

The Philippine tourism industry has made significant strides in recent years, contributing substantially to the country's economic growth and job creation. In 2023, 5.4 million visitors were recorded by the Department of Tourism (DOT), exceeding the projected 4.8 million international visitors for the same year.¹ In 2022, tourism's direct gross value added (TDGVA) rebounded to 6.2% of GDP, from 5.2% the year prior.² These figures demonstrate the tourism industry's resilience from setbacks caused by the global pandemic. Recent industry developments also underscore the current administration's thrust to fostering tourism growth. The approval of the National Tourism Development Plan (NTDP) for 2023 to 2028 sets a clear roadmap and the development framework for the tourism industry³, while initiatives such as the Ninoy Aquino International Airport (NAIA) rehabilitation project by the winning bidder San Miguel Corp. (SMC)-SAP & Co. Consortium denotes significant investments in infrastructure to support tourism.⁴

Moreover, digitalisation efforts, including the Travel Philippines application and e-Travel platform, are expected to revolutionise the overall travel experience.⁵ ⁶ The approval of the value-added tax (VAT) refund program likewise further enhances the attractiveness of the Philippines as a tourist destination, offering added convenience and incentives for visitors.⁷ Although the Philippine tourism industry has made substantial progress, several challenges remain. Infrastructure deficiencies, limited air connectivity, and concerns about safety and security continue to pose significant barriers to growth.

To capitalise on these opportunities and address the challenges facing the Philippine tourism industry, a multi-faceted approach is needed. Firstly, the ECCP Tourism Committee highlights the strategic imperative of **improving domestic and international connectivity by upgrading airports and other tourism-related infrastructure**. This entails the improvement of roads in tourist zones as well as the construction of health facilities in various tourist spots in the country, particularly in far-flung areas. Bridging the digital infrastructure gap and enhancing internet connectivity in Philippine airports are equally important for convenience and the ease of communication of travellers.

There is also a need to promote domestic and international tourism by **streamlining travel requirements and visa applications of foreign nationals to further attract tourists to the Philippines**. In the dynamic landscape of the Philippine tourism sector, the call for comprehensive measures to address the welfare of industry players has never been more urgent. For this reason, it is pivotal to **develop fair and equitable policies for workers in service charge-collecting establishments in the tourism industry**. The formulation and implementation of effective structures are crucial steps toward cultivating a tourism environment that values human capital. It is in this light that the Tourism Committee recommends revisiting the policies in place to advocate for equal distribution of service charges to all employees, regardless of their employment status or position title. To address the ambiguity surrounding the distribution of service charges in the hospitality industry, it is imperative to establish clear and transparent policies that outline the parameters for their allocation.

Relatedly, two months before the 2023 yearend, the DOT breached its target of training 100,000 frontline tourism workers on the Filipino Brand of Service Excellence (FBSE). To meet the evolving demands of the tourism sector, it is vital to **enhance training programs aimed at upskilling and empowering the industry**

¹ [PH records 5.45M int'l visitors in 2023](#).

² [Tourism Contributes 6.2 Percent to GDP in 2022](#)

³ [PBBM approves five-year National Tourism Development Plan, 2024](#)

⁴ [SMC-SAP & Company Consortium wins NAIA PPP Project, 2024](#)

⁵ [Visiting the PH? DOT's new app is set to make that easier, 2023](#)

⁶ [Government Integrates Quarantine and Immigration Arrival Requirements for International Passengers, 2022](#)

⁷ [President Marcos okays VAT refund for foreign tourists, 2023](#)

workforce. Underscoring the importance of advancing and meeting the continuously evolving needs of the tourism sector, the Committee urges the DOT to design a roadmap for training, upskilling, and re-skilling programs, with the aim of accommodating potential demand for tourism employment as the Philippines opens up to travellers.

The importance of safety in the tourism industry also cannot be overstated, as it plays a significant role in attracting tourists. As such, we urge the government to **strengthen the implementation and enforcement framework of policies ensuring the safety and security of tourism facilities including resorts.** More specifically, the Committee strongly urges the strict implementation of the Philippine Coast Guard Memorandum Circular 03-14 dated 16 April 2014.⁸ To further strengthen the implementation and enforcement of safety policies in the tourism industry, several legislative reforms and initiatives should be considered. **Restructuring the Civil Aviation Authority of the Philippines (CAAP) into a regulatory body through the enactment of the Civil Aviation Authority Act of 2008 amendments** is crucial to ensure aviation safety and security. The Chamber is also steadfast in pushing for the **creation of the Philippine Airports Authority (or Corporation) and the Philippine Transportation Safety Board.** By prioritising safety and implementing effective policies, the tourism industry can attract more inbound visitors and foster a positive image of the country as a tourist destination.

The role of sustainability is also essential in the long-term tourism development. In this light, the ECCP and its Tourism Committee urge the government to **incorporate sustainability in a long-term strategy for the Philippine tourism industry development.** The Committee urges the national government agencies to provide financial support to micro-, small, and medium-sized enterprises (MSMEs) to invest in green technology, while practicing a circular economy and adopting zero-waste initiatives. It is also in this view that the Chamber calls for having tourism businesses' sustainability performance independently validated, verified, and inspected by a Global Sustainable Tourism Council (GSTC) accredited certification body to avoid greenwashing and ensure the credibility of the process and the certification itself.

Certainly, the Philippine tourism industry holds immense potential for growth and development. Implementing these policy recommendations will require a concerted effort from government agencies, the private sector, and local communities, positioning the Philippines as a tourism powerhouse.

⁸ PCG Memorandum Circular 03-14, 2014