



Ministry of Tourism

Monitoring and Follow up on TSA Unit Egypt

16th UNWTO Committee on Statistics and TSA

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Introduction

Launching **TSA Unit in Egypt** in **2008** to measure the real impact of **TOURISM** in the economy have created an awareness of the importance of **TOURISM STATISTICS** among stakeholders, provided the **AUTHORITIES** with analysis and created a day to day **RELATION** with Central Bank and Central Agency of Statistics

Contribution of Tourism Sector in the economy

KEY DESCRIPTIVE ELEMENTS

In 2010 :

- 20% of Foreign Currency
- 49.5 % of Total Export Services
- 24 % of Direct Taxes on Services and 6 % of Total Direct Sales Tax
- 12.6% of Total employment
- 6.1% of Direct GDP

KEY DESCRIPTIVE ELEMENTS

In 2015 :

- 12% of Foreign Currency
- 34 % of Total Export Services
- 19 % of Direct Taxes on Services and 4.5 % of Total Direct Sales Tax
- 1.7 million Direct Workers & 2.2 million Workers in Tourism Related Sectors (Transport, Sports, Recreation, etc..)
- 3.7% of Direct GDP

Source: Ministry of Tourism, TSA Unit, Ministry of Finance, Central Bank of Egypt, 2016

How TSA helped during Crisis

TSA was designed to make link between **TOURISM** industry supply and visitor demand

The Ten Tables of TSA provide an **ANATOMY** for Tourism in any country **SO** you can always **TRUST** the results

But can the TSA tables **EXPLAIN** a **CRISIS ??**

This is what **TSA UNIT EGYPT** did after the Russian Plane Incident 31st of October 2015

How TSA helped during Crisis (*cont*)

Attention turned toward **TSA ?** **YES**

Great Importance of **TSA ?** **YES**

Does **TSA** give Expectations? **NO**

BUT

We can **MEASURE Accurately: LOSSES** from the “ Demand Side and Supply Side” Estimate **IMPACT** on the economy from **TSA RESULTS**

How TSA helped during Crisis (*cont*) *Sharm El Sheikh*



55% Drop of Russian Tourists with an average of 12 nights



75% Drop of British Tourists with an average of 9 nights



US\$ 100 mn a month of losses (US\$ 73/night)



**32% of Total Rooms -22% of Total Hotels in Egypt
With an occupancy of 75% year around**

How TSA helped during Crisis (*cont*) *Hurghada*



52% of Russian Tourists with an average of 12 nights

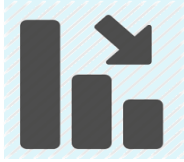


US\$ 140 mn a month of losses



35% of Total Rooms (277 Hotels)

How TSA helped during Crisis (cont) Supply side



Decrease in demand of local products due to decline of Tourists

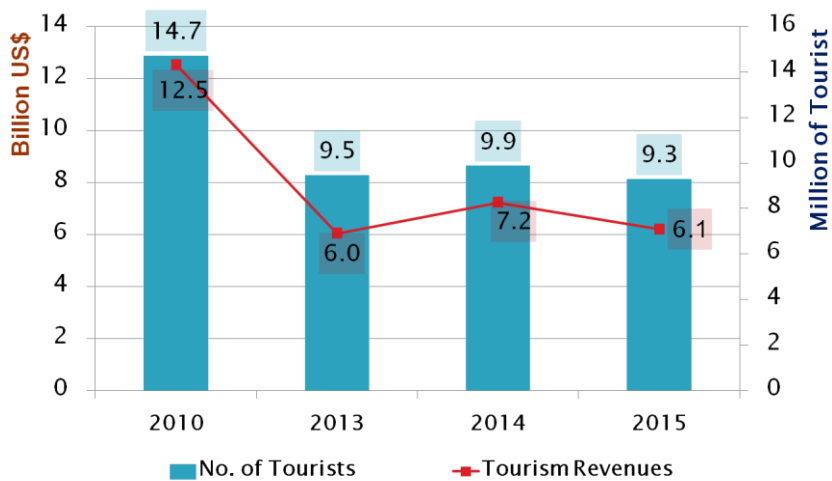


Vegetables- Fruits- Meat - Fish- Poultry –Beans- Local beverages - Dairy Products



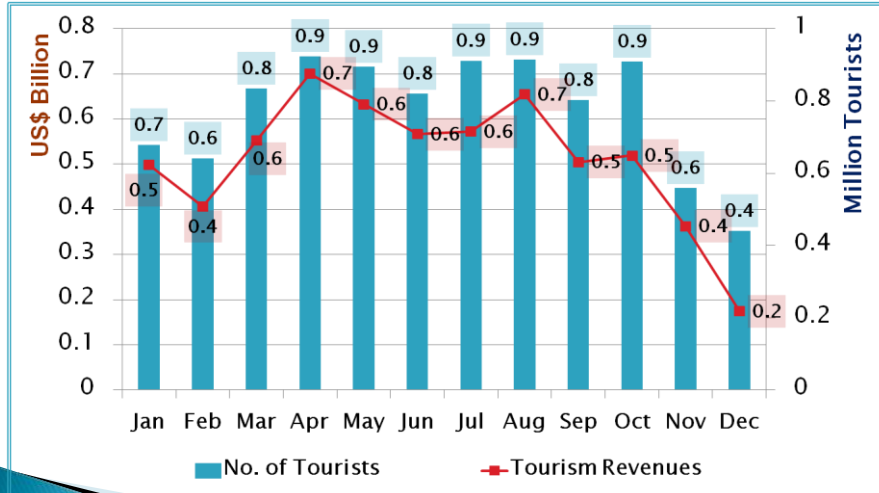
an average of **US\$ 300 mn a month of losses per month**

Current Situation in Egypt Tourism and Revenues during 2010-2015



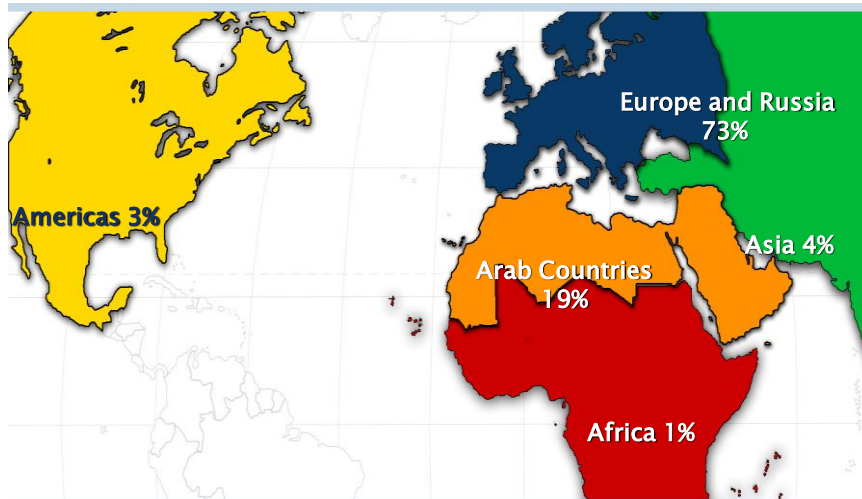
Source: Passport and Immigration Authority, Central Bank of Egypt, Ministry of Tourism ,2016

Current Situation in Egypt (cont) Tourism Inbound and Revenues Monthly 2015



Source: Passport and Immigration Authority, Ministry of Tourism, Central Bank of Egypt, 2016

Current Situation in Egypt(cont) Source Markets Distribution 2015



Source: Ministry of Tourism, TSA Unit, 2016

TSA and TSA Beyond

When we talk about Tourism as an industry , we focus only on the inbound tourism “ Demand Side” : Numbers , Nights, Revenues **MORE THAN** the “Supply Side”, the Environmental impacts and other challenges that could have a negative reflection on resources (water, energy,)

and here comes the importance of

TSA and TSA beyond

to measure the impact on the economy

Success Keys

- **Strong Coordination** with all stake holders through the **Steering Committee** especially our partners:

Ministry of Planning MOP

Central Agency for Public mobilization and Statistics CAPMAS

Central Bank of Egypt CBE

Passport &Immigration Authority-Ministry of Interior PIAMI

- Major sample **surveys** used to build **TSA tables**:

Inbound Tourism Survey- Domestic Survey – Income and

Expenditure Survey- Pilgrimage and Umrah Survey –Flash

Assessment Survey

Inbound Tourism Survey

- **Time :** Conducted yearly on 4 rounds
- **Total Sample size:** 30,000 tourists and 10,000 Non Resident Egyptians
- **Unit of analysis:** Foreigners , Arabs, Egyptian at exit port
- **Weighting method :** used according to the real weight of the actual number of inbound tourists and tourist nights per category
- **Average Expenditure / night:** estimated from the survey per category
- **Total expenditure:** resulted from the cross multiplication across all categories of nationalities
- **Patterns of expenditure:** measured from the survey and then applied to the weighted total expenditure to fill the related TSA table.
- **Quality Assurance:** conducted by a third party FEPS at Cairo University

Domestic Tourism Survey

- **Time :** Conducted periodically on 4 rounds
- **Sample size :** 24,000 households distributed to represent all Egypt
- **Unit of analysis :** 6000 households (Household member- Trip) per round
- **Weighting method:** used most recent population census
- **Average expenditure:** applied to the projected population size in 2009 to estimate the weighted total expenditure on domestic tourism per round.
- **Patterns of expenditure :** estimated from the survey and then applied to the weighted total expenditure to fill the related TSA table.
- **Quality assurance:** conducted by a third party FEPS at Cairo University

Income and Expenditure Survey

- **Time** : Conducted every two years since 1958/1959 and the latest survey was 2012/2013
- **Sample size** : used to provide a sampling frame for the domestic survey
- **Unit of analysis**: Household (Member of Household)
- **Coverage**: conducted during the whole year in all governorates of Egypt
- **Results**: Used to get estimates of domestic tourism to update domestic tourism survey

Pilgrimage and Umrah Surveys Outbound surveys

- **Time** : 3 times a year during Pilgrimage and Umrah seasons
- **Frequency** : 3 Times since 2009 and last conducted in 2014
- **Sample Size** : 7000 Pilgrims and 9000 for Umrah
- **Expenditure patterns** : estimated expenditure before travelling and during the trip
- **Characteristics of Egyptians going Pilgrimage and Umrah.**
- **Importance**: very important component for building TSA table 3
- **Quality assurance**: conducted by a third party FEPS at Cairo University

Flash Surveys with the cooperation of Baseera and PR agency (Burson- Marsteller)

- Time : Conducted in December 2015
- Sample Size: 1000 Tourists + 100 Employers/Employees
- Unit of Analysis: 500 Tourists in Hurghada and 500 in Sharm El Sheikh
- Place: Hotels (all categories) and restaurants
- Results: Produces rapid assessment and impact of the crisis and the perception of tourists toward the incident

TSA in Egypt and Beyond

- Considering the recognized pressures of tourism on the natural environment UNWTO recommends that “**linking tourism and sustainability be considered a priority**” (IRTS: para. 4.26)
- TSA opens the way to **quantify the environmental impacts** of tourism from both demand and supply sides at national and regional levels of analysis
- **But** how can a country estimate environmental effects of tourism based on the TSA when it does not have environmental accounts?



Challenges and Opportunities



BASED on Journal of Sustainable Tourism: “ Developing environmental performance measures for tourism using a Tourism Satellite Accounts approach: a pilot study of the accommodation industry in Egypt”, Ahmad Muhammad Ragab & Scott Meis, January 2016

Measuring the Environmental Impacts of Tourism (*cont*)

“Accommodation for visitors” is used as a pilot test for the feasibility of the proposed methodology which is based on (6) steps:

- 1) Identifying the boundary of accommodation industry (3 sub-industries):
 - (i) Hotels and other accommodation facilities for visitors,
 - (ii) Owned Second homes
 - (iii) Time-share properties and rented apartments
- 2) Identifying relevant measures (4) environmental-economic indicators:
 - ✓ Average water use (L/person/night)
 - ✓ Average fuel (diesel) use (L/person/night)
 - ✓ Average electricity use (kWh/person/night)
 - ✓ CO2 emissions in accommodation industry (ton CO2)
- 3) Tourism GDP ratio in the accommodation industry

Measuring the Environmental Impacts of Tourism (*cont*)

4) Identifying Data Sources:

✓ **No. of guests and Intermediate consumption on: water, fuel, electricity from (Hotels and Resorts Survey)**

✓ **TSA data (Production accounts of vacation homes)**

✓ **TSA-table 6(Tourism GDP Ratio)**

◦ **5) Calculations: (for reference year 2009)**

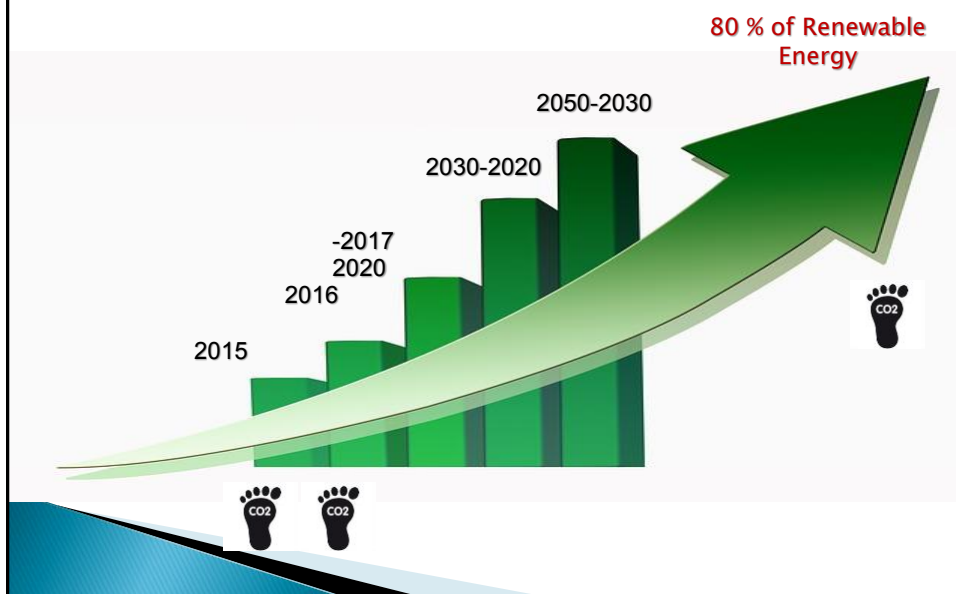
◦ **6) Extracting tourism share from total environmental effects**

Measuring the Environmental Impacts of Tourism (*cont*)

MAIN OBSERVATION

- **The TSA tables could play a role in the foundation** of estimating the environmental impacts of visitor activities or tourism industries in destinations
- **The Environmental- Economic indicators on tourism are a preliminary step** to manage natural resources and adopt innovative practices for mitigating environmental impacts associated with tourism
- **The Egyptian Experience approach allows countries** with no environmental accounts to partially examine some environmental impacts of tourism
- **The used approach could help measuring** energy and water use intensity of other tourism industries (transport, food and beverages, and recreation)

Measuring the Environmental Impacts of Tourism (cont)



Measuring the Environmental Impacts of Tourism (cont)

And Because the Serious global future megatrends are **Scarcity of Resources (ENERGY, Water) IN EGYPT** we decided for the short and medium term:

Period	Plans and Objectives	Target Achievements
2015	<ul style="list-style-type: none"> Establish the institutional capacity " The Green Tourism Unit" Assess current energy landscape 	<ul style="list-style-type: none"> Create demand on & prepare for green transformation 75 certified hotels
2016	<ul style="list-style-type: none"> Complete a green co-investment pilot Develop Green Tourism indicators - link w/UNWTO Develop minimum standards for new hotels 	<ul style="list-style-type: none"> 10 hotels (reduced energy & carbon footprint) 100 certified hotels

Measuring the Environmental Impacts of Tourism (*cont*) and for the **LONG** term:

Period	Plans and Objectives	Target Achievements
2017–2020	<ul style="list-style-type: none"> Establish a 500-million Special Purpose fund for EE/RE – 10% Govt. & 90% subscription by regional & Intl’ development agencies – expand on technologies Target EE/RE projects in in 350–400 hotels (4 & 5 stars) Update NN to include energy indicators Develop supporting regulations and tax incentives for green new hotels 	<ul style="list-style-type: none"> Increased revenue for green hotels 150 hotels (reduced energy & carbon footprint) 200 certified hotels 15,000 green jobs created
2020–2030	<ul style="list-style-type: none"> 70% share of renewable energy in hotels Use of concentrated solar power in all water desalination plants 	<ul style="list-style-type: none"> Electric water heaters banned in hotels Higher revenue for green hotels
2030–2050	<ul style="list-style-type: none"> Zero energy hotels 	



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Thank you

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