





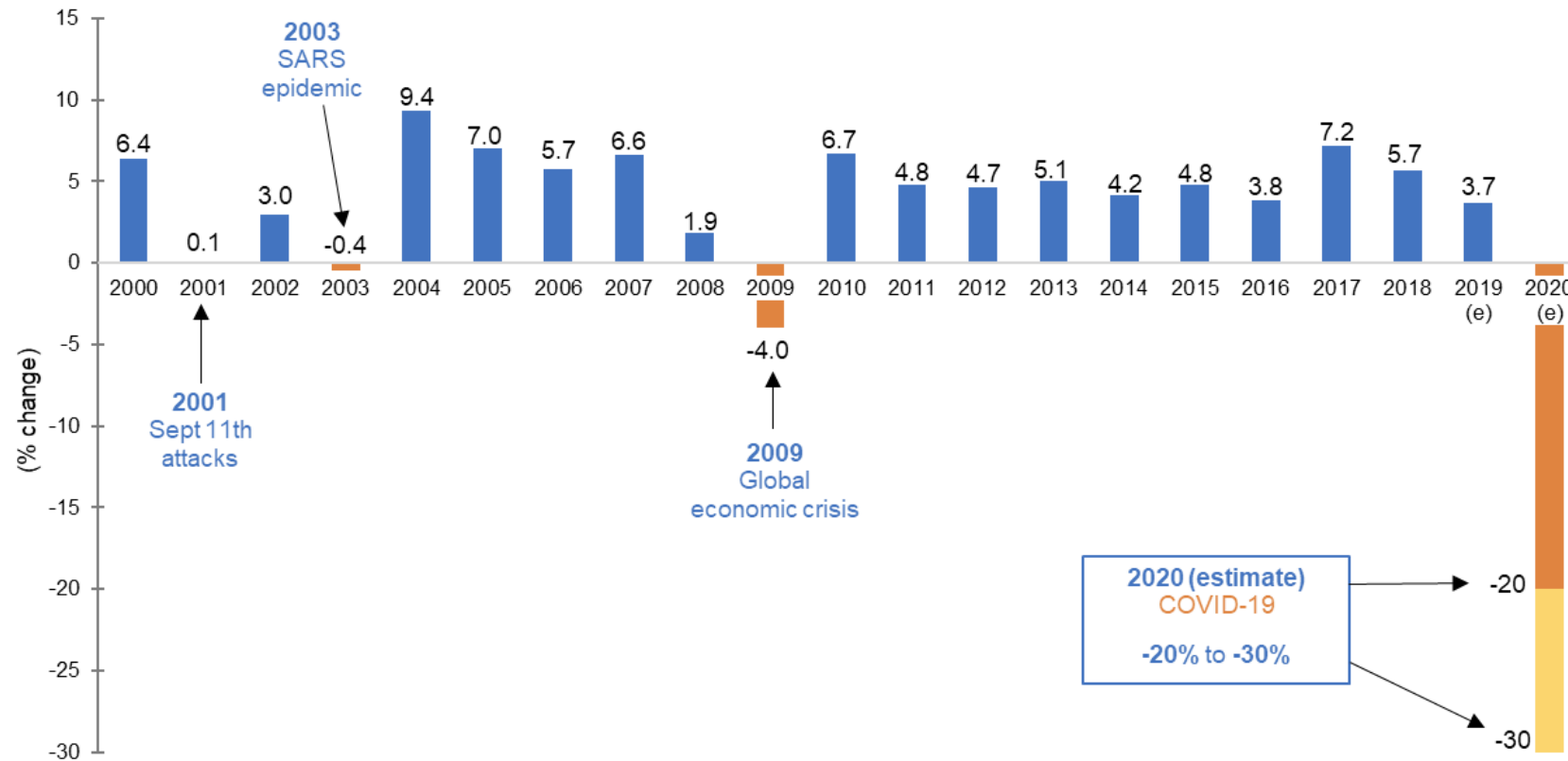
*COVID-19 and Uganda's tourism:  
Policy Interventions to revive and  
grow the sector*

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# Global Tourism and COVID-19: a huge shock

- UN World Tourism Organization
  - May forecast:  in int'l tourist arrivals of 58-78% in 2020
  - Panel of tourism experts expect recovery only in late 2021
- World Tourism and Travel Council
  - June forecast:  in int'l tourist arrivals of 41-73% in 2020
  - Leaning toward worse case scenario after reversals in Europe
- International Air Transport Association
  - 99%  in international air travel in May
  - Bookings in June  77%
  - June consumer survey: over 50% will not start travel until end 2020 or later
  - Air travel revenues unlikely to reach 2019 levels until 2024

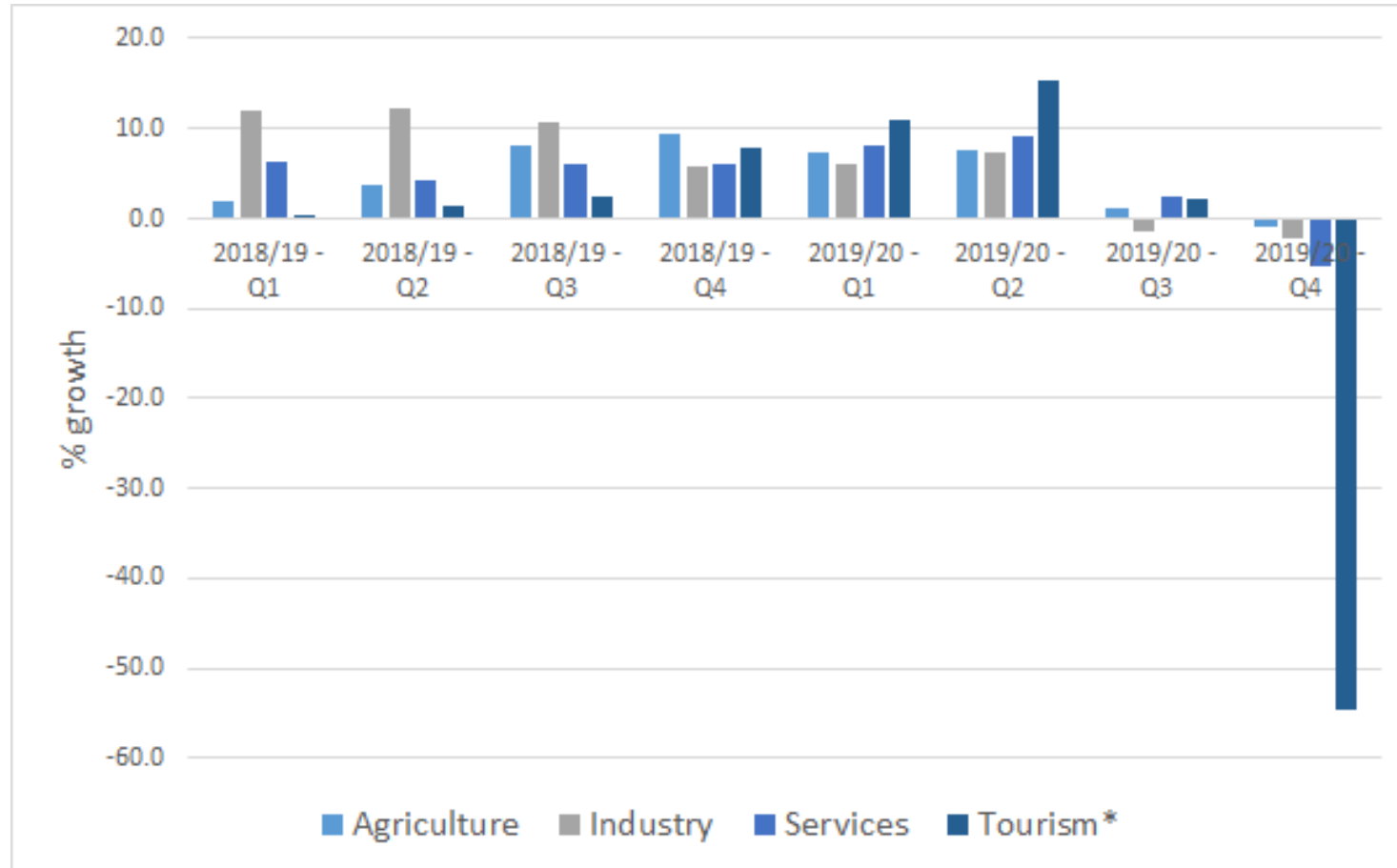
# International Tourism Arrivals and early UNWTO estimates - now updated to a 58-78% decline !



Source: UNWTO (e) Estimate

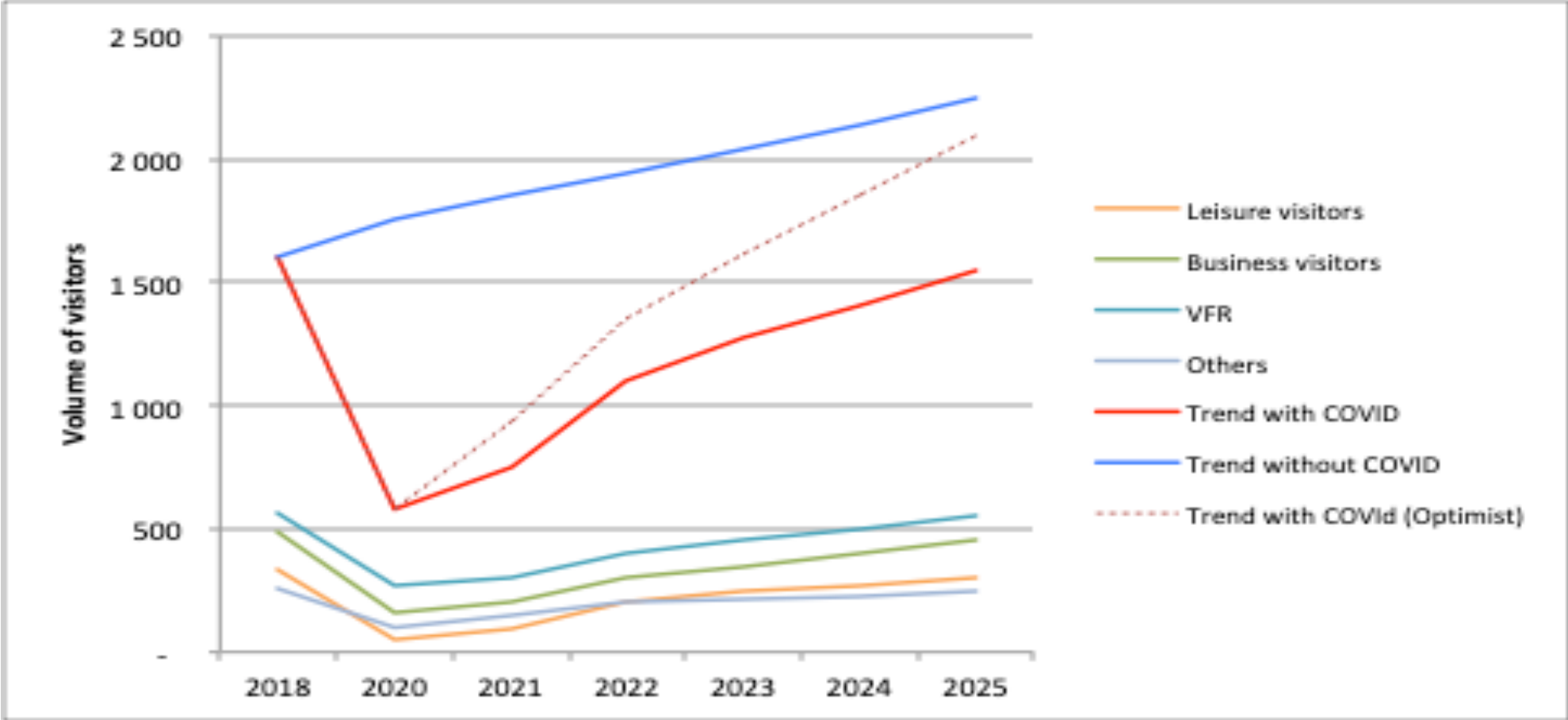
[Source: UNWTO, 2020: www.unwto.org](http://www.unwto.org)

# Tourism is clearly the worst affected sector in Uganda



Source: Uganda Bureau of Statistics, 2020

# Trends in international Visitors (2020-2025) by market segments



Source: UNWTO, 2020: [www.unwto.org](http://www.unwto.org)

## Leisure tourists are the most important, but will be the last to return

- Leisure tourists are the largest spenders and dominant clients for up-country lodges and tour operators, but will be last to return
- Overseas business travelers also large spenders but will be slow to travel
- VFR and regional business travelers will pick up first, but spend little on hotels and tour operators

### International Tourism by Category 2017/18

	# of arrivals	Average expenditure (UgShs million)	Total expenditure (UgShs billions)
Leisure	211,200	11,400,000	2,409
Visiting friends or relatives (VFR)	527,723	5,050,000	2,669
Business	225,960	2,800,000	632
Transit	92,158	320,000	30
Other	265,481		
	1,322,523		5,739

Source: UNECA, Uganda Tourism Satellite Accounts, 2018

# Domestic tourism can help but it is not the solution

- No reliable information, but 2017/18 National Panel Survey provides insights

<b>Total number of domestic travelers</b>	<b>337</b>
Visiting friends or relatives	199
Traveling for leisure or vacation	59
Traveling for business, medical, religious, etc. reasons	79
Total number staying in a hotel	10
Total number of leisure tourists staying in a hotel	1

Source: UNECA, Uganda Tourism Satellite Accounts, 2018

## Many factors will delay the return of high-spending international leisure tourists

- ✓ Lack of access to a vaccine: probably not until mid-2021
  - ✓ Concerns over access to high-quality medical care
  - ✓ Health safety issues related to air travel
  - ✓ Likely increased cost of air fares given reduced demand and expenses associated with cleaning airplanes
  - ✓ Reduced purchasing power of tourists due to loss of income
- Up-country lodges will not re-open until they can be assured of reasonable level of capacity utilization



# NDPIII Program objectives for Tourism

Tourism – one of top priority sectors for socio economic transformation with NDPIII objectives;

1. Promote domestic and inbound tourism;
2. Increase the stock and quality of tourism infrastructure;
3. Develop, conserve and diversify tourism products and services;
4. Develop a pool of skilled personnel along the tourism value chain and ensure decent working conditions; and,
5. Enhance regulation, coordination and management of the tourism.

**To meet these NDP III Objectives, there are specific interventions that government must implement in this Covid-19 slowdown as the country prepares for recovery!**

# Intervention Orientations

- Interventions aligned to NDP III and Tourism Master Plan and aimed at ensuring sector survival and recovery
- Should be packaged to target two crisis phases i.e **During and after/post Covid**
- The 'during Covid -19 oriented interventions should aim at: **protection and management of the tourism resource, Protection of jobs, Sustain the self-employed and support companies' liquidity and operations**
- The post -covid oriented interventions should aim at: **keeping destination Uganda in limelight to influence post Covid decisions, addressing capacity gaps across the value chain, infrastructure issues, quality assurance and product development issues**

# 'During' Covid -19 Oriented Interventions

## FIRST ORDER PRIORITIES

- Urgent Fiscal and Monetary Measures to mitigate the negative effects of the COVID-19 pandemic on the sector:
  - Revision of central bank lending rates,
  - Special support schemes for self-employed workers -such as exemptions, delays or reduced social security and tax)
  - Establish and operationalize a tourism investment fund to enable private investors get access to affordable finance.
- Brand Image: Build a positive and competitive image of destination Uganda by:
  - Scale up **online market presence** (online Visibility) in key source markets and **destination awareness** in domestic, regional and international source markets;
  - Develop and roll out destination Uganda brand,
- Establish a Market Intelligence Framework to monitor trends and status of Tourism during and after Covid-19.
- Wildlife Management
  - Intensify field related conservation efforts in protected areas - (UWA deficit of UGX 9.24bn amidst a drop in tourism revenues)
  - Sustain the captive animal welfare at UWEC and Chimpanzee Sanctuary (UWEC – 13bn and Ngamba UGX 2 bn amidst a drop in tourism revenues)
  - Remove evasive species in protected areas (QENP, LMNP, Katongo, Kidepo, Toor- Semliki Wildlife Reserve- UGX 1.5bn)
  - Address human-animal conflict around Protected Areas- (barriers and others - 3.85bn)

# 'Post' Covid 19 Oriented Interventions

## SECOND ORDER PRIORITIES

### Increase the stock and quality of tourism infrastructure

- Expand, upgrade and maintain tourism national transport infrastructure and services:
  - ✓ Tarmac the road for southern access to Bwindi National Park;
  - ✓ Build a bridge across the Nile at Murchison Falls National Park; to support tourism and oil sectors
  - ✓ Improve access to Lake Mburo, Murchison Falls National Parks , Pian Upe WR; and Bigo bya Mugenyi
  - ✓ Maintain access to all PAs

### Support Product Development and Diversification

- Set up regional museums (Fort Portal, Arua and Napak)
- Map, profile and conduct feasibility studies for cultural and heritage tourism sites development
- Construct improved equator monuments at Kayabwe, Rwemikooma, Lake George and Kikorongo to trigger private sector investments around those areas
- Upgrading the Pian Upe Wildlife Reserve into a national park with necessary infrastructure.

### Develop a pool of skilled personnel along the tourism value chain

- Fast track completion of the Uganda Hotel and Tourism Training Institute (HTTI).
- Provide tailor-made training for actors across the entire tourism value chain.