



Tourism Satellite Accounting In The Caribbean

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Caribbean Tourism Trends

- **22.2 million* stayover arrivals, 19.2 million cruiseship passenger visits and US\$22.5 billion spent in 2006**
- **2.3% share of World Tourism arrivals with < 1% of world population**
- **> 50% of World cruise tourism market share**

Overview



- **Travel & Tourism largest sector in the world economy**
- **Significant element of economic activity in almost every country**
- **Caribbean region has highest tourism penetration level in the world !**
- **Yet, sector's measurement in the region is limited & sketchy**



Tourism Measurement Limitations in the Caribbean

- Absence of a reliable, thorough and internationally uniform statistical database from which one could measure the full economic impact of tourism
- Simple analyses of arrivals, estimates of expenditure (VEMS)
- No in-depth analysis of Tourism economic impact^{*1}



Challenges Facing Caribbean:

- **Sound definition of Tourism Sector^{*2}**
- **Better measurement of its direct economic impact^{*3}**





Key Tourism Statistics

- Visitor Arrival figures
- Tourism expenditure estimates
- Visitor Surveys
(expenditure, motivation, satisfaction etc.)
- Accommodation and Tourism Establishment Surveys
- Tourism Satellite Account (TSA)



Tourism Satellite Account

Overview:

- UN SNA '93 set basic standards*⁴
- UNWTO RMF 2000 and later refinements
- Enhances ability to accurately capture economic impact of previously undefined "sectors"
- Analytical work done within existing national accounting systems
- More flexible approach
- Not overburdening CSNA



The TSA :

- Measures *the* relationship between the *demand* for goods and services generated by tourists and non-tourists on one hand and, on the other hand, the *overall supply* of these goods and services



The TSA :

- Categorizes *distinct sections from national accounts and restructures them separately to measure total economic and employment impact of expenditure, investment and revenue from tourism* *5



The TSA :

- Reconciles supply and demand *for a series of tourism-related products* ^{*6,}





The 10 TSA Tables ^{*7}

Table 1	Inbound Tourism Expenditure (element of aggregate demand)
Table 2	Domestic Tourism Expenditure (part of total consumption)
Table 3	Outbound Tourism Expenditure
Table 4	Internal Tourism Final Consumption
Table 5	Production Accounts of Tourism & Other Industries
Table 6	Domestic Supply & Internal Consumption by Product
Table 7	Employment in Tourism Industries
Table 8	Tourism Gross Fixed Capital Formation
Table 9	Tourism Collective Consumption by Function & Levels of Government
Table 10	Non-Monetary Indicators of Tourism



The TSA :

- “...is the only way to have an overall view of tourism's impact on the economy on an equal footing with all other sectors”
[UNWTO] *8
- allows countries to measure tourism's true share of GDP in addition to other critical indicators * 8b

Key Requirements for Successful TSA Implementation

- Credible National Statistical System
- Resource requirements- *financial, administrative & HRD*
- Sensitisation of key parties
- Political/ administrative commitment
- National and Regional coordination



UNWTO Approach VS. WTTC Estimation Model



- Capacity building vs. “quick fix”
- Integral component of national accounts
- Data quality and authenticity
- Rigorous survey methodology



Regional TSA Development Initiatives

- Regional Multi-Agency meeting- May '06
- CTO TSA Workshop- Feb 2007
- CTO/CRSTDP Readiness Assessment and Implementation Plan- April 2007
- Ongoing CARICOM/CARTAC/CDB support



CARICOM Initiatives

- **2001/2002 - Project on International Trade in Services recommends work on TSA Framework - Funded by CIDA**
- **2001 and 2002 - CARICOM National Accounts Workshops feature TSA methodology**
- **2005- CARICOM Workshop on concepts and methods of TSA and links with National Accounts - Funded by Government of Spain**
- **2006 - Regional Statistics Workshop includes thematic area on TSA development in the region**
- **2006 - CARICOM undertakes pilot TSA implementation in four countries : Barbados, Dominica, Grenada and St Lucia *₉**



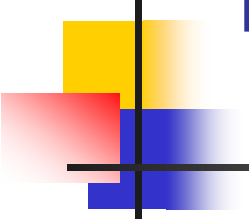
Key Country Initiatives

- 1995 :UNWTO pilot project in DR to test TSA within SNA 93. [Only C'bean country to have completed TSA
- 2002: Pilot project in Belize discontinued due to resource constraints
- 2004: Simulated TSA by WTTC in TNT
- 2005: Simulated TSA by *Global Insight* Bahamas

Summary of Current TSA Projects

COUNTRY	TSA STATUS	COMMENTS
Antigua & Barbuda	Not started.	No information received, emails not responded to nor telephone calls returned. Unable to assess situation.
Bahamas	Preliminary TSA completed. SUT almost complete.	Consultant <i>Global Insight</i> hired to produce preliminary TSA. SUT assistance provided by CARTAC.
Barbados	Not yet started but SUT almost complete.	SUT assistance provided by CARTAC. Country included in CARICOM Pilot TSA project.
Belize	Started but process stalled.	Technical assistance received from Sweden but process stalled. Need to re-start.
Dominica	TSA feasibility study completed.	Included in CARICOM Pilot TSA project in 2006

Summary of Current TSA Projects (2)



COUNTRY	TSA STATUS	COMMENTS
Grenada	Not yet started.	Included in CARICOM Pilot TSA Project.
Guyana	Not yet started. Still to convert to SNA 93.	Assistance required in converting to SNA 93. IDB project to assist country.
Haiti	Not yet started. Still to convert to SNA 93.	No information received. Weak statistical infrastructure. May need special project to build statistical system.
Jamaica	Started as part of the SNA 93 revision. SUT almost completed.	CIDA to provide technical assistance. Jamaica to begin pilot TSA.

Summary of Current TSA Projects

(3)

COUNTRY	TSA STATUS	COMMENTS
St. Kitts & Nevis	Not yet started.	STS development required. SUT attempted but incomplete.
St. Lucia	Pilot TSA underway.	Part of CARICOM Pilot TSA project. Was selected to be the first country for the TSA pilot project. SUT almost complete.
St. Vincent and the Grenadines	Not started. STS study underway. SUT in progress.	CDB funded project on STS in progress.
Suriname	Not yet started.	STS requires further development.
Trinidad & Tobago	Simulated TSA completed. Pilot SUT with assistance from CARTAC.	Full SUT for 2005 underway. Full TSA to be done. Some technical assistance required.



CTO Readiness Assessment

- *Group 1* - Bah and TnT : Strategy Full TSA by Dec 2009
- *Group 2* - BGI, Belz., Dom, GND, J'ca, SLU : Pilot TSAs Dec 2009
- *Group 3* - ANU, GUY, Haiti, SKN, SVG, SUR: Develop STS & SUTs : Dec 2010





Group 1 next Steps:

- Formalise inter-agency collaboration and ensure regular meetings
- Review STS & Complete and reconcile SUTs
- Complete full TSA
- Conduct review of full TSA, make adjustments and publish results of full TSA
- **Resource Requirements:**
 - ✓ Technical assistance for review
 - ✓ Dedicated staff of three for TSA project – A senior statistician and two statisticians



Group 2 Next Steps

- Set up inter-agency team
- Conduct feasibility study
- Complete SUT
- Prepare/Complete Pilot TSA
- **Resource Requirements**
 - ✓ Technical assistance for SUT completion (CARTAC)
 - ✓ Technical assistance for TSA project (UNWTO)
 - ✓ Dedicated staff - 1 senior officer, 1 junior officer
 - ✓ Appropriate computer hardware and software, where required



Group 3 Next Steps ^{*10}

- Set up inter-agency team
- Ensure good understanding of TSA framework and proposed tables
- Conduct feasibility study
- Develop STS
- Assess SNA
- Convert to SNA 93 where necessary
- Construct SUT where possible



Group 3 Resource Requirements

- Technical assistance for SNA 93, SUT, and Feasibility Study
- Dedicated staff - 1 senior officer, 3 junior officers
- Appropriate computer hardware and software, where required
- Funding for staff

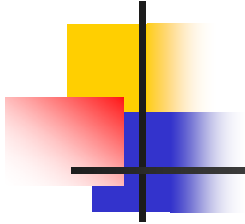


Way Forward

- Regional Coordination
- Technical & Financial Assistance for TSA/Statistics Expert
- Pilot/Replication Model
- Ongoing Training
- Sharing of information & Experiences
- Regular Reviews and Assessments



THE END.... Thank You



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