMPETITIVE INDEX IN EU MEDITERRANEAN COUNTRIES IN 2024



Source: World Economic Forum.

As a tourism destination, Spain is notable for its safety and rich cultural heritage vis-à-vis its main competitors. It is more price competitive than other EU Mediterranean countries, but less so than other destinations outside the EU

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THE TOURISM SECTOR FACES A SERIES OF CHALLENGES, SOME OF WHICH ALSO AFFECT THE SPANISH ECONOMY AS A WHOLE

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Labour shortages

Climate change adaptation

Impact on the housing market

Infrastructure management

THANK YOU VERY MUCH