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Tourism and the Poor:

Analysing and Interpreting Tourism Statistics from a Poverty Perspective

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Acronyms

CRT	Campaign for Responsible Tourism
DC	Developing Country
DFID	Department for International Development
EOR	Employment Output Ratio
EU	European Union
GATS	General Agreement on Trade in Services
GDP	Gross Domestic Product
GNI	Gross National Income
GNP	Gross National Product
IIED	International Institute of Environment and Development
IMF	International Monetary Fund
LDC	Least Developed Country
NZ	New Zealand
ODI	Overseas Development Institute
OECD	Organisation of Economic Cooperation and Development
OMT	Organización Mundial del Turismo
PNG	Papa New Guinea
PPT	Pro-Poor Tourism
RSA	Republic of South Africa
SNV	Netherlands Development Organisation
TIR	Tourism Intensity Rate
TSA	Tourism Satellite Accounting
UNCTAD	United Nations Conference on Trade and Development
UNEP	United National Environment Programme
US	United States
WTO	World Tourism Organisation
WTTC	World Travel and Tourism Council

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1 Introduction

1.1 Purpose of this paper

Tourism accounts for a higher share of world trade than cars or oil and is the main export for many small developing countries. Highly labour intensive, the sector provides vital employment for people with a wide range of skills, as well as the unskilled. To make best use of tourism for development, however, it is important to understand its volume, trends, and significance to different developing countries.

This paper is one of a series on Pro-Poor Tourism (PPT) – tourism that generates increased net benefits for poor people. Other papers in the series describe how tourism can be adapted to increase opportunities for the poor; report on specific examples where tourism has been used to create pro-poor growth; and explore the challenges of harnessing tourism to benefit poor people. This paper highlights the size of tourism and its potential impact on developing countries, especially those most dependent on it, and its distribution among developing countries.

There are often misperceptions amongst development professionals regarding tourism:

1. The importance of tourism to national economies is often understated or not recognised.
2. Tourism is seen as just a 'Caribbean thing'.
3. The enormous heterogeneity between developing countries is not recognised and is masked in generalisations.
4. There is confusion between two different, but pivotal questions: Which countries are major destinations in international terms? And which countries are economically highly dependent on tourism, regardless of their significance as international destinations?

This paper is intended to assist development professionals in assessing the scale and relevance of tourism to economic development in developing countries. How should national and international data on tourism be interpreted from a development perspective? What are the caveats and myths that need to be taken into account, and what further information is needed? There is a wealth of data on tourism, but little is accessible to non-tourism specialists, and most focuses on growth trends in the industry, rather than its contribution to development in poor countries. The aim of this paper is to help to address a number of key questions of relevance to development professionals including:

- What share of the tourism market is captured by developing countries?
- Which developing countries are major international destinations?
- In which developing countries is it a major contributor to economic development?
- How important is tourism to the 'poorest' countries – whether defined by GNP per capita or poverty lines?

Increasing the poverty impact of tourism generally requires some form of external intervention, often at the local level, and complemented by actions at government or international level. Statistics alone change nothing. Nevertheless, an understanding of the statistics – along with their limitations, trends and significance – is an important component of appropriate action. Beyond the aggregated data and generalised trends covered in this paper, any specific action for pro poor tourism within a destination would, of course, require more detailed local understanding of tourism numbers, expenditure, trends and impacts.

The remainder of section 1 provides a brief overview of the key figures for tourism in developing countries before discussing the definitions and data sources used in this paper and the main caveats related to the data provided. Section 2 discusses the advantages and disadvantages of tourism as an engine of pro-poor growth in the developing world. Sections 3 to 6 identify ‘important’ destinations based on the size of international arrivals, look at the effect on destinations where tourism is a main contributor to economic development, and examine the role of tourism in the ‘poorest’ countries. Our aim is to illustrate how significant tourism is to many poor countries and how the data may be used to address different policy questions. The conclusion summarises the main points and key issues.

1.2 Tourism in the developing world: what’s the big deal?

Claims for the scale and growth of tourism are too often laced with hyperbole. Nevertheless, there are good reasons why it is important to pay attention to tourism as a potential source of growth and development in poor countries. Firstly, it is a major world industry. If we include related activities, ‘tourism and general travel’ are 11% of world GDP. Exports of tourism services are about 6-7% of total exports of goods and services. It rose from about 4% in 1980, to 5% in 1990 and 6% in 1995. For comparison, the highest shares for goods at the single commodity level are about 4%: cars and petroleum; if we take all motor vehicles and petroleum plus refined petroleum, these rise to 7% and 6%. Secondly, tourism is growing faster in the developing world than elsewhere, as the data from the World Tourism Organisation (WTO/OMT) in Box 1 and the Appendix show. Arrivals, receipts, and receipts per visitor all grew faster in developing countries than elsewhere during the 1990s. Tourism makes a substantial contribution to their GDP and is a higher share of exports there than in OECD countries. And thirdly, many of the countries in which tourism is important are among the poorest and least developed in the world.

Box 1: The growing significance of tourism to developing countries

- 'Since the 1950s developing countries have received increasing numbers of international tourists, mainly from developed countries. International tourist arrivals have grown significantly faster in developing countries than they have in the EU or OECD countries. Developing countries had 292.6 million international arrivals in 2000, an increase since 1990 of nearly 95%. The subgroup of Least Developed Countries (LDCs) had 5.1 million international arrivals in 2000. They achieved an increase of nearly 75% in the decade. This performance by developing countries compares very favourably with the growth of tourism to countries of the OECD and the EU, which achieved around 40% growth.' See Appendix, Table A1.
- 'Over the last ten years there has been a higher rate of growth in the absolute value of tourism expenditure as recorded in the national accounts in developing countries than in developed countries. The absolute earnings of developing countries grew by 133% between 1990 and 2000 and in the LDCs by 154%, this compares with 64% for OECD countries and 49% for EU countries'. See Appendix, Table A2.
- 'The developing countries and particularly the LDCs secured a larger increase in the income per international arrival between 1990 and 2000 than did the OECD or the EU. The LDCs secured an increase of 45% between 1990 and 2000 and the developing countries nearly 20%, this compares with 18% for OECD countries and 7.8% for the EU.' See Appendix, Table A3.
- 'In developing countries the export value of tourism grew by 154% [between 1990 and 2000] second only to the growth in the manufacturing sector.' See Appendix, Table A4.

Source: WTO/OMT 2002:26-29. See Annex 1 for statistical background information.

1.3 Definitions, data sources and caveats

Tourism data are collected and analysed by organisations such as the World Tourism Organisation (WTO/OMT) and the World Travel and Tourism Council (WTTC), while cross-sectoral data on trade flows are collected by the United Nations Conference on Trade and Development (UNCTAD) and Balance of Payments data are produced by the International Monetary Fund (IMF). The most limited definition of tourist services is that of the World Trade Organization (WTO), which includes *only hotels and restaurants, travel agencies and guides*. This definition, based on producing sectors, is designed to cover services provided internationally which may be regulated (and therefore which need to come under the General Agreement on Trade in Services - GATS) and which are not included in other categories. While these are a major component of tourism, and for some purposes the question of what is regulated internationally will be important, the WTO definition clearly excludes a great many activities which are commonly purchased or used by 'tourists' and includes some (restaurant meals or hotel conference facilities for non-visitors, for example) which are not. An alternative approach is to measure the activities of particular types of people. This is the basis of the WTO/OMT definition, of *spending by people away from their homes*. It corresponds to the normal balance of payments definition, of spending by tourists, and to what is measured by most national surveys of tourists.

National sources give more detailed data according to their different specialisations. For some purposes, other types of data (regional data, information about particular activities or data from types of supplier) can supplement these. The international and macro-economic data allow us to compare countries and to compare tourism to other exports or other sectors. The more specific data help us to understand the details of its impact. The international tourism data are built up from information on movements of people and some country data on their spending. International balance of payments data, although some use the same surveys, are based on what is spent, not who spends it. Since data on services tend to be less accurate than those on trade in goods (which can be 'seen' crossing the border), tourism and other services data in balance of payments information are often less carefully estimated and checked than in those sources that are dedicated to tourism. Balance of payments data also, of course, exclude data on domestic tourists (as do other sources of tourism data – see Box 2), an increasingly important part of the sector in many developing countries.

The World Tourism Organisation defines tourism as 'the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes'. This broad definition of tourism is then broken down into six categories[1] according to the purpose of the trip:

1. Leisure, recreation and holidays
2. Visiting friends and relatives
3. Business and professional
4. Health treatment
5. Religion/pilgrimages
6. Other

Those that engage in tourism – i.e. 'tourists' – can also be divided into international tourists and domestic tourists and into overnight tourists and same-day visitors. Official statistics tend to focus on '*international visitors*'. Each classification may be useful for looking at the effects of tourism or at expectations for how it will grow. Business travel, for example, will respond to some factors which are different from those driving leisure travel. Within the conventional understanding of tourism, as leisure trips of days or weeks, there are a range of possible activities, with potentially different impacts on the country by creating different demands on it. Other distinctions possible are between 'high quality' (in the sense of high spending tourists) and low or between 'high impact' (in either the sense of integrated into the non-tourism activities of the country or in a specifically poverty or environmental sense) and low. Much of the basic infrastructure of all these (accommodation, food, and travel) are the same and therefore a high proportion of the effects, are constant, but not all.

If we are studying 'spending or activity by tourists', not just 'production in the hotel and other tourism sectors', we need to know absolute numbers of tourists, not just estimates of spending, partly because for many supplier industries information on numbers will be the only firm information on which to base estimates of tourism's impact, but also because concern about the environmental and other non-economic impact is often based on the quantity of tourists, not the value of services. We also need to know from which countries they come, because surveys show that different nationalities use different services with different impacts.

The WTO/OMT has done a great deal of work on the refinement of the technical standards used to collect and report the data. However, not all countries are members of the WTO/OMT and the reliability of the data varies from country to country. The most basic statistic is international arrivals. But some countries do not report international arrivals figures and may have no effective mechanism in place for collecting them. Where the figures do exist, they have a number of limitations in assessing the potential significance of tourism for pro-poor growth:

- By definition these do not reflect the strength and significance of domestic tourism (see box 2).

[1] 'The WTO classification of 'main purpose of visit (or trip) by major groups' elaborates on a classification proposed by the United Nations in 1979 in its Provisional Guidelines on Statistics of International Tourism. This classification, which can be used for international and domestic tourism, is designed to measure the key segments of tourism demand for planning, marketing and promotion purposes.' (http://www.world-tourism.org/market_research/facts&figures/menu.htm)

- National data have limited utility in assessing the importance of tourism in different localities within a country. At the *local* level there is no standard mechanism available for the collection of data that can inform decision making – hotel occupancy figures are sometimes used as a proxy indicator but are commercially sensitive, time-consuming to collect and under reporting can have tax advantages for accommodation owners.

- Visitor arrival figures focus on *volume* rather than *value*. It is the amount of time each tourist spends in any location and the amount of money he or she spends on accommodation, transport and other goods and services as well as the overall volume of tourists that determines the economic impact that will be felt. Even where figures on average daily spend and in-country tourism expenditure are calculated however, they do not generally provide any information about the potential for pro-poor tourism unless this is specifically analysed (e.g. by focusing on expenditure on goods that are, or could be, produced locally).

- Figures on visitor numbers often say little about the potential of the industry for pro-poor development. In West Humla, Nepal, for example very small numbers of tourists have a significant impact on local livelihoods.[2]

- The *form* of tourism and the extent of *access to tourists by local people* as well as the volume of tourists define opportunities for pro-poor tourism. If tourists arrive in a destination or at an attraction in coaches in the evening, drive straight to the hotel and eat dinner without venturing out, and in the morning pack and depart by coach to visit a cultural monument before driving on to their next overnight stop, there are very few opportunities for poor producers to sell to tourists – what ever volumes they arrive in.

Beyond visitor arrival statistics, a *Tourism Satellite Accounting (TSA)*[3] system has been developed by the World Tourism Organization and the World Travel and Tourism Council[4] to estimate the economic value of tourism at the national level. Satellite accounts involve the 'rearrangement of existing information found in the national accounts' in order to estimate the significance of sectors such as tourism that are not accounted for separately. Including the sectors from which tourists or their suppliers buy inputs is logical in examining the nature and tourism. But it is not legitimate then to use the data to compare the size of tourism to other sectors, because all sectors buy from others, and therefore aggregating sectoral accounts is double- (or multiple) counting. And there are limitations of this system in determining the potential of tourism for pro-poor growth. Aside from the fact that the development and reliability of satellite accounts is heavily reliant upon the quality of the data available, as with visitor arrivals statistics the analysis is generally carried out at the national level and again is not disaggregated at the destination level.

[2] http://www.world-tourism.org/frameset/frame_statistics .html

[3] 'A Satellite Account is a term developed by the United Nations to measure the size of economic sectors that are not defined as industries in national accounts. Tourism, for example, is an amalgam of industries such as transport, accommodation, food and beverage services, recreation and entertainment and travel agencies. Tourism is a unique phenomenon as it is defined by the consumer or visitor. Visitors buy goods and services both tourism and non-tourism alike. The key from a measurement standpoint is associating their purchases to the total supply of these goods and services within a country. The TSA is a new statistical instrument designed to measure these goods and services according to international standards and concepts, classifications and definitions which will allow for valid comparisons with other industries and eventually from country to country and between groups of countries. Such measures will also be comparable with other internationally recognised economic statistics.' (http://www.world-tourism.org/statistics/tsa_project/Basic%20concepts%20of%20the%20TSA.pdf)

[4] The World Travel & Tourism Council (WTTC) is the forum for global business leaders comprising the presidents, chairs and CEOs of 100 of the world's foremost companies. It is the only body representing the private sector in all parts of the Travel & Tourism industry worldwide. WTTC's mission is to raise awareness of the full economic impact of the world's largest generator of wealth and jobs - Travel & Tourism. www.wttc.org

Box 2: Domestic Tourism

A recent study by UNRISD (Ghimire 2001) found that

- in Mexico about 75% of hotel guests in 1995 were domestic tourists;
- in China domestic tourists accounted for 90% of tourist numbers and 70% of revenue in 1999;
- in Brazil, India and South Africa domestic tourism is significant and growing rapidly.

Page (1999) found that domestic tourists in South Africa use different facilities and go to different regions. Particularly in developing countries, there is also extensive joint use of tourism facilities for social and business events.

Table 1 gives a few examples of countries where domestic tourism is a significant market. These are generally not the poorest and smallest. Where domestic tourism exists it brings wealthy urban consumers to poorer marginal rural areas bringing opportunities for economic development, and it is frequently assumed, without some of the negative side effects associated with an influx of visitors of a different culture.

Table 1: Scale of international v. domestic tourism in selected developing countries

Country	International tourist arrivals (2000)	Estimates of domestic tourist numbers (2000)	International : domestic
India	2.5 million	135,0 million[a]	1 : 54
China	31,0 million	740,0 million[b]	1 : 23
Brazil	5.1 million	41,0 million[c]	1: 8
Thailand	9.1 million	55.1 million[d]	1:6
Indonesia	4.7 million	28.3 million[e]	1: 6

Source: WTO/OMT 2001 unless otherwise indicated
a Ghimire 2001
b China National Tourism Administration 2002
c Embratur 2002
d Tourism Authority of Thailand 2002
e Indonesia Tourism Authority 2002

In the Philippines there was a very rapid growth in domestic tourism in the 1990s as living standards - and levels of disposable income - rose in Metro Manila. With the introduction of an Airbus between Manila and Puerto Princesa on the island of Palawan, domestic visitors to the Subterranean River National Park increased in numbers from just over 3,000 in 1990 to just over 31,600 in 1997 before declining with the impact of the Asian economic crisis. The rate of growth in domestic tourism over this period outpaced that of the international tourists and the tourism economy of Puerto Princesa rapidly became predominantly dependent upon domestic tourists. In Palawan data on domestic tourism is well recorded because visitors to the park are categorised and recorded. In many other destinations this massive shift from international to national tourist dominance would not be so evident.

Source: Unpublished data drawn from consultancy work undertaken by Harold Goodwin funded by the EU as part of the support to assist Puerto Princesa in securing inscription on the World Heritage list for Puerto Princesa Subterranean River National Park.

Apart from the WTTC approach, other methods for assessing the *impacts* of tourism tend to be specific to sites, disciplines and researchers. To fully understand the economic impacts of tourism – on poor people, on the local economy, on the national economy, on national poverty levels – would require a considerable amount of data and a strong methodology[5]. For example, while most effects of an increase in tourism revenue lead, eventually, to an increase in national income, the direct consequences for the distribution of this among households (and within households) are not necessarily the most favourable for reducing poverty. Poverty may decrease for some and even increase for others. An increase in tourism provides a direct increase in income to those who supply the hotels, transport, and other services, and also to the host country through tax revenues and perhaps some service charges. It then provides indirect increases in income to others through the spending of the direct income. How these changes are distributed will determine the direct impact of tourism on poverty, thus distribution needs to be assessed. A major potential impact comes from how policy makers react to the increases in income: if they have a pro-poor orientation, they can both redistribute the income (through taxes and public spending) and influence its original allocation (e.g. by regulating the types of tourism). If a high share of the increased income is easily available to the government in taxes or easily taxable sectors, then this will increase its ability to act. Important impacts may occur through physical changes, such as development of infrastructure or use of natural resources, rather than through monetary flows. Therefore data on total tourism impact, information on where this comes from, and consideration of different types of impact, are important.

[5] The PPT team has used a methodology to assess impacts on livelihoods of poor people at specific sites. This is described in Ashley 2003, PPT Working Paper 10. However, a challenge remains in integrating this pro poor perspective that emphasises local and livelihood impacts, with wider economic assessment for the regional economy, and can be scaled up to destination-level development.

2 Advantages and disadvantages of tourism as an engine for pro-poor growth

Tourism is not a panacea for economic development. In any context decisions about whether or not tourism - domestic or international - presents viable opportunities for local economic development need to be made locally in the context of the other opportunities which exist for pro-poor development. As with other industrial sectors, economic growth as a result of tourism development does not necessarily result in poverty reduction. However, tourism does have some advantages over other sectors for delivering pro-poor growth (Deloitte and Touche, IIED and ODI 1999, Ashley, Roe and Goodwin 200l, WTO/OMT 2002, Page 1999):

- Tourism delivers consumers to the product rather than the other way round. This opens up huge opportunities for local access to markets for other goods and services. Development strategies can enhance potential links to local enterprises and poor producers.
- Tourism does not face tariff barriers, although taxes on air travel can have a similar effect.
- Tourism has considerable potential for linkage with other economic sectors – particularly agriculture and fisheries. Realising these linkages will increase the proportion of tourism revenue retained in the host country.
- There is a possibility of other types of linkages, for example demand for tourism may add sufficiently to another sector's demand for the combination to provide a basis for introducing local provision of goods or services, e.g. transport.
- It may create initial demand for a good or service that can then itself become a growth sector. In furniture, both Jamaica and Kenya provide examples where furniture firms whose first major market was hotels have developed to provide other consumers.
- Tourism provides opportunities for off-farm diversification. Tourists are often attracted to remote areas with few other development options because of their high cultural, wildlife and landscape values.
- Tourism provides relatively labour-intensive opportunities. It is more intensive than manufacturing and non-agricultural production, although less labour-intensive than agriculture. Its relation to the economy as a whole therefore depends on the relative weights of agriculture and manufacturing: this suggests that it is more likely to be among the most labour intensive sectors of the economy in more developed countries (see Table A5).
- Tourism employs a relatively high proportion of women and can contribute to gender equality. This is, however, less true in developing countries where there is higher male unemployment than in developed countries.
- Tourism can provide poor countries with a significant export opportunity where few other industries are viable. The large number of countries for which tourism receipts are important is evidence that it is a much less demanding sector in terms of initial conditions than many other commodities available to developing countries. In particular it is more widespread than most agricultural goods, which are its superior in labour intensity. It appears to be more like manufactures, where comparative advantage can be created through a combination of identifying a possible product and creating a specialised demand.
- Tourism products can be built on natural resources and culture, which are assets that some of the poor have.

- The infrastructure associated with tourism development (roads, electricity, communications, piped water) can provide essential services for rural communities which would otherwise be excluded from general infrastructure provision.
- It appears to have relatively few market distortions (either as barriers to entry or trade policy rents). It is particularly sensitive to marketing skills, and also to public sector action (or inaction).
- It has a high income elasticity, and therefore offers a relatively rapidly growing market. Tourism may be expected to perform 'better' than traditional commodities, but not necessarily better than newer exports such as manufactured products.
- It can take different forms, using different inputs, and is therefore available to a wide range of countries (and regions within a country).

At the same time, tourism operates in a market economy and it is subject to international market forces. New destinations emerge and others decline because they are undercut on price or become unfashionable. Countries dependent upon undifferentiated products like the traditional beach, sun, sand and sea holiday are particularly vulnerable. It is relatively easy for tour operators to respond to new opportunities and to switch operations when new destinations come in at a more competitive price.

Political instability and security concerns (both domestic and international) also have an impact on tourism. Countries with significant domestic and regional tourism industries tend to suffer less because these are not affected by declining numbers of air travellers in the face of terrorism fears but internal security issues can also pose a threat. Experience suggests that tourism numbers rapidly recover from terrorism and other events, although not uniformly so. Seasonality is also a notable feature of the tourism industry. Whether tourism is seasonal and whether the seasonality is compatible with agricultural work in particular are likely to affect its pro-poor potential. Risk is reduced if countries (as well as individual households) are not overly dependent on any one economic sector and in the case of tourism, which is vulnerable to changes in consumer preferences, undercutting from new competitors and recession in originating markets, on any one market. The constraints described above are not unique to tourism but affect many other industries. Section 4 compares dependence on tourism to dependence on other exports.

There are also myths surrounding tourism and the view that tourism is not a worthwhile or 'serious' local economic development strategy is widely held. To a large extent this view is a result of a failure to recognise the heterogeneity of the industry, but there is also a view that services, and tourism in particular, are not 'serious' development drivers, like agriculture and manufacturing. It is therefore often neglected and subject to policies and priorities designed for other sectors. It is rarely singled out as strategically important, because of either its potential effects as a pole of development for other industries, or its poverty effects. Therefore, when it comes into potential conflict with the interests of industries that are regarded as national priorities it is tourism whose interests come second. But this 'neglect' is in the context of a much greater acceptance that government has a direct interest in the outcome than would be true for most other predominantly private industries. Most countries have a tourism ministry, even if it is 'tourism and...', not just tourism; most other sectors do not. This puts tourism in an odd, intermediate position; the government has an interest, but no clear perception of what that interest should be.

In contrast to the view that linkages are an important advantage, there is a widely held view that tourism's effects are dissipated by 'leakages'. As Christie and Crompton (2001) argue leakages are calculated for the tourism industry but less frequently for other sectors. They are used to refer to the amount of tourism revenue that accrues outside of the host country – for example through payments to foreign-owned hotel chains, imports of food and other goods, or foreign airlines. Unusually high levels of leakage are often cited as one of the major disadvantages of tourism as an economic development sector – for example UNEP (undated) notes levels as high as 70 per cent in Thailand and 80 per cent in the Caribbean. Christie and Crompton (2001) however quote work by Philip English 'The evidence also suggests that the net foreign exchange earnings from tourism are significant, ranging from at least 50% of gross expenditures within the country to as much as 90% in the most advanced developing countries. Recent preliminary data suggest that leakage is currently of the order of 23-25% in Kenya.

It is clear, however, that the amount of leakage will depend greatly on the form of tourism and the nature of the economy and no standard figure can sensibly be applied across the globe. In small countries and islands (for example Mauritius), a share of spending goes on imports, but that is equally true of other industries in small countries and islands. In larger and more developed countries (for example South Africa and Jamaica), the shares are much smaller. The most important point about 'leakage' is that it can be used to identify opportunities to create economic linkages within the host country - some of which could have the potential to benefit poor producers.

Other criticisms of tourism and the answers include (WTO/OMT 2002, 34-35):

- ***Foreign private interests drive tourism, so it is difficult to maximise local economic benefit:*** There is no evidence that levels of foreign ownership are higher than for comparable sectors. It is clear that many small enterprises and individual traders sustain themselves around hotels and other tourism facilities and that these SMMEs are not foreign owned. There is often confusion about levels of foreign ownership; local ownership is often masked by franchise agreements and management contracts.
- ***Tourism can impose substantial non-economic costs on the poor through loss of access to resources (particularly beaches), displacement from agricultural land and social and cultural disruption and exploitation:*** The losses can be substantial for the poor and minimising them is an important PPT approach. However, many forms of development bring with them disadvantages of this kind.
- ***Tourism is vulnerable to changes in economic conditions in the originating markets, which cause major swings in the level of tourism in the destinations, and international visitor arrivals are also vulnerable to civil unrest, crime, political instability and natural disaster in the destination:*** It is not clear that the volatility of export markets for tourism is significantly greater than for other commodities. The destination has some control over civil unrest, crime and political instability.

3 Developing countries as major international destinations

Five developing countries[6] were in the list of twenty major tourist destinations according to international visitor arrivals statistics in 2000. The volume of arrivals to the top destination in the developing world – China - was only just over 40% of the volume to the world's leading tourism destination - France. That developing countries feature within the list of the top 20 destinations is a relatively recent phenomenon. Only 15 years earlier China, for example, received only 1.3 million arrivals due to its restrictive travel policy. More established destinations like Mexico have seen very similar growth rates when compared to France, i.e. a doubling of arrivals between 1985 and 2000. Compared to other developing country exports, this gives them exceptional prominence. While developing countries receive 42% of tourism spending (Table A2) they only supply 25% of traditional primary commodities (Page and, Hewitt, 2001). Developing countries have a surplus on tourism trade (they are net exporters).

Table 2: Top 20 destinations in terms of international arrivals in 2000

Position	Country	Arrivals (millions)
1	France	75.5
2	United States	50.9
3	Spain	47.9
4	Italy	41.2
5	***China***	***31.2***
6	United Kingdom	25.2
7	Russian Federation	21.2
8	***Mexico***	***20.6***
9	Canada	29.7
10	Germany	19.0
11	Austria	18.0
12	Poland	17.4
13	Hungary	15.6
14	Hong Kong (China)	13.1
14	Greece	13.1
16	Portugal	12.0
17	Switzerland	11.4
18	***Malaysia***	***10.2***
19	Netherlands	10.2
20	***Turkey***	***9.6***
20	***Thailand***	***9.6***

Source: WTO/OMT 2001

For purposes of comparison, Table 3 provides details on the 20 largest developing country destinations and illustrates the significantly lower volumes of international tourists that most of these countries receive compared to the totals in Table 2. Table 4 classifies these by region. Only China, Mexico and Malaysia attracted over 10 million arrivals in 2000 reaching levels seen in some of the newer European destinations such as Poland, Hungary and the Czech Republic. South Africa and Tunisia, which are relatively small destinations in a global context, are major players in an African context.

[6] Developing countries for the purpose of data collection and display are those included in the OECD DAC list of aid recipients. Russia is also a sizeable tourism destination, and while not included in this definition, is the tenth country in terms of the number of people living below the international poverty line.

Table 3: Significant developing country destinations in terms of international arrivals in 2000

	Country	Arrivals (millions)
1	China	31.2
2	Mexico	20.6
3	Malaysia	10.2
4	Turkey	9.6
5	Thailand	9.6
6	South Africa	6.1
7	Croatia	5.8
8	Brazil	5.3
9	Egypt	5.1
10	Indonesia	5.0
11	Tunisia	5.1
12	Morocco	4.1
13	Argentina	3.0
14	Dominican Republic	3.0
15	India	2.6
16	Philippines	2.2
17	Vietnam	2.1
18	Bahrain	2.0
19	Uruguay	2.0
20	Zimbabwe	1.9

Source: WTO/OMT 2001

Table 4: Regional Variations in international arrivals to developing countries, 2000

Region	Countries with over 10m arrivals	Countries with 5m to 10m arrivals	Countries with 1m to 5m arrivals
Americas	Mexico	Brazil	Dominican Republic, Cuba, Cost Rica, Jamaica, Argentina, Chile, Peru, Uruguay
East Asia / Pacific	China Malaysia	Thailand, Indonesia	Vietnam, Philippines
Africa		South Africa, Tunisia, Egypt	Morocco, Zimbabwe
Middle East			Bahrain, Jordan
South Asia			India, Iran
Europe	Russian Federation[7]	Turkey, Croatia	

Source: WTO/OMT 2001

Table 5 shows that those that have the highest number of international visitors do not necessarily earn the highest receipts although there is a close correlation between the two. Cuba, Syria and Jamaica are higher on the list; Uruguay, Bahrain and Zimbabwe are lower, perhaps because they are destinations for short stays.

[7] Included here for the sake of comparison.

Table 5: Significant developing country destinations by tourism receipts, 1999

Position	Country	Tourism receipts (US$ Million)	Receipts per int'l visitor (US$)
1	China	14,098	521
2	Mexico	7,223	379
3	Thailand	6,695	774
4	Turkey	5,203	755
5	Indonesia	4,710	996
6	Brazil	3,994	782
7	Egypt	3,903	869
8	Malaysia	3,540	446
9	India	3,036	1,223
10	Argentina	2,812	970
11	Philippines	2,534	1,167
12	South Africa	2,526	419
13	Dominican Republic	2,524	953
14	Croatia	2,493	655
15	Morocco	1,880	493
16	Cuba	1,714	1,098
17	Tunisia	1,560	323
18	Syrian Arab Republic	1,360	981
19	Jamaica	1,279	1,025
20	Costa Rica	1,002	971

Source: WTO/OMT 2001

4 Economic significance of tourism to developing countries

It is very difficult to measure the scale of tourism activity within an economy and hence its contribution to GDP. This is because tourism is not traditionally measured in national accounts. To address this problem, WTTC have developed 'satellite accounts' (Box 3). However, construction of satellite accounts requires detailed data – which are unlikely to be robust in poor countries. The accounts therefore are useful for providing indicative figures, for example to compare across different countries or to highlight countries with major tourism sectors. But to gain further information on the significance of tourism activity within any one country, local data and local knowledge, for example discussions with the Ministries of Finance, Tourism, and Statistics are necessary.

Box 3: A caution on data

This section is based on WTTC data drawn from satellite accounts which are used to produce two different aggregates: those for the travel and tourism *industry* and those for the travel and tourism *economy (see WTTC 2003).*

- The 'Travel and Tourism Industry' captures the explicitly defined production side 'industry' equivalent, direct impact only, for comparison with all other industries;
- The 'Travel and Tourism Economy' captures the broader 'economy-wide' impact, direct and indirect, of travel and tourism.

The data used in this section refer to the ***tourism-economy*** as these provide a more comprehensive account and obviously a much larger total figure. This seems to be important in relation to PPT as much emphasis is placed on linkages with suppliers such as agricultural suppliers etc.

The WTTC also publishes 'league tables', which contain estimated data for most countries. These league tables are useful in identifying the relative importance of tourism at the national level. However, the complexity of the process by which the figures are calculated and the nature of the statistics upon which the calculations are based can diminish the impact of the data in analysis and debate.

Table 6 illustrates the high contribution that tourism, thus measured, makes to the GDP in a number of developing countries. Interestingly, this table shows a completely different set of countries from those highlighted in Section 3 as significant destinations on the basis of visitor numbers. The vast majority of these countries (except for Belize, Tunisia and Jordan) are small island states with a very well developed tourism industry and relatively few other economic alternatives. The Caribbean as a region is particularly strongly represented.

Table 6: Developing countries ranked according to the contribution that the tourism economy makes to the GDP in 1999 (all figures are %)[8]

		Contribution of tourism to GDP 1990	Contribution of tourism to GDP 1999	Growth in GDP 1990-1999	% of Export Earning in 1999
1	Maldives	72.8	87.7	20.5	74.3
2	Anguilla	82.0	71.1	-13.3	50.9
3	Saint Lucia	52.0	59.2	13.7	65.6
4	Seychelles	54.0	49.2	-8.9	41.2
5	Vanuatu	32.3	41.2	27.5	47.5
6	Barbados	41.0	41.2	0.4	50.4
7	St Vincent and the Grenadines	34.4	33.1	-3.8	45.1
8	Jamaica	28.3	31.5	11.1	43.7
9	Saint Kitts and Nevis	48.8	30.9	-36.8	50.2
10	Other Oceania	22.8	29.3	28.8	47.0
11	Fiji	22.4	27.7	23.7	35.3
12	Grenada	27.0	26.4	-2.4	40.8
13	Belize	21.1	26.2	24.2	32.2
14	Mauritius	22.6	24.4	8.1	31.8
15	Dominica	17.5	24.2	38.3	36.8
16	Dominican Republic	20.2	23.6	16.8	33.9
17	Jordan	27.2	22.6	-17.0	35.2
18	Kiribati	17.9	21.0	17.1	15.4
19	Bahrain	6.3	16.9	169.8	16.6
20	Tunisia	16.4	16.1	-2.0%	22.9

Source: WTTC 2003

Note: Antigua and Barbuda has been taken out of the data-set because of errors in the data supplied by the WTTC, it is however expected that the country's position will be among the top 5 countries with the highest contribution of tourism to the GDP.

Tourism is important for many more developing countries than any other export. Its is in the top five exports for more than 80 per cent of countries, and the principal export for a third of developing countries (WTO 1998). Table 6 also shows that many small developing countries are highly dependent on tourism, to an extent comparable with the dependence on single primary commodities long recognised as a risk to development. Five are dependent on tourism for more than half their exports and 18 for more than 20 per cent. All the 25 countries with the highest share of tourism in GNP are small islands. Some also have another commodity on which they are highly dependent: St Lucia and St Vincent, Bananas; Jamaica, bauxite; St Kitts, Belize and Mauritius, sugar; Kiribati, copra.

Is dependence on tourism as serious a problem as dependence on a single commodity? In terms of vulnerability to a sectoral shock, whether domestic (e.g. a hurricane) or international (e.g. security), clearly it is. But tourism has a high income elasticity and it is a many-sided product. These facts mean that it less vulnerable to the poor demand prospects which make commodity dependence so undesirable. As we will discuss below, for small countries Brau *et. al.* (2003) have shown that tourism dependence leads to higher growth, in sharp contrast to commodity dependence. While the effects will be smaller for larger developing countries, it is likely to be in the same direction.

[8] This information is also available from www.wttc.org and www.world-tourism.org.

5 Growth of tourism in developing countries

That tourism is a growing sector is thus important, and within this developing countries are increasing their share. Tourism's growth rates have been similar, in size and changes over time, to those of manufactured trade. It grew very rapidly in the 1950s and 1960s, but slowed in the 1970s to 6%, and the 1980s to 5% and the 1990s to 4%. These numbers are greater than the growth of world output, so that the share is rising, but no longer spectacularly so. Given its composition, as partly business, partly leisure, it is not surprising that it should keep pace with other types of spending, with an implied elasticity to income greater than 1, but probably now less than 2. Between 1990 and 2000 the growth of international travel to developing countries was 94.4%, compared to 29.3% to OECD countries and 38.4% for EU countries. Table 7 shows the developing countries with the highest growth in international tourist arrivals between 1990 and 2000. The highest growth figures were shown in South East Asia although in many cases these can be explained by the very low starting points. Cambodia, Lao and Myanmar, in particular, received few tourists in 1990 and although numbers are still not high in 2000 the rate of growth appears spectacular. This table also highlights strong tourism growth in African countries. These figures are rather more significant that those for South East Asia given a higher starting point – particularly for South Africa. Their growth started later than that of other countries. In 1980, tourism was only 2% of Africa's exports (less than half the world average). By 1995, it had caught up, and by 1998 gone ahead (both were about 7%) (Page 1999).

Africa's share in the total volume remains low, but it doubled from 1.5% in 1970s to 3% in the late 1980s, and is now 4%. The question is whether it can continue to increase its share of output and trade or whether its growth will also slow to the plateau of about 4% found in the rest of the world. In Mauritius, tourism is now a slowly growing sector, as labour is no longer abundant and cheap, and it is being devolved to neighbouring countries rather than diversified and developed within Mauritius itself.

A recent meeting of the Least Developed Countries, convened by UNCTAD and the WTO/OMT (WTO/OMT 2001) noted that although these 49 countries account for less than one per cent of total international arrivals, visitor numbers have doubled in the last decade from 2.4 million in 1988 to 5.1 million in 1998. In seven LDCs (Cambodia, Mali, Lao, Myanmar, Samoa, Uganda and Tanzania) growth was particularly strong with an increase from 0.4 million international arrivals in 1992 to 1.2 million in 1998.

The international forecasts for tourism appear to be simple projections based on past performance, and can be questioned as too high or too low by taking different forms of naïve projecting. The generally stable nature of tourism demand, however, suggests that the variations in different projections might not be as large or as sensitive to assumptions as in projections for other commodities; the probable growth rates are between 3% and 6%. The most worrying trends for developing countries could be in the long term if tourism ceases to be a 'luxury' good, with a high income elasticity, and becomes either a commodity good, with a unit elasticity, or an inferior, out of fashion, item, or if new forms of 'tourism' such as activity parks move the activity back to developed (even home) countries.

Table 7: The 20 fastest growing developing country destinations in terms of visitor arrivals between 1990 and 2000

Position	Country	Arrivals in 1990 (in '000)	Arrivals in 2000 (in '000)	Growth 1990-2000 (in %)
1	Cambodia	17	466	2641.18
2	Lao PDR	14	300	2042.86
3	Iran	154	1700	1003.90
4	Myanmar	21	208	890.48
5	Vietnam	250	2140	756.00
6	Cape Verde	24	143	495.83
7	South Africa	1029	6001	483.19
8	Cuba	327	1700	419.88
9	Chad	9	44	388.89
10	Brazil	1091	5313	386.98
11	Nicaragua	106	486	358.49
12	Nigeria	190	813	327.89
13	Micronesia Fed.Sts.	8	33	312.50
14	El Salvador	194	795	309.79
15	Zambia	141	574	307.09
16	Bhutan	2	7	250.00
17	Oman	149	502	236.91
18	Tanzania	153	501	227.45
19	Peru	317	1027	223.97
20	Zimbabwe	605	1868	208.76

Source: WTO/OMT 2001

Developing countries (and particularly the Least Developed Countries or LDCs) also showed higher growth rates in terms of receipts per international arrival between 1990 and 2000 than the developed world. LDCs secured an increase of 45% while developing countries saw a growth rate of nearly 20% in international receipts. This compares with 18% for OECD countries and 7.8% for the EU countries. (WTO/OMT 2002).

6 Significance of tourism in the 'poorest' countries

There are a number of different ways of defining 'poor' countries. Here we focus on:

1. Those countries which contain *the greatest numbers* of the 1.2 billion people who live on less than $1/day;
2. those with the *highest proportion* of their population living on less that $1/day;
3. those defined by the United Nations as the *'Least Developed Countries'* (LDCs).[9]

The first criterion identifies large countries with large numbers of poor people such as India and China, whereas the second highlights smaller countries which may have a larger proportion or poor people, but a smaller absolute number, such as Mali and Burkina Faso. Average GDP or GNI per capita is a useful way for comparing the overall economic performance of countries but can fail to identify countries with high levels of wealth inequality, where many are poor despite high 'average' income. In these countries, the question of government will or ability to redistribute income, highlighted in the first section, is important.[10]

Table A6 presents summary tourism data for the poorest countries. Tourism is significant for the vast majority of the 50 countries with the highest numbers of people living below the poverty line of US$ 1 per day:

- Of the 47 of the poorest 50 countries for which there is data, tourism is significant in all but two: in 45 it contributes over 2% of GDP, or 5% of exports, or both[11].
- More strikingly still, in 41 of the 50 poorest countries (out of the 47 for which there is data), tourism contributes over 5% of GDP and/or over 10% of exports.

Of the top twelve poorest countries, homes to 1.01 billion people living below the poverty line, tourism is significant in all of them (over 2% of GDP and/or 5% of exports). It is strikingly significant, at over 5% of GDP and 10% of exports in at least 11 of them[12].

Table A6 for the 50 poorest countries in terms of the *numbers* of poor people includes the 33 poorest countries categorised according to the *proportion* of their population (as opposed to absolute numbers) living on less than $1/day. Thus either way, the data shows the contribution of tourism in the poorest countries, using definition.

With respect to the Least Developed Countries, WTO/OMT and UNCTAD (2001) note that 'tourism can make a substantial contribution to … development … and in combating poverty'. In 1998, tourism was a leading export sector for 31 LDC countries and it is the first source of export earnings in seven (Table A7). Tourism receipts to LDCs more than doubled between 1992 and 1998, from $1 billion to $2.2 billion, with five countries: Cambodia, The Maldives, Nepal, Tanzania and Uganda capturing 51 per cent of the total. Apart from the petroleum exporting countries (Angola, Yemen and Equatorial Guinea) tourism is a primary source of foreign exchange earnings for all others. Encontre (2001) argues that steady tourism development is likely to have a measurable socio-economic impact and can drive a Least Developed Country near the threshold of 'graduation' (moving out of LDC status). He argues that the five countries to graduate from LDC in recent years (Botswana , Cape Verde, Maldives, Samoa and Vanuatu) show a close association between tourism development and 'the socio-economic progress that explains the context of proximity to, or realization of graduation' (Encontre 2001:108). Four of

[9] The paper draws heavily on a WTO/OMT/UNCTAD report on tourism in the LDCs (WTO/OMT 2001).
[10] These countries will fall into one of the first two categories, even though GDP per capita is not so low as elsewhere.
[11] The three for which there are no data are Mozambique (for which tourism is nevertheless undoubtedly significant), Mauritania and Moldova. The two for which tourism is not significant are Central African Republic and Moldova.
[12] The one not included in the eleven is India (as according to 1999 data in Table A6, tourism was 'only' 8.6 % of exports).

these LDCs (except Botswana) were in 1999 among the top 20 tourism destinations in the developing world with high "Tourism Intensity Rates" [13] and three (Maldives, Vanuatu and Cape Verde) were among the destinations with the highest tourism contribution to GDP or to export earnings.

Brau *et. al.* (2003) found that small countries (under 1 million population) dependent on tourism (tourism receipts more than 10% of GDP) grew significantly better than other small countries: for the others, smallness was associated with slower than average growth, while the tourism countries grew faster than the average. Thus the reason small countries are observed to grow faster than larger developing countries appears to be their dependence on tourism, a sharp contrast with the results for dependence on primary commodities. They offer, however, both an 'optimistic' and a 'pessimistic' explanation: the pessimistic corresponds to what we have observed in Mauritius, that tourism countries initially grow fast because they are using their supplies of labour. This cannot last indefinitely. The optimistic corresponds to what has been argued here about the income elasticity for tourism: if demand for tourism increases sufficiently faster than the average growth in demand to compensate for any decline in productivity, it can still contribute to growth.

[13] The Tourism Intensity Rate (TIR) used here is based on a model developed by Harrison (1992). It measures the level of tourist arrivals in relation to the country's area and population size (number of visitors/1,000 population/km^2). While this is a relatively un-sophisticated measurement it serves here to show countries with particularly high tourism concentration, and consequently potential impact both for the economy as well as the socio-cultural and natural environment.

7 Conclusion

This brief paper highlights what different data sets can tell us about the significance of tourism in developing countries. The data highlight the major significance of tourism to a broad range of countries, through a number of types of effect, and its particular importance to small countries. Tourism is an important sector, by any measure. Although it is no longer particularly rapidly growing, and is only 'the largest world industry' if related activities are brought together, it has a higher income elasticity than other exports on which developing countries depend; it is more labour using than other sectors which can be established as new industries, and it can develop, at least initially, on the basis of unskilled or in-company trained labour. This gives a wide range of countries the opportunity to participate in rapid export growth. For some developing countries, even if they are insignificant in international terms, it may be the only or best export opportunity available. This seems to be particularly true of many poor and/or least developed countries such as The Gambia, Uganda, Nepal, and Cambodia.

Developing countries are relatively important in the international industry as a whole on the basis of the number of international visitors they receive, although only a few are major destinations. It is in some developing countries that tourism is growing fastest, and/or making the largest contribution to the national economy. The importance of tourism to these economies shows that its effects go well beyond those countries that are important international destinations or are well known for their dependency.

What international data series *cannot* show is the distribution of tourism *within* a country, the significance of tourism at the local destination-level, and therefore where and how it affects the implementation of pro-poor policies. The data on income from tourism and the direct contribution to GDP cannot tell us whether and how governments will use the income for pro-poor policies; they can only tell us that tourism increases the potential for this. Furthermore, although most of the figures presented here relate to international tourism it is important to remember that in many developing countries there is a significant and rapidly growing domestic tourism market.

Maximising the pro-poor potential of tourism requires, therefore, not just an understanding of national level statistics but awareness of the internal factors that affect the development of tourism at the local – or destination – level and of the policies of destination governments.

Appendix

Table A1: International Arrivals by country group (in thousand)

Country grouping	1990	2000	Increase	% increase
OECD	338,200	471,164	132,964	39.3
EU	204,961	283,604	78,643	38.4
Other countries	3,465	6,652	3,187	92
Developing countries	150,563	292,660	142,097	94.4
Least Developed Countries	2,921	5,106	2,185	78.8

Source WTO/OMT 2002: 26

Table A2: Absolute Value (US$ Million) of tourism expenditure by country group

Country grouping	1990	2000	increase	% increase
OECD	201,082	330,464	129,382	64.3
EU	119,998	179,041	59,043	49.2
Other countries	1,366	2,388	1,022	74.8
Developing countries	59,645	138,937	79,292	132.9
Least Developed Countries	1,021	2,594	1,573	154.1

Source: WTO/OMT 2002:27

Table A3: Average value per international arrival of tourism expenditure by country group

Country grouping	1990	2000	Increase	% increase
OECD	595	701	107	18
EU	585	631	46	7.8
Other countries	394	359	-35	-8.9
Developing countries	396	475	79	19.8
Least Developed Countries	350	508	158	45.3

Source WTO/OMT 2002:27

Table A4: Growth between 1990 and 2000 in the top 4 export sectors for Developing Countries and Least Developed Countries

Tourism & merchandise exports	Developing Countries	Rank	Least Developed Countries	Rank
Manufactures	208%	1	217%	2
Food	58%	2	-71%	4
Tourism	154%	3	47%	3
Fuels	16%	4	1,444%	1

Source: WTO/OMT 2002: 29

Table A5: Comparison of the labour intensity of tourism to other sectors using employment : output ratios (EOR) (1996)

	Chile	Indonesia	Philippines	PNG	RSA	Thailand	NZ
Employment : output ratio							
Tourism	0.93	0.74	0.97	0.93	0.84	0.93	1.15
Manufacturing	-	0.51	0.43	-	0.58	0.57	0.71
All non-agricultural	-	0.67	0.72	-	0.54	0.67	0.97
Agriculture	-	2.75	2.07	-	9.70	3.67	1.35
Average: whole economy	1	1	1	1	1	1	1

Notes: Employment: output ratios = sector's % contribution to employment / sector's % contribution to GDP.

Interpretation: the whole economy contributes the same to GDP (100%) as to employment (100%). A labour intensive sector would contribute more to employment than to GDP (above average jobs per unit of output), so have an EOR of above 1. The table shows that the EOR for tourism is just below 1 in most countries (i.e. close to average), but noticeably higher than the EOR for non-agricultural sectors in general (the average is distorted by the very high EOR of agriculture).

Source: Deloitte & Touche, IIED & ODI 1999

Table A6: Tourism data for the 50 countries with the highest actual number of people living below the poverty line[14]

	Country	Total population below the poverty line in million	GNI per capita US$ in 2001	Arrivals in '000 source WTO, 2000	Growth 1990-2000	Tourism contribution to GDP (tourism economy) in 1999	Receipts as percentage of exports in 1999
1	India	**461.9**	460	2641	54.72	4.9	8.7
2	China	**237.1**	890	31229	197.9	9.8	10.4
3	Nigeria	**91.2**	290	813	327.9	2.7	10.9
4	Pakistan	**45.8**	420	543	28.1	5.1	10.4
5	Bangladesh	**38.8**	360	200	73.9	3.4	2.1
6	Ethiopia	**21.0**	100	125	58.23	6.3	26.2
7	Brazil	**20.4**	3070	5313	387	7.6	8.3
8	Mexico	**16.4**	5530	20643	20.2	10.4	19.3
9	Indonesia	**15.5**	690	5064	132.5	9.8	12.9
10	Russian Fed	**10.3**	1750	21169	n.a.	1.7**	10 **
11	Nepal	**9.7**	250	451	76.9	7.3	27.8
12	Ghana	**9.0**	290	373*	144.5	6.7	10.4
13	Mali	**8.2**	230	91	106.8	6.4	19.7
14	Colombia	**8.1**	1890	530	-34.8	7.1	12
15	Madagascar	**8.1**	260	160	201.9	7.8	18.6
16	Kenya	**8.0**	350	899	10.4	9.5	28.5
17	Burkina Faso	**7.7**	220	218*	194.6	5.1	3.4
18	Mozambique	**7.4**	210	n.a.	n.a.	n.a.	n.a.
19	Tanzania	**7.4**	270	501	227.5	10.4	13.9
20	Niger	**6.5**	180	50	138.1	3.6	11.1
21	Zambia	**6.3**	320	574	307.1	9.5	9.1
22	Venezuela	**5.6**	4760	469	-10.7	7.6	12.5
23	Cameroon	**5.4**	580	n.a.	n.a.	4.2	11.6
24	South Africa	**5.0**	2820	6001	483.2	6.9	5.7
25	Peru	**4.3**	1980	1027	224.0	9.8	9.5
26	Zimbabwe	**4.1**	480	1868	208.8	5.6	7.3
27	Sierra Leone	**3.2**	140	10	-89.8	3.6	9.4
28	Yemen Rep	**2.9**	450	73	40.4	2.5	4.4
29	Senegal	**2.8**	490	369*	50	7.5	14.4
30	Ecuador	**2.7**	1080	615	69.9	9.8	15.4
31	CAR.	**2.4**	260	10*	66.7	4.1	3.1
32	Egypt	**2.2**	1530	5116	112.2	10.6	26.1
33	Turkey	**1.6**	2530	9587	99.8	9.5	18.5
34	Honduras	**1.6**	900	408	40.7	10.3	7.1
35	Lao PDR	**1.5**	300	300	2042.9	10.9	3.4
36	El Salvador	**1.3**	2040	795	309.8	7.2	22.1
37	Sri Lanka	**1.3**	880	400	32.2	8.8	13
38	Thailand	**1.2**	1940	9509	79.5	13.2	19.8
39	Bolivia	**1.2**	950	342*	34.7	8.5	13.4
40	Guatemala	**1.1**	1680	823*	61.7	9.1	14.2
41	Paraguay	**1.1**	1350	221	-21.1	8.5	2.6
42	Lesotho	**0.9**	530	186*	8.8	8.9	27.3
43	The Gambia	**0.8**	320	96*	-4	13.3	16.7
44	Mauritania	**0.8**	360	n.a.	n.a.	n.a.	n.a.
45	Algeria	**0.6**	1650	866	-23.8	6.4	10.3
46	Morocco	**0.6**	1190	4113	2.21	12.4	25
47	Namibia	**0.6**	1960	560*	n.a.	13.2	11.7
48	Moldova	**0.5**	400	n.a.	n.a.	n.a.	n.a.
49	Côte d'Ivoire	**0.5**	630	n.a.	n.a.	4.1	3.2
50	Costa Rica	**0.5**	4060	1106	154.3	13.2	18

* 1999 ** 2004

Source: WTO/OMT 2002, World Bank 2002, WTTC 2004

[14] the international poverty line used here is 1US$ per day

Table A7: Classification of the Least Developed Countries according to the importance of the tourism sector in their economy (tourism in % of total exports of goods and services in 1998 or earlier as indicated)

LDCs with a prominent tourism sector in 1998		**LDCs with a less prominent tourism sector in 1998 but demonstrating significant growth in their tourism performance**	**LDCs without significant tourism activity in 1998**
Countries for which tourism is the first export sector	**Countries for which tourism is second or third export receipt earner**		
Comoros (51.7)[15]	Benin (10.3) [15]	Bangladesh (0.9)	Afghanistan
Gambia (58.8)[16]	Cambodia (9.5)	Bhutan (N/A.)	Angola
Maldives (71.0)	Cap Verde (17.1)	Burkina Faso (4.8) [16]	Burundi
Samoa (47.4)	Haiti (23.6)[17]	Ethiopia (3.7)	Central Afr. Republic
Tuvalu (29.5)	Lao PDR (19.5)	Malawi (1.1) [16]	Chad (3.8) [16]
United Republic of Tanzania (34.9)	Lesotho (9.9)	Mali (4.1) [15]	Congo
Vanuatu (33.9)	Madagascar (11.1)	Mauritania (5.1)	Djibouti
	Nepal (18.0)	Myanmar (9.9)	Equatorial Guinea
	Sao Tome & Principe (34.2)	Yemen (3.7)	Eritrea
	Senegal (12.7) [15]	Zambia (N/A.)	Guinea
	Uganda (18.2) [15]		Guinea-Bissau
			Kiribati (5.9) [16]
			Liberia
			Mozambique
			Niger (2.0) [16]
			Rwanda
			Sierra Leone
			Solomon Islands (3.4)
			Somalia
			Sudan
			Togo (7.2) [16]

Source: WTO/OMT 2001

[15] 1995
[16] 1997
[17] Haiti's tourism performance declined substantially from its 1985 level before regaining momentum in the late years of the 1990s

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