



## PRESS RELEASE

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Public thematic report

### SUPPORT FOR TOURISM DURING THE HEALTH CRISIS

**The Court of Accounts has carried out an assessment of the support measures deployed by the State and its operators in 2020 and 2021 to help tourism businesses cope with the crisis. These measures were presented to the sector's stakeholders at the interministerial committees on tourism of 14 May 2020 and 12 October 2020 and constitute what has been called the "tourism support plan". The scope of beneficiaries of the support measures covers activities as varied as transport, hotels, restaurants, cultural activities, amusement parks, travel agencies, gambling, airlines and the trade fair sector. The assessment published today aims to gauge the impact of these measures by answering three questions: Did the design and deployment of the tourism support measures maintain the viability of businesses? Have the emergency measures enabled tourism activity to resume and to respond to the return of tourists to France from the summer of 2020 and 2021? Has the tourism sector begun its transformation?**

#### **A sector greatly affected by the crisis**

Before the crisis, France was the number one tourist destination with almost 90 million tourists and 442 million overnight stays in 2019, and the French generated 63% of tourism revenue. Tourism was based on an exceptional heritage spread over the whole territory. Tourism accounted for 7-7.5% of the country's GDP from 2010 to 2020, while 320,000 businesses and over two million employees contributed to it. The health crisis, due to the resulting restrictions on mobility, had a major impact on the sector, which came to a virtual standstill at certain times. Tourist travel decreased by 73% worldwide in 2020. In France, the sector's revenue fell by 46% in 2020 and 2021, an unprecedented drop. State support for the tourism sector was announced in February 2020 with 29 exceptional measures that make up the "tourism support plan", some of which are specific to tourism and others common to all businesses. The aim of these measures was threefold: to provide urgent support to employees and companies to avoid bankruptcies and redundancies, to create the conditions for recovery by stimulating tourism supply and demand, and to transform the sector to enable the sustainability of the tourism activity.

#### **A sector protected by €45.5 billion in public aid**

The tourism sector benefited from €45.5bn of public aid in 2020 and 2021, provided by the State and its operators (the assessment does not include measures implemented by local authorities, which are less extensive). 98% of companies received at least one grant during this period. These grants compensated

for 88% of the losses in gross operating income and 25.8% of the loss of revenue in the sector. They led to a reduction of almost 44% in tourism business bankruptcies in 2020 and 2021 compared to 2019. The level of employment in the tourism sector has been broadly stabilised, with a limited drop of 0.4% between the end of 2019 and the end of 2021.

### **A resumption of activity as soon as the health restrictions were lifted**

Thanks to the massive aid granted in 2020 and 2021 and the adapted nature of the measures taken in conjunction with the professionals, the level of cash flow in the tourism sector increased by 50% compared to 2019 and businesses were able to meet demand. In fact, as soon as the mobility restrictions were lifted, activity picked up very dynamically, driven by national and European tourists, encouraged by Destination France promotional campaigns, and supported by a number of measures to support demand.

### **A missed opportunity to transform the tourism sector**

A few measures, with limited funding in relation to the emergency measures and without any real coherence with them, had the goal of transforming the sector digitally and ecologically. The €500 "digital voucher", although applied for by 18,922 tourism businesses, does not seem to have generated any leverage effect to strengthen the use of digital technology in businesses. The support schemes for the ecological transition have led to the energy improvement of small equipment, but have not allowed the sector to begin its sustainable transformation. Although these measures do not encourage real progress, they are the preliminaries to a new dynamic of transformation: the strategy developed as part of the new Destination France plan could give it a boost if tourism professionals take it up. Lastly, the Court notes that recruitment difficulties, linked to a long-standing problem of attracting and retaining staff, seem to have increased since the health crisis.

**[Read the report](#)**

#### **PRESS CONTACT:**

**Julie Poissier** ■ Head of Press Relations ■ T +33 (0)1 42 98 97 43 ■ +33 (0)6 87 36 52 21 ■ [julie.poissier@ccomptes.fr](mailto:julie.poissier@ccomptes.fr)



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