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# UNDP Support to the Establishment of a Tourism Satellite Account

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# Background

The lack of a consistent empirical measure of the economic contribution of tourism to the economy of The Gambia. This gap means that many different estimates/figures are quoted but without clear definition and clear sources for the data. The wide differences in numbers quoted leads to some loss of confidence on the part of the tourism industry itself and some loss of confidence on the part of investors, both local and foreign

# Response to Request of the Ministry

The answer to the existing gap a Tourism Satellite Account should be carried out in accord with the guidelines from the UNWTO involving the following:

- Major Visitor Survey
- Tourism Establishment Surveys
- Tourism Satellite Account

- The principal process of the TSA is to measure the value added of tourism activities in accord with the National Accounts for the economy
- To complete a TSA, it is essential that there be statistics available on the total expenditure of tourists in The Gambia (Demand). This total has to include (1) the direct expenditure in The Gambia by the tourist him/herself and also (2) the expenditure in The Gambia made on behalf of the tourist by others, most notably by the tour operators. Of course, the tourist has already paid for a package in the origin market; however, what part of this price comes into The Gambian economy is what has to be ascertained. The VS addresses the first item but the second item requires a separate research instrument, usually a Focus Group with the tour operators

# UNDP/UNWTO Mission

- The Mission followed on from a UNDP/UNWTO Mission in September 2015 which was a 'Needs Assessment Mission' in relation to tourism statistics and the TSA in The Gambia. The major gaps identified were:
- (1) The lack of a consistent empirical measure of the contribution of tourism to the economy of The Gambia. A TSA would provide the answer to this gap;
- (2) A major visitor survey to follow up on the last major visitor survey in 2004; and
- (3) TES targeted at the tourism characteristic industries

# 1) What IS A Tourism Satellite Account

## **Tourism Satellite Account**

- TSA measures 'value added' from tourist expenditure in The Gambia economy in the same way as GDP is measured
- 'Value Added' is Sales (Output) minus Inputs of materials and services (Intermediate Consumption)
- $\text{Output} - \text{Inputs} = \text{Labour Costs} + \text{Operating Profit}$

## **TSA measures Demand and Supply separately**

- **Demand:**
- We ask the tourist 'how much spent in The Gambia?' (Visitor Survey) and we ask tour operators 'how much spent on behalf of the tourist ?' (Focus Group)
- **Supply:**
- We ask tourism businesses 'how much was value added in your business and your business sub-sector?' (Tourism Establishment Survey)
- Demand is then reconciled with Supply

## 2) International Visitors Survey (government agreed to undertake)

- The IVS is conceived within the concept of the World Tourism Organization (UNWTO) Tourism Satellite Account (TSA), which aims to quantify the direct economic contribution of tourism to the Gambian economy.
- The Visitor Survey is a complementary exercise which will be carried out in 2019 and will result in the detailed tourism expenditure for the demand side of the TSA. The one was done in 2004.



### 3) Tourism Establishment Survey supported by UNDP-( currently ongoing)

- The prime objective of the TES Survey is to reach reasonable estimates of certain key variables in the operation of the tourism businesses as an economic sector in the Gambian economy that will feature in TSA

# Tourism Establishment Survey (continued)

- TES is aimed at ascertaining these key estimates on the supply-side so that the reconciliation with the demand-side in the TSA can take place. In this way, the direct contribution to the Gambian economy can be measured in “VA” in the same way as the National Accounts.
- These surveys (addressed to key sub-sectors) would focus on the main economic measures required for the Tourism Satellite Account (TSA), namely output, intermediate consumption, gross operating surplus, wage and salary costs, local and imported supplies, and employment

# Training of Field Workers

- Five days training of 25 enumerators and 5 supervisors was successfully conducted on the 17<sup>th</sup> to 21<sup>st</sup> of December, 2018. On the 4<sup>th</sup> day of the training which was the 20<sup>th</sup> of December, 2018 a pretest was done to see whether the enumerators understand the tools. On the last day of the training comments from the pretest were incorporated and a thorough training was done on that day as well.

# Sampling and Data collection

- Sampling was done by the sampling team and as was advised by the consultant the survey will be done in two phases in which the first phase which will last for five days, two questionnaires will be administered, that is Questionnaire 4 and 5 (General and small establishment questionnaires respectively). This first phase of the survey started on the 9<sup>th</sup> of January, 2019 and was completed on 14<sup>th</sup>/01/2019.
- After the first five days a break will be taken so as to analyze the data collected. The other phase will be for another 15 days, of which the questionnaires for accommodation, restaurants and bars and transport operators will be administered

# Current stage: Report Writing

- Dummy tables were prepared and sent to the Consultant and GT Board for their perusal. Then tabulations were made based on the dummy tables in March. Report writing is complete and the draft report is sent to GT Board for review. GT Board is expected to send in their comments by the 21<sup>st</sup> May, 2019. These comments will be incorporated as soon as possible, so that the draft report can be finalized.
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# Pending Activities will be done according to the work plan

- Data Processing and Analysis
- Draft Report
- **Validation Workshop** will be schedule after the draft report is ready.
- Thank you