

STATISTICAL AND ECONOMIC ANALYSIS OF UGANDA'S TOURISM EXPENDITURE AND MOTIVATION SURVEY 2019



WORLD BANK GROUP



Statistical and Economic Analysis of Uganda's Tourism Expenditure and Motivation Survey 2019

October 2020



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Acknowledgements

This report was prepared by a team led by Ross Hughes and Sofia Ahlroth. Members of the team included Bradley Weiss, Kirk Hamilton, Martin Schmidt, Lesya Verheijen.

The team received expert advice from peer reviewers Craig Meisner and Paul Turner.

This report was produced under the overall guidance of Antony Thompson (Country Manager, Uganda) and Iain Shuker (Practice Manager, Environment, Natural Resources and the Blue Economy Global Practice).

This report is the result of a collaboration between the Uganda Ministry of Tourism, Wildlife, and Antiquities (MTWA), the Uganda Bureau of Statistics (UBOS), and the World Bank.

Technical leadership and contributions of Mrs. Doreen S. Katusiime (Permanent Secretary, MTWA), Dr. Chris Mukiza (Executive Director, UBOS), Manga I. Lyadda (Assistant Commissioner, Finance and Planning, MTWA), Ojok Denis Rodney (Senior Statistician, MTWA), Margaret Nakirya (Principal Statistician, UBOS), Tumusiime Boaz (Wildlife Officer, MTWA), Koiri L. Yunus (Statistician, UBOS) and Kizito W. Hakim (Statistician, MTWA) are gratefully acknowledged.

Funding for preparation of the report was provided by the Wealth Accounting and the Valuation of Ecosystem Services Partnership. The Tourism Expenditure and Motivation Survey was designed, implemented, and financed by the Government of Uganda.

Abbreviations

AUTO	Association of Uganda Tour Operators
B2B	Business to business
B2C	Business to consumer
BINP	Bwindi Impenetrable National Park
CAGR	Compound annual growth rate
CEDP	Competitiveness and Enterprise Development Project
COMESA	Common Market of Eastern and Southern Africa
EAC	East African community
GDP	Gross domestic product
IO	Input-output
KVNP	Kidepo Valley National Park
LMNP	Lake Mburo National Park
MFNP	Murchison Falls National Park
MGNP	Mgahinga Gorilla National Park
MICE	Meetings, Incentives, Conferences and Events
MTWA	Ministry of Tourism, Wildlife and Antiquities
NDPIII	National Development Plan (third)
NGO	Nongovernmental organization
POATE	Pearl of Africa Tourism Expo
PPD	Public-private dialogue
QENP	Queen Elizabeth National Park
RMNP	Rwenzori Mountains National Park
SME	Small and medium-sized enterprises
SNP	Semliki National Park
TEMS	Tourism Expenditure and Motivation Survey
UBOS	Uganda Bureau of Statistics
UCOTA	Uganda Community Tourism Association
UHTTI	Uganda Hotel and Tourism Training Institute
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNWTO	World Tourism Organization
UTB	Uganda Tourism Board
UWA	Uganda Wildlife Authority
UWEC	Uganda Wildlife Conservation Education Center
UWRTI	Uganda Wildlife Research and Training Institute
VFR	Visiting friends and relatives





EXECUTIVE SUMMARY

Executive Summary

The Government of Uganda is keen on increasing the economic benefits derived from Uganda's tourism assets. These assets include the national parks, the wildlife (a unique mixture of plains game and mountain gorillas), and landscapes for hiking, as well as water and adventure activities. Additional attractions include village visits, cultural assets, religious gatherings and conference facilities.

To support government policies aimed at increasing tourism benefits, this analysis is based upon an exit survey of visitors to Uganda in the 2019 high season for tourism. Because the survey questionnaire is almost identical to that employed in the Tourism Expenditure and Motivation Survey (TEMS) 2012, a key output of the survey work is a comparative analysis of the statistical characteristics and economic impact of tourists in Uganda in 2012 and 2019.

The 2012 and 2019 surveys focus on tourist numbers but also the demographic characteristics of tourists, their reason to visit Uganda, their country of residence, the number of nights they spend, the activities they enjoyed in Uganda and the sites they visited. Key data included the overall expenditures in Uganda by visitors, an assessment of the tourist's satisfaction with the sites visited, as well as accommodation, transportation and services. It also included an overall assessment of whether the tourist would return to Uganda and whether they would recommend Uganda to friends and family. To strengthen the marketing of Uganda as a tourist destination, the survey asked for data on what information sources the tourist used in choosing to visit Uganda.

The original intention of TEMS 2019 was to survey visitors in both the low and high tourism seasons, but the advent of the COVID-19 pandemic in early 2020 meant that the low season survey could not be carried out. For the economic analysis component of TEMS 2019 a rough estimate of low season economic impacts was built upon the comparative low and high season impacts derived in the 2012 analysis. The statistical analysis compares only the high season results for 2012 and 2019.

As in other countries, COVID -19 has had a severe impact on the Uganda tourism sector in 2020. By April 2020 earnings in accommodation and food services had dropped by 70 percent compared to 2019, and 77 percent of establishments had laid off staff. The World Tourism Organization (UNWTO) forecasts that a recovery in tourism will only occur by late 2021.

The recovery and further development of the tourism sector in Uganda will depend upon key policies and institutions of government, including the Ministry of Tourism, Wildlife and Antiquities (MTWA), the Uganda Tourism Board (UTB), the Uganda Wildlife Authority (UWA) and a series of research and training institutions dealing with wildlife conservation and hotel management. MTWA and its related institutions are subject to the Tourism Act (2008) and the Uganda Tourism Masterplan (2014–2024), the Wildlife Policy (2014) and the Wildlife Act (2019). The Tourism Masterplan aims to double tourism revenues, increase tourism jobs by 50 percent, and more than double arrivals by 2024.

Statistical Analysis of TEMS 2019

While MTWA has published a detailed statistical analysis of the TEMS 2019 high season sample of tourists, the emphasis in this report is on comparisons between the 2012 and 2019 high season samples. In both 2012 and 2019 the survey sample measures non-residents and non-Ugandans who spent at least one night in Uganda over the sample period. This yields a focus on high-spending foreigners in the target sample of 500,000 visitors in 2012 and 600,000 in 2019. In both cases the survey samples were adjusted to ensure that the distribution of tourists by country of residence matches the distribution seen in the official immigration figures.

The survey shows that in 2019, 52 percent of tourists to Uganda come from African countries, an increase from 47 percent in 2012, while Europe accounted for 20 percent and North America 14 percent. In both years, the top five countries accounted for 50 percent of all tourists.

Leisure tourists increased from 21 percent of the sample in 2012 to 25 percent in 2019 (from 89,000 to 126,000 tourists) and now form the largest share of tourists, followed by tourists visiting friends and relatives (VFR) (18 percent in 2012 and 24 percent in 2019). The increase in leisure tourists may reflect successful promotion of Uganda nature tourism in the intervening years. The survey results show that 50 percent of tourists depended on the opinions of friends and family when they chose Uganda, but 10 percent visited the Visit Uganda website¹ to get information. The number of nights spent by tourists in Uganda is highly variable, but the median in both years is from five to seven nights, with leisure tourists, spiritual tourists and tourists visiting friends and family dominating.

An important survey finding is that there were large increases in tourist satisfaction between 2012 and 2019. In particular, accommodation, restaurants and tours scored 75 percent excellent or very good, while local transport satisfaction jumped from 25 percent excellent or very good in 2012 to 45 percent in 2019.

Increases in tourist satisfaction with their Uganda visit are measured by the stated likelihood to return to Uganda which increased from 65 percent in 2012 to 70 percent in 2019. Similarly, 80 percent of tourists stated that they would recommend a Uganda visit to their friends and relatives in 2012, compared with 90 percent in 2019.

While the TEMS surveys provide a wealth of data on the demographic characteristics of tourists, the key figure for estimating the contribution of tourism to the Ugandan economy is the total expenditure per person during their visit, as well as expenditures per person per night.

In both TEMS 2012 and 2019, expenditure figures are derived from survey responses by independent travelers. The data show that these travelers are capable of breaking down their expenditures into accommodation, food and beverages, activities, tours, and transportation as well as other categories. This breakdown of expenditures is crucial for understanding which sectors of the Ugandan economy benefit the most from the tourist dollar.

In 2019 32 percent of leisure tourists visiting Uganda came on a package tour. Because estimates of fees charged by tour operators abroad are very crude, it is currently not possible to arrive at accurate estimates of what portion of package tour expenditures accrue to Uganda. This problem is exacerbated by the fact that many package tourists visit multiple countries on one trip, and airfares in particular are not broken out. This problem of identifying package tour expenditures in Uganda should be a focus in future incarnations of the TEMS surveys.

The average expenditure per tourist while in Uganda decreased very slightly from US\$994 in 2012 to US\$897 in 2019 (all dollar figures are in constant 2019 dollars). However, the difference is not significant owing to the necessarily rough inflation adjustment made in this study, using changes in the price level of aggregate gross domestic product (GDP). Of the different categories of tourists, the largest expenditures per person were made by leisure tourists, amounting to US\$1,146 in 2012, and US\$1,091 in 2019.

Economic Impact of Tourism in Uganda

Based on the survey data on tourist expenditures, the study uses the 2002 Input-Output (IO) table for Uganda in both the 2012 and 2019 analyses of economic impacts. Key economic results reported for each

¹ See: <https://www.visituganda.com/>.

year include the share of total exports generated by the foreign tourists who were the subject of the survey, an estimated range of value added generated by these tourists as a share of GDP, and the wages of skilled and unskilled labor employed as a result of foreign tourist demand for goods and services. Tourism exports are an important source of foreign exchange and serve to strengthen the balance of payments, while labor earnings speak directly to household welfare. The value added generated by tourists is the most general measure of the impact of foreign tourists on the Ugandan economy.

The analysis shows that tourist exports amounted to US\$431 million in 2019, representing 6.3 percent of total exports, compared with US\$374 million in 2012, representing 9.4 percent of total exports. Between 2012 and 2019, tourist exports grew by 15.2 percent, a strong performance. The estimated contribution of foreign tourists to GDP lay in the range of 1.3 percent to 3.7 percent of GDP in 2012, compared with 1.1 percent to 3.1 percent of GDP in 2019. Wages for skilled labor amounted to 19 percent of the value added generated by tourist expenditures in 2012, compared with an 8 percent share for unskilled labor. In terms of number of jobs, this difference would be smaller, given higher wages for skilled labor versus unskilled. While this analysis suggests that the tourism sector does not favor the low-skilled over the high-skilled worker, it does create jobs for the low-skilled, and the larger share of value added by skilled labor points to considerable returns on the investments that government and households have made in educating the young. These figures on labor skills come with a caveat however – ideally data on labor earnings by skill level should be available at the sector level in order to give a robust estimate of these earnings. Expanding the labor data and incorporating the data into the IO model should be priority for the next TEMS survey.

Two simulations of growth in the tourism sector point to the potential gains from policies which foster growth in the sector. If 100,000 additional leisure tourists had visited Uganda in 2019, this would have added nearly US\$100 million to tourism exports, equaling 1.5 percent to total exports, and generating additional value added in the range of 0.4 percent to 0.9 percent of GDP. Similarly, if each tourist in 2019 had spent one more night in Uganda, this would increase tourism exports by US\$67 million, equaling one percent of total exports and additional value added in the range of 0.3 percent to 0.7 percent of GDP.

Policy Recommendations Based Upon the Findings of TEMS 2019

The main objective of this report was to undertake comparative analysis of the TEMS survey data; however, a number of policy recommendations emerged from the analysis and from consultations with the stakeholders, as follows:

- Establish a ‘tourism observatory’ to measure the performance of businesses along the tourism value chain. This will indicate key trends and areas for improvement.
- Conduct visitor survey to track sentiments after tourism sector re-opening to understand evolving traveler profiles and patterns.
- Expand market intelligence capabilities to help evaluate which market segments to prioritize and how to target them.
- Publish timely tourist arrivals data, ideally within a week or two after the close of the month. This will help both policy makers and businesses to understand key trends and plan activities accordingly.
- Conduct visitor surveys more regularly—ideally every year given the importance of the data. Additionally, the sampling methodology should be strengthened and the results should be disseminated more widely.
- Support tourism product development and innovation through matching grant facilities, technical assistance to community tourism enterprises, and the piloting of curated local experiences that can be marketed through online portals.

- Develop a tourism marketing and promotion strategy that can help define priority market segments and identify the most effective channels for reaching them. Relatedly, a tourism brand for Uganda should be developed through a highly collaborative effort.
- Build the capacity of SMEs to market themselves online through the ever-increasing number of digital channels used by travelers.
- Bolster UWA's conservation and tourism management resources through capacity building, increased financing, and tourism infrastructure development.
- Facilitate investments in the domestic tourism market, including the development of less expensive accommodation options within national parks.
- Develop a Public-Private Dialogue (PPD) structure to help increase coordination among key tourism sector stakeholders.





A scenic view of a river with rapids and a forested cliff. The river flows from the left, creating white water rapids as it moves towards the right. The background is a steep, rocky cliff covered in dense green forest. The sky is clear and blue.

INTRODUCTION

Introduction

The Government of Uganda recognizes tourism's potential and continues to prioritize tourism as one of the country's growth sectors. To better understand the tourism development potential and monitor changes in tourism, two Tourism Expenditure and Motivation Survey (TEMS) were conducted in 2012 and 2019.² This report compares the two surveys through a statistical analysis (Section 2) focused on the high season and an economic analysis centered on all of 2012 and 2019 (Section 3). Main findings from these analyses and additional research in the form of literature reviews and stakeholder feedback lead to policy recommendations for further tourism development that can be implemented in the short and medium term (Section 4).

Tourism Resources

Uganda is endowed with an impressive quantity of world-class tourism resources, despite its small size (241,551 square kilometers). The country is best known for having the world's largest population (54 percent) of mountain gorillas. Tourists are able to track gorillas in two of the country's ten national parks: Bwindi Impenetrable National Park (BINP) – a United Nations Educational, Scientific and Cultural Organization (UNESCO) heritage site – and Mgahinga Gorilla National Park (MGNP). Three of the country's national parks and several forest reserves also offer opportunities to track chimpanzees. In all, the country contains 24 species of primates.

Uganda is also renowned for its wildlife safaris. Uganda's national parks contain 38 carnivores and 30 antelope species. In fact, Uganda is the only country in the world that contains both the Big 5³ and gorillas. Uganda's most visited safari destinations are Queen Elizabeth National Park (QENP) and Murchison Falls National Park (MFNP), but excellent game viewing is also available in parks such as Kidepo Valley National Park (KVNP) and Lake Mburo National Park (LMNP).

In addition to wildlife, Uganda's protected areas host the continent's largest variety of bird species (1,082 species). This attracts birders from around the globe to BINP, QENP, KNP, MFNP, Semliki National Park (SNP), and several forest reserves.

The snow-capped Rwenzori Mountains, topped by the 5,100-meter Margherita Peak, is the highest mountain range in Africa and another UNESCO World Heritage site. Rwenzori Mountains National Park (RMNP) offers top-notch trekking and climbing experiences. The volcanic Virunga mountains and Mount Elgon also offer excellent trekking opportunities. Other adventure activities can be practiced in Jinja, which is considered by many to be the continent's second-best adventure tourism destination after Victoria Falls. Activities on offer include white-water rafting, bungee jumping, jet boats, river surfing, and zip lines. Jinja is also one of two primary sources of the Nile, the world's longest river⁴. Lake Victoria, the world's second largest freshwater lake, also serves as a tourist attraction.

While nature-based tourism is the country's primary draw, Uganda also contains some notable cultural tourism resources. Many leisure tourists visit local communities offering experiences such as village tours, cultural dance performances, cultural hikes, craft demonstrations, etc. The Kasubi Tombs, burial grounds for four Buganda Kings, is a UNESCO World Heritage Site.⁵ Other noteworthy cultural sites are the Karamoja

2 Due to COVID-related suspension of travel, only a high season survey was conducted in 2019, whereas the 2012 Tourism Expenditure and Motivation Survey (TEMS) included both a high season and a low season survey.

3 The Big 5 grouping consists of lions, leopards, rhinos, elephants, and buffalos.

4 The Nile River has two primary tributaries: The White Nile, which originates in Uganda, and the Blue Nile, which originates in Ethiopia.

5 This is Uganda's only UNESCO cultural heritage site. Uganda has two UNESCO natural heritage sites: BINP and RMNP.

Culture Museum and Kumi (rock art). Additionally, over a million visitors (mostly Ugandans) flock to Catholic and Anglican shrines in Namugongo for the annual Martyr's Day pilgrimage.⁶

Additionally, the country is becoming increasingly recognized for its International Meetings, Incentives, Conferences and Events (MICE) facilities. In 2019, Uganda ranked sixth in Africa in terms of international conferences and events hosted.⁷

Institutional and Policy Framework

The Ministry of Tourism, Wildlife and Antiquities (MTWA) was created in 2011 with the mandate of overseeing tourism sector policy, planning, monitoring, and coordination. MTWA also houses several statutory bodies. One is the Uganda Tourism Board (UTB), which was created in 1994 and is charged with marketing and promotion, market research, product development, investment promotion, and quality assurance. Another is the Uganda Wildlife Authority (UWA), established in 2000 to manage and conserve the country's wildlife.⁸ UWA manages 10 national parks, 12 wildlife reserves, 10 wildlife sanctuaries, and five community wildlife areas. MTWA also oversees the Uganda Wildlife Conservation Education Center (UWEC), the Uganda Wildlife Research and Training Institute (UWRTI), and Uganda Hotel and Tourism Training Institute (UHTTI).

MTWA's activities are guided by the Uganda Tourism Development Masterplan (2014–2024). The sector's legal framework is dictated by a collection of policies, laws, and regulations. The most notable among them are the Tourism Act (2008)-currently under review, National Tourism Policy (2014), Wildlife Policy (2014), and Wildlife Act (2019). The third Uganda National Development Plan (NDPIII), which covers the period of 2020–21 to 2024–25, also strongly influences the sector. NDPIII identifies tourism as one of five priority sectors and sets ambitious five-year goals:

- Increasing tourism revenues from US\$1.6 billion to US\$3 billion
- Increasing the number of tourism jobs from 667,000 to 1,100,000
- Increasing tourism revenues per visitor from US\$1,036 to US\$1,500
- Increasing the number of international tourist arrivals from the US, Europe, and China from 210,000 to 500,000
- Increasing the proportion of leisure to total tourists from 20.1 percent to 30 percent.

Tourist Demand

Uganda's tourism sector has grown steadily in recent years. International visitor arrivals data for 2018 and 2019 has not been collected due to the introduction of e-visas and the phasing out of immigration cards in 2018. In 2017, Uganda saw 1.4 million international visitor arrivals, which represented a 6 percent increase over 2016 (see Figure 1).⁹ Growth over the previous ten years (2008–17) had been consistently strong, with a compound annual growth rate (CAGR) of 5.8 percent¹⁰. The only year-on-year decrease registered was in 2009 during the global economic crisis.

6 See: https://en.wikipedia.org/wiki/Uganda_Martyrs.

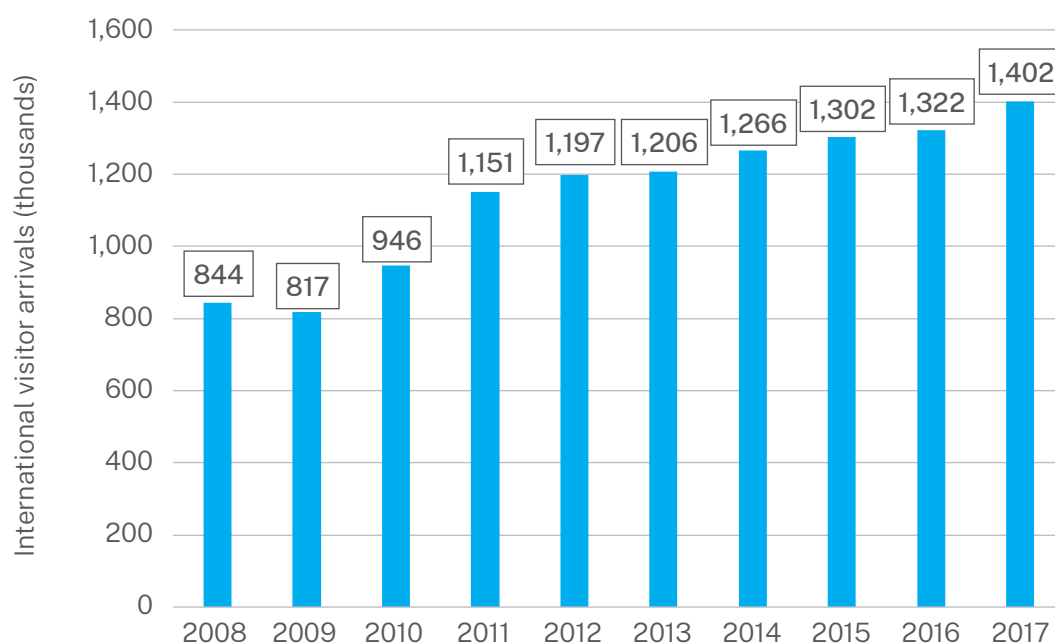
7 International Congress and Convention Association (ICCA), 2020, *ICCA Statistics Report 2019*.

8 It is a successor of the Game and Fisheries Department that had been established under the Uganda Protectorate.

9 UBOS, 2019, *2019 Statistical Abstract*.

10 UNWTO, 2010–14, *World Tourism Barometers*.

Figure 1: International Visitor Arrivals to Uganda (2008–17)



Sources: UBOS 2019 Statistical Abstract, UNWTO Barometers (2010–14)

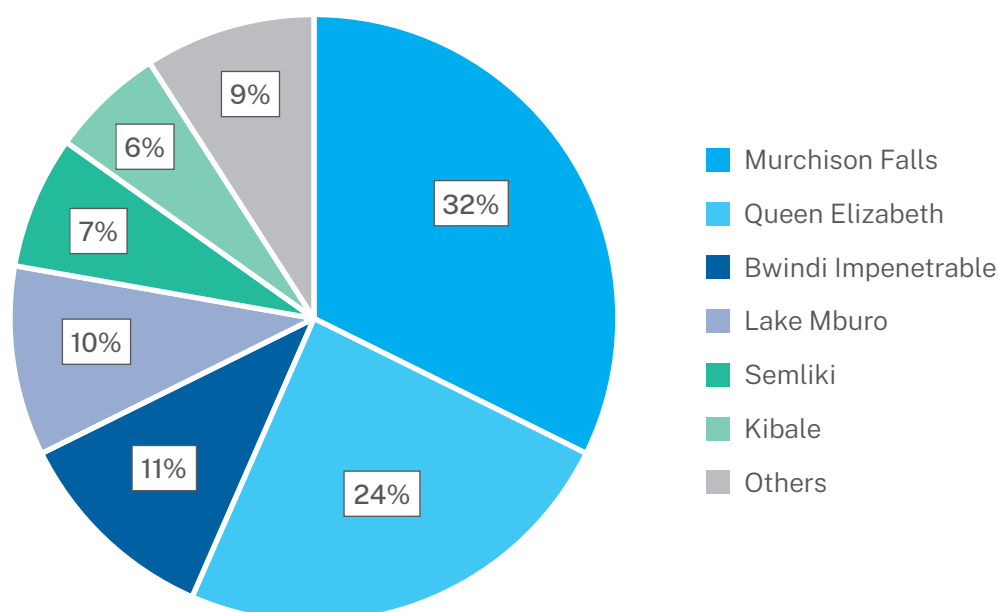
The majority of international visitors (80.1 percent) in 2017 came from elsewhere in Africa. Not surprisingly, the African countries that sent the largest number of visitors are neighbors: Rwanda (441,994), Kenya (334,788), and Tanzania (89,253). Europe is the region that sent the second largest number of visitors (7.4 percent), followed by the Americas (5.5 percent) and Asia (5.1 percent). Outside of Africa, the five most common countries of origin of visitors were the United States (61,775), India (35,676), UK (33,564), China (16,842), and Canada (13,109)¹¹.

Visits to Uganda's ten national parks have grown at approximately the same rate as overall visits to the country. Over the past ten years for which data is available (2010–19), a CAGR of 6.1 percent was registered. Of the 323,861 visits recorded in 2019, 48 percent came from foreign non-residents. The next largest category was Ugandan students (24 percent), followed by East African Community (EAC) residents (19 percent) and foreign residents (4 percent). The two most popular national parks are Murchison Falls, which, in 2019, accounted for 32 percent of all park visitation (see Figure 2), and Queen Elizabeth (24 percent). There is then a significant drop-off to the next most visited parks: Bwindi Impenetrable (11 percent), Lake Mburo (10 percent), Semliki (7 percent), and Kibale (6 percent). The other four national parks only account for a total of 9 percent of all national park visits.¹²

¹¹ UBOS, 2019, *2019 Statistical Abstract*.

¹² MTWA, 2020, *Visitation to National Parks*.

Figure 2: Visitation to Uganda's National Parks (2019)



Sources: MTWA, 2020

Impacts of COVID-19

Tourism came to a standstill on March 21, 2020 when Uganda officially closed all of its borders. While official arrival figures for 2020 have not been released, the effect of the novel coronavirus (COVID-19) has clearly been devastating for the tourism sector. A business survey conducted by the Uganda Bureau of Statistics (UBOS) in March and April 2020 provided some early insights into the profound impacts of the pandemic on the sector¹³. Earnings of accommodations and food service establishments in April decreased by 70 percent from the previous year. The biggest losses were posted by establishments located near national parks. The survey also found that approximately 30 percent of accommodations and food service establishments had closed their doors and 77 percent had laid off staff.

A May 2020 survey conducted by the Association of Uganda Tour Operators (AUTO) found that 88 percent of tour operators were unable to pay their workers and 38 percent anticipated filing for bankruptcy¹⁴. Business has also completely come to a halt for community tourism enterprises and tour guides.

It is unclear when international tourism will return and how much damage will have been inflicted by then. The World Tourism Organization (UNWTO) has presented several scenarios for global tourism in which international arrivals drop between 58 percent and 78 percent in 2020¹⁵. Its international panel of experts only foresees recovery in most destinations by late 2021.

¹³ UBOS, 2020, *COVID 19 Business Survey: March and April*.

¹⁴ UNDP, 2020, *Socio-economic Assessment of the Impact of COVID-19 on the Tourism Sector of Uganda*.

¹⁵ UNWTO, 2020, *Impact Assessment of the COVID-19 Outbreak on International Tourism*: <https://www.unwto.org/impact-assessment-of-the-covid-19-outbreak-on-international-tourism>.

Positive Developments in Recent Years

Prior to the COVID-19 pandemic, the number of international tourist arrivals has grown at an impressive rate since the previous TEMS was conducted in 2013. This can be attributed to conditions of stability and security, as well as some important initiatives taken by public and private stakeholders in the past several years. Some of the more significant initiatives are listed below:

- Market representation firms were hired to promote Uganda in the United Kingdom, Ireland, United States, Canada, Germany, Switzerland, Austria, China, and the Gulf States. The contracting was initiated in 2016 with support from the World Bank Competitiveness and Enterprise Development Project (CEDP).
- A host of new tourism products have been launched in the past several years. These include lion collaring and tracking in QENP, cultural tours in Karamoja, additional hiking routes in RMNP, zip lines in Mabira Forest, golden monkey habituation in MGNP, additional boat tours in MFNP, new community tourism experiences in RMNP, and hot air balloon rides in QENP.
- Major renovations of UHTTI facilities (such as hotel rooms, demonstration kitchens, and training restaurants) are being undertaken with CEDP support and are 80 percent complete as of June 2020.
- Skills training has been conducted for over 1,000 stakeholders along the tourism value chain such as taxi drivers, tourism enterprise managers, and public health inspectors.
- An e-registration and licensing system has been developed, saving tourism enterprises time and money while aiding in statistics collection efforts.
- The Pearl of Africa Tourism Expo (POATE), a business to business (B2B) and business to consumer (B2C) tourism exposition, has been successfully held every year since 2015 .
- The country's official tourism website (www.visituganda.com) has been upgraded and is attracting a greater number of visitors.
- Tourism development receives highest political support, from H.E. President Museveni. Under his auspices, the Giants Club Uganda Tourism and Conservation Investment Forum was held in 2017 to promote ten investment opportunities in Ugandan national parks. Nine shortlisted investors, both domestic and international, submitted proposals totaling US\$61 million in 2019.¹⁷



¹⁷ The negotiation phase, however, has been interrupted by the pandemic, and several investors have rescinded their offers.







STATISTICAL ANALYSIS OF THE TOURISM EXPENDITURE AND MOTIVATION SURVEY

Statistical Analysis of the Tourism Expenditure and Motivation Survey

As part of Uganda's tourism development efforts, a Tourism Expenditure and Motivation Survey (TEMS) was conducted in 2012 with the aim to better understand the tourism development potential and needs. The results were published in a 2013 report named *Economic and Statistical Analysis of tourism in Uganda*.¹⁸ To follow up on the 2012 survey the Ugandan Bureau of Statistics (UBOS) and the Ministry of Tourism, Wildlife and Antiquities (MTWA) conducted a second TEMS survey in 2019. In both TEMS surveys, interviewers at border posts recorded responses regarding socioeconomic characteristics, purpose of visit, information sources, accommodation choices, means of transport, duration of stay, visits to tourist sites, and expenditures.

As with the 2012 survey, the 2019 survey was intended to consist of two waves: (1) one carried out during the high season (lasting from July to October), and (2) one carried out during the low season (lasting from November to June). These two waves are necessary to obtain a complete picture of the tourism scene in Uganda because the type of tourists coming to Uganda and their expenditures depend strongly on the season. Unfortunately, COVID-19 derailed the planned 2020 low-season wave survey shortly before its implementation. As a result, the low-season survey was postponed indefinitely and only 2019 high-season data are available at this point of time.

MTWA already analyzed the 2019 high season data and presented the statistical results in a detailed and extensive report.¹⁹ However, a direct statistical and economic comparison between the two different survey years is still missing. As it is unclear when the missing low season wave can be conducted, this report focuses the statistical analysis on a comparison between the 2012 and 2019 high seasons.²⁰ The economic analysis in the subsequent section imputes 2019 low season average expenditures and tourist numbers by combining findings from the TEMS 2013 and TEMS 2019 reports, and thereby allows a comparison between all of 2012 and 2019. To mitigate continued deviations from random sampling, the analyses newly rely on a poststratification approach²¹ and thereby lead to revisions of some 2012 estimates from the TEMS 2013 report. However, many seeming discrepancies between estimates from the TEMS 2013 report and this report can be attributed to the different reference periods: the focus of the TEMS 2013 report is the entire year 2012 whereas the focus of the statistical section of this report are the high seasons of 2012 and 2019.

It is important to keep in mind that the statistical and economic analyses in this report do not refer to all international visitors to Uganda, but only to a subset of international tourists. TEMS 2012 surveyed only specific tourists, namely non-Ugandan non-residents who stayed at least one night in Uganda and departed from either Entebbe airport or one of three specific land borders (Katuna, Busia, and Malaba). For comparison reasons, the more comprehensive TEMS 2019 survey was adjusted so that it matched the target population of the 2012 survey. The resulting target survey populations comprise about 500,000 tourists in 2012 (170,000 in high season and 330,000 in low season) and about 600,000 tourists in 2019 (210,000 in

¹⁸ <https://openknowledge.worldbank.org/handle/10986/16252>.

¹⁹ Uganda's Tourist Expenditure and Motivation Survey (TEMS) 2019 Report.

²⁰ To ease comparison between the 2012 and 2019 questionnaires, differing survey answers were aggregated into directly comparable categories whenever possible. See the annex for some examples.

²¹ See the annex for further explanation.

high season and 390,000 in low season).²² This approach directs the focus on tourists with high spending in Uganda and with high amenability for policy intervention because overnight stays tend to necessitate spending on accommodation, food, local transport, etc.²³ Moreover, the number of these tourists and their expenditures can grow through promotion of Uganda as a tourist destination and an increase in Uganda's quantity and quality of the supply of tourism services.

To achieve representativeness of samples, the 2012 and 2019 surveys aimed to randomly sample departing tourists at border crossings. However, sampling of departing tourists at airports and land borders is inherently difficult. Comparison between the sample distribution and the official immigration numbers suggests that European and North American tourists were overrepresented in both samples while African tourists were underrepresented. To improve the representativeness of the samples, both samples were adjusted in a way that their estimated numbers of European, North American, African, and other tourists match the official immigration numbers.²⁴

Tourist Origin, Visits of Neighboring Countries, and Departure

Tourists in the target population come to Uganda from all over the world (see Figure 3). The majority of tourists come from Africa (52 percent). Most of these come from Uganda's neighboring countries. These include Kenya (17 percent), South Sudan (6 percent), Rwanda (5 percent), DRC (4 percent), Burundi (3 percent), and Tanzania (2 percent). In addition, 6 percent come from South Africa. Europe (19 percent) and North America (13 percent) are the next largest continents of origin. The main countries of origin include the United States (11 percent), Canada (2 percent), the United Kingdom (5 percent), and Germany (4 percent). Sixteen percent of tourists come from Oceania, Asia and South America and Australians account for 5 percent of all tourists. The 2019 country pattern is similar to 2012 — the top five countries account for nearly 50 percent of all tourists. The most noteworthy change is a relative increase in African tourists and a relative decrease of visitors from Rwanda (9 percent in 2012).

During their trip, 38 percent of tourists visit at least one other (mainly neighboring) African country and 18 percent of tourists visit at least two other African countries. Similarly, in 2012, 41 percent of tourists visited at least one other country in 2012 and 17 percent visited at least two other countries. The further away the home country the higher the likelihood that other countries are visited (35 percent of Africans, 36 percent of Europeans, 43 percent of North Americans, and 48 percent of tourists from other continents). The most visited countries remain largely unchanged between 2012 and 2019. In 2012, 19 percent of Ugandan tourists visited Kenya, 11 percent of tourists visited Rwanda, and 10 percent of tourists visited Tanzania.

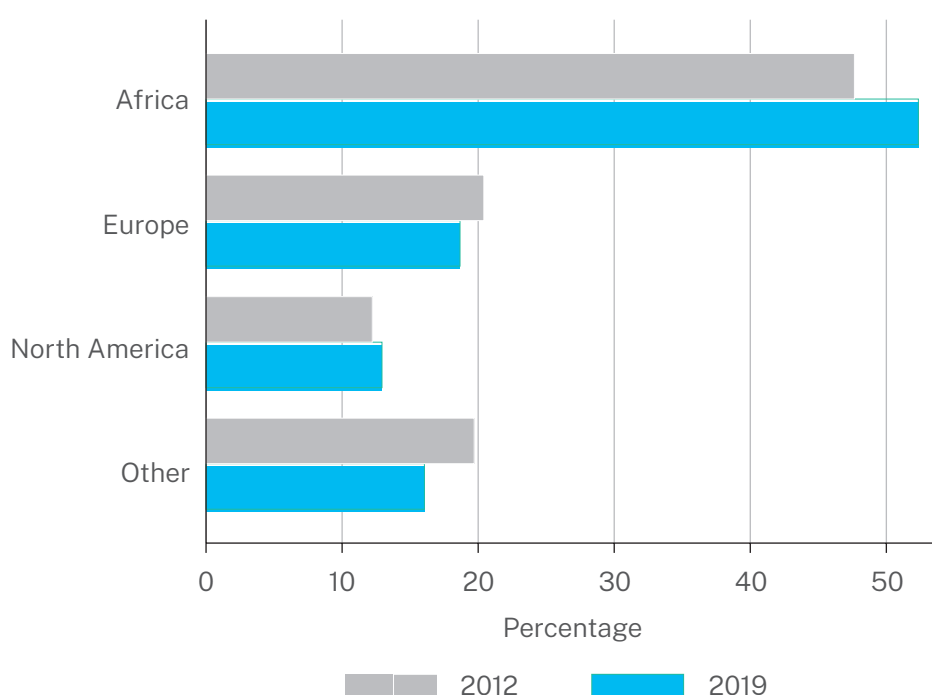
Most tourists in the target population leave Uganda from Entebbe airport (74 percent of tourists) and the remaining 25 percent depart from the three land borders in Katuna (10 percent), Busia (10 percent), and Malaba (6 percent). African tourists account for 83 percent of land border departures and 42 percent of airport departures. This pattern is essentially unchanged since 2012.

22 See annex for a more detailed description.

23 Although such types of expenses are fairly low among the visitors visiting family and relatives.

24 See annex for a more detailed description.

Figure 3: Origin of Tourists by Continent



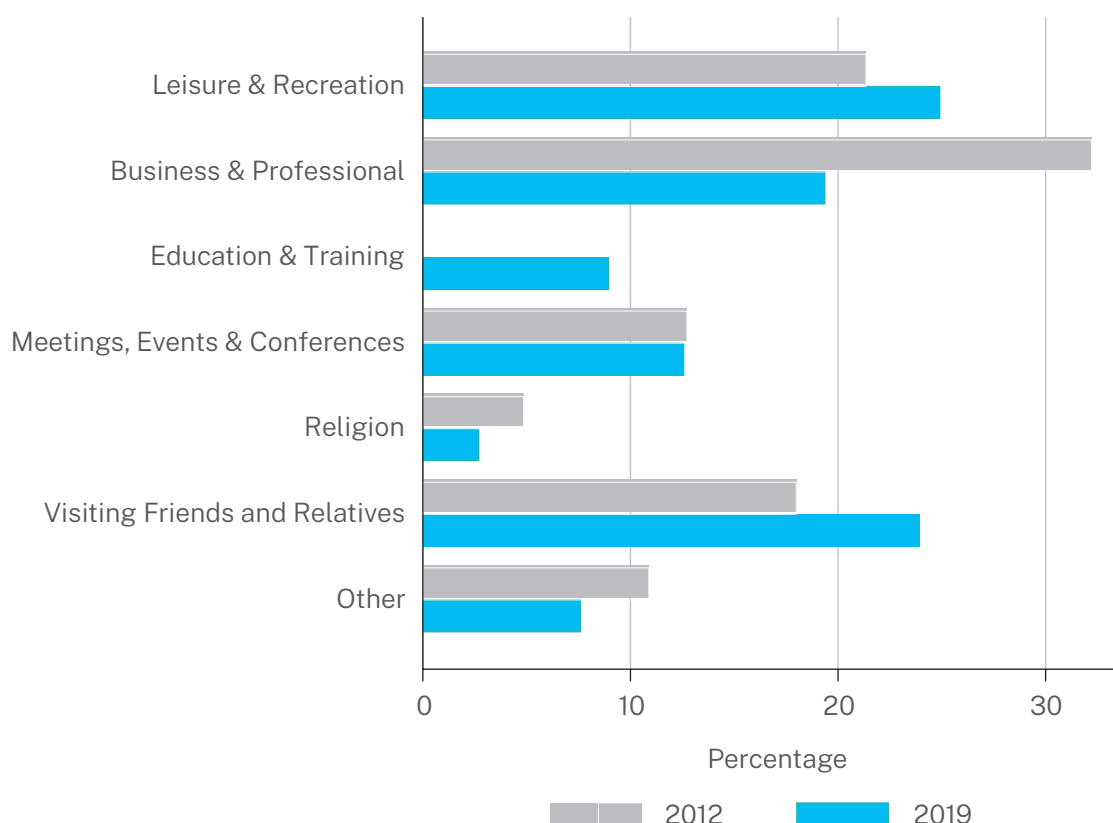
Tourists' Main Purpose of Visit

Tourists travel to Uganda for different reasons. 2019 interviewers asked tourists for the main purpose of their trip and classified tourists into one of eleven main categories. To ease comparison with the 2012 survey only seven categories are used here: (1) leisure and recreation; (2) business and professional; (3) education and training; (4) meetings, events and conferences; (5) religion; (6) visiting friends and relatives (VFR); and (7) other. The “other” category includes volunteering, shopping, and health care as main purposes. The “education and training” category was not available in the 2012 survey.

Leisure tourists now account for 25 percent of all tourists (21 percent in 2012) and constitute the largest and growing segment of travelers. The next largest groups are tourists visiting family and friends with 24 percent in 2019 (18 percent in 2012), followed by business travelers, with 19 percent in 2019 (32 percent in 2012), and travelers attending meetings or conferences with 13 percent (the same percentage in 2012 and 2019). Other tourists account for 11 percent in 2019 (8 percent in 2012) and religious tourists - for 3 percent in 2019 (5 percent in 2012). The large drop in percentage of business travelers could be explained by the introduction of the new education category (9 percent in 2019). However, the relative increase in leisure tourists is noteworthy. It suggests a successful promotion of Ugandan nature tourism and larger numbers of leisure tourists in relative and absolute terms.

The proportion of leisure tourists increases with the visitors' age. Thirty-five percent of leisure tourists are 65 years and above. Twenty-six percent are in the 24 to 34 age group and 21 percent of tourists are aged 15 to 24. The higher number in the 24 to 34 age group most likely points to backpacker leisure tourists aged between 18 and 30. They tend to stay longer and spend less than the older age groups. The backpacker tourists were clearly identifiable in the 2012 survey, but a changed age categorization in the 2019 survey partly hides this group. Education tourists are predominantly young and make up 36 percent of the youngest age group. Business tourists dominate the 45 to 54 age group where they account for 27 percent of travelers.

Figure 4: Main Purpose of Visit



Forty-three percent of Europeans (33 percent in 2012) and 34 percent of North Americans (22 percent in 2012) are leisure tourists. About 15 percent of them travel for business and about 20 percent visit family and friends in Uganda. Among African tourists, 10 percent travel for leisure, 21 percent travel for business, 18 percent travel for meetings, and 30 percent visit family and friends.

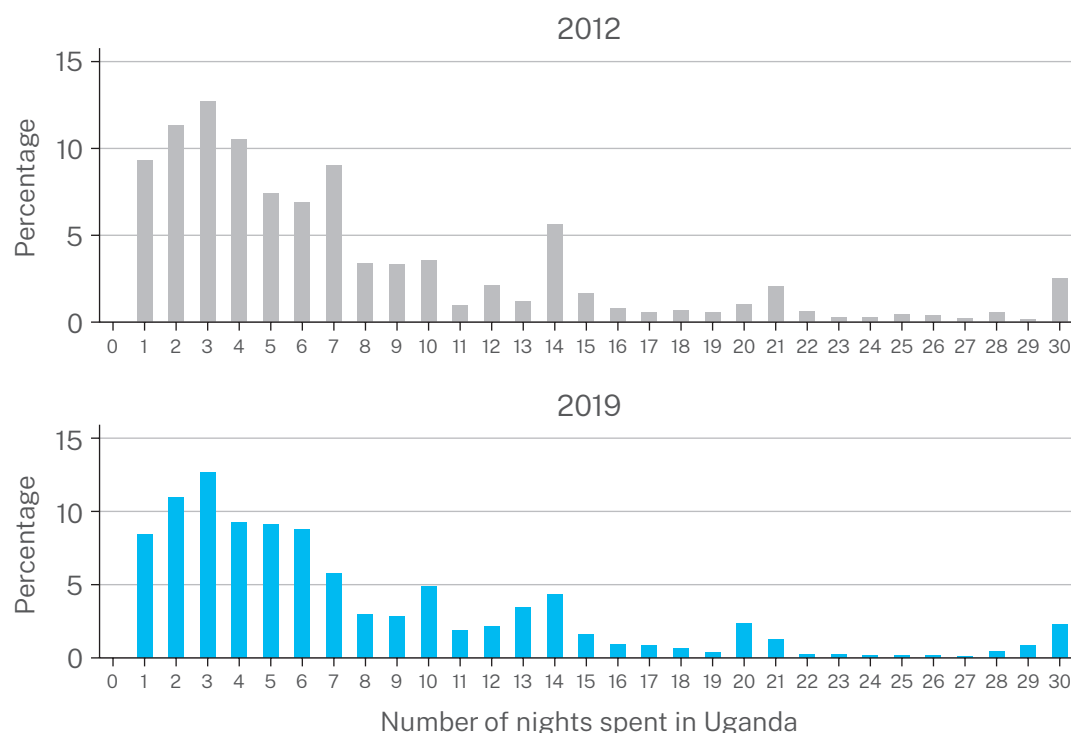
Size of Tourist Groups and Number of Nights Spent

Most tourists visiting Uganda either travel alone (68 percent) or in pairs (18 percent). While, tourists sometimes travel in groups consisting of family members, company colleagues, or with friends who have booked the same package tour, only 7 percent of tourists travelled in groups of more than five. This feature applies to tourist type, age, and region with a few exceptions. Among leisure tourists, 43 percent travel as singles and 40 percent travel as pairs, whereas about 85 percent of business, education, and meeting tourists are single travelers. Older tourists are more likely to travel in pairs with 34 percent in the 54 to 65 age group and 46 percent in the over 65 age group. African tourists are nearly exclusively single travelers (85 percent).

Tourists' duration of stay is very diverse. The duration of stay can range from an overnight stay to a yearlong one. In 2019, tourists spent an average of 15 nights in Uganda (13 nights in 2012). However, the average gives a misleading picture of the typical duration of stay because tourists who stay for very long periods of time (such as long backpacker trips, lengthy work-related assignments, religious missions, extended family visits, or monthlong scientific volunteering) inflate it. As in 2012 less than half of all tourists (45 percent) stay longer than six days, slightly less than 20 percent stay longer than 14 days, and about 7 percent stay longer than a month. Therefore, the 2019 median of 6 nights (same as in 2012) is a more reliable measure of the typical number of nights spent.

For the subpopulation of tourists who stay less than a month, Figure 5 shows the distribution of the number of nights spent. The distribution has a peak at three nights and stretches over the entire month; it peaks at week-long and month-long stays. The 2012 and 2019 distributions look very similar. A noteworthy feature are spikes at one week, two weeks, three weeks, and one month – apparently, people often plan stays that last longer than a few days in these discrete units. The 2019 distribution has less clearly defined spikes and is shifted towards stays of five and six days.

Figure 5: Numbers of Nights Spent in Uganda



Note: Number of nights are truncated at 30 days.

Duration of stay varies considerably across tourist types. For each tourist type Table 1 summarizes average stay, median stay and average stay of tourists who do not stay longer than 15 days (this cut off was introduced to avoid distortions from outliers and have the average capture the typical duration of stay for most tourists). 50 percent of leisure tourists, 54 percent of spiritual tourists, and 60 percent of tourists who visit family or friends stay a week or less, but a sizeable number of them stay longer. For example, 32 percent of leisure tourists stay one to two weeks. On the other hand, 71 percent of business tourists and 91 percent of meeting tourists do not stay longer than a week. Education tourists are an outlier, in that the majority stays longer than a week and one third stays more than a month. The most notable change relative to 2012 is a shorter average stay of meeting tourists (a 2019 average of four days versus a 2012 average of eight days). This change would be in line with recent global trends towards shorter meetings.²⁵

Regional and age patterns have not changed relative to the 2012 survey and are partly a reflection of the region-specific mix of tourist types (for example, African tourists are dominated by business, MICE, and VFR tourists). They are also partly the result of geographic distance, country-specific holiday regulations, and other factors.

²⁵ <https://www.iccaworld.org/knowledge/benefit.cfm?benefitid=5230>.

Table 1: Length of stay by Tourist Type, 2012 and 2019

	2012			2019		
	All tourists		Tourists staying 15 days or less	All tourists		Tourists staying 15 days or less
	average	median	average	average	median	average
Leisure & Recreation	13	7	7	12	7	7
Business & Professional	12	4	5	12	5	5
Education & Training (2019 only)	n/a	n/a	n/a	38	14	8
Meetings, Events & Conferences	8	5	5	4	3	3
Religion	16	7	6	15	6	6
Visiting Friends and Relatives	12	5	5	14	6	6
Other	24	9	6	19	8	6

Note: Categories in 2019 have changed.

Accommodation

Before or during their trip to Uganda, tourists must decide where they want to spend their nights. If they do not stay in private homes, they can choose between urban or non-urban settings and expensive or inexpensive accommodation types. Figure 6 demonstrates that most tourists stay in local hotels, inexpensive motels, inns, guesthouses, and private homes. Expensive international hotels and non-urban accommodation options such as lodges, cottages, and campsites are less common accommodation choices.

Relative to 2012, the pattern of accommodation preferences remains largely unchanged. The 2019 survey recorded a moderate increase in local hotel stays from 38 percent to 45 percent that coincides with a moderate decrease in motel, inn, or guest house stays from 23 percent to 15 percent. Safari lodge and campsite stays remained unchanged at 14 percent. About half of all leisure tourists stay in safari lodges whereas business and meeting tourists are focused on local hotels (about 60 percent) and international hotels (about 20 percent), with the remaining tourists staying in other accommodation options, of which motels and private homes are most prominent. The main regional difference is that African travelers very rarely stay in safari lodges while Western travelers do so in about 30 percent of cases. Age variation is largely a reflection of tourist type: older tourists – that is age groups with a large share of leisure, business, and meeting tourists – tend to stay in more expensive accommodation.

The length of stay is also price sensitive. In general, higher accommodation prices are associated with shorter stays. On average, tourists stay significantly more days in cottages (or *bandas*) (45 days in 2019 versus six days in 2012, hostels (51 days in 2019 versus 17 days in 2012) or private homes (19 days in 2019 versus 21 days in 2012). Whereas they spend less time in motels, inns, guest houses (eight days in 2019 and 2012), in hotels (five to six days), or safari lodges (six days in 2019 and 2012). The length of stay in the more expensive accommodation options are essentially unchanged from 2012.

Figure 6: Percentage of Tourists by Accommodation Type

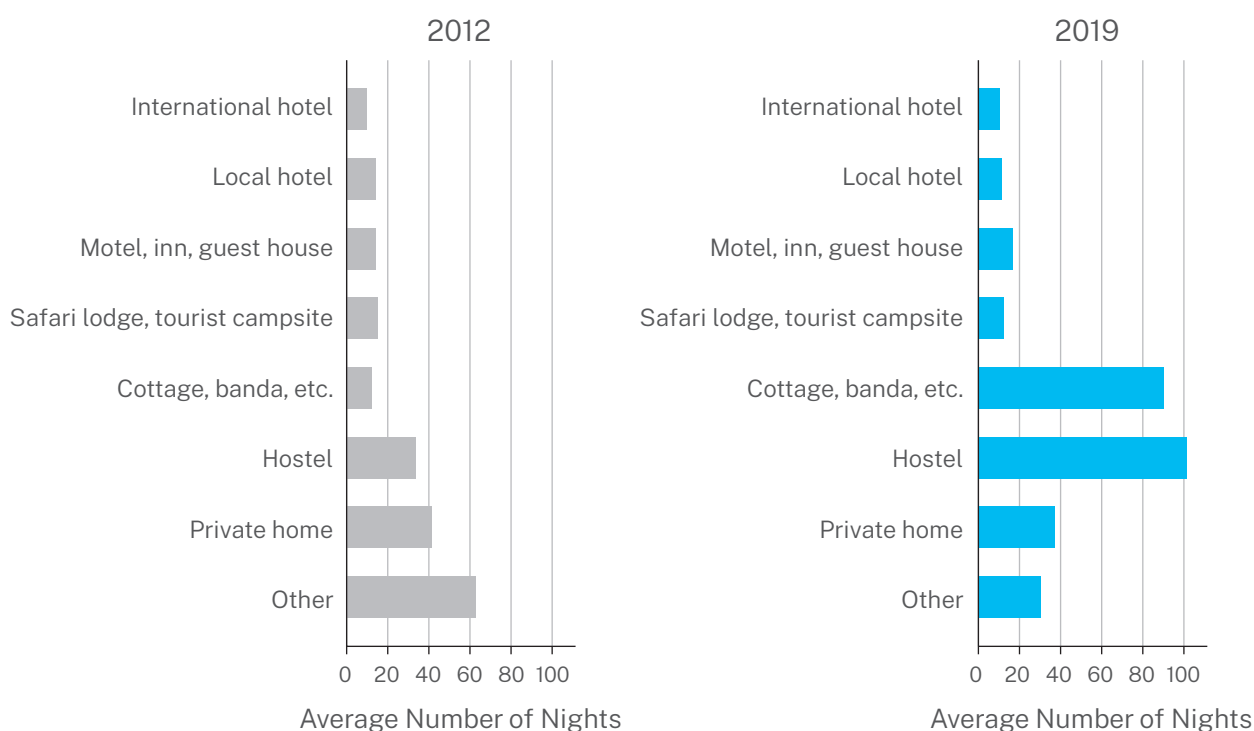


Note: Categories are partly aggregated to allow direct comparison between years.

The estimates for hostels and cottages, *bandas*, and apartments are very imprecise because only a small number of interviewed tourists chose these options. Nevertheless, even so, the increase in the lengths of stay appear to be real. In 2019, about 52 percent of hostel tourists stayed longer than one month compared with only 10 percent of hostel tourists in 2012 who stayed longer than one month. Likewise, in 2019, about 36 percent of cottage and *bandas* tourists stayed longer than one month whereas only 1 percent did so in 2012. The majority of tourists staying longer in these accommodation options appear to be young travelers (less than 34 years) visiting Uganda for education or business purposes. For example, nearly all hostel tourists staying longer than one month were young African and education tourists.



Figure 7: Average Number of Nights Spent by Accommodation Type



Note: Categories are partly aggregated to allow direct comparison between years.

Expenditures of Package Tourists

It is mainly leisure tourists who take advantage of the convenience that comes with pre-organized package tours. A one-time payment, usually made outside the tourist destination, saves planning time and resolves uncertainty. While only 10 percent of all tourists in 2012 and 2019 bought package tours, the percentage of tourists who rely on package tours remains high among leisure tourists. Thirty-two percent of leisure tourists bought a travel package in 2019 (versus 31 percent in 2012) accounting for 78 percent of all package tourists (68 percent in 2012). Furthermore, among leisure tourists the reliance on package tours increases with age. While only 20 percent of leisure tourists under 24 buy package tours, 54 percent of leisure tourists above 65 rely on them. As leisure tourists mainly originate from Western countries, it is not surprising that more than 45 percent of Europeans and North Americans are package tourists.

Only 28 percent of package tourists buy their package after they arrive in Uganda (23 percent did in 2012). The other package tourists purchase their package outside of Uganda. Purchase of packages outside Uganda opens the possibility that revenue accrues to the organizers outside Uganda. If that is the case the Ugandan tourism sector could generate immediate direct revenue by arranging package tours that are sold via Ugandan vendors outside Uganda.

Estimating package tourists' total and per-day expenditure in Uganda is not straightforward because the distinction between trip expenditure, package expenditure, airfare, and additional discretionary spending is frequently opaque to package tourists and expenditure breakdowns are inconsistent. This problem persists in spite of an improved 2019 questionnaire that seeks to facilitate distinction of these different expenditures. The expenditure estimates are further complicated by the fact that about 50 percent of package tourists visit other countries on the same trip, making it impossible to determine Uganda-specific expenditures. In addition to this, some tourists are not able to provide any information about their expenditures.

To obtain a fairly reliable expenditure estimate of package tourists' expenditures one can only use a small subset of package tourists in the sample. To support these calculations, all package tourists who visit other countries on the same trip are excluded. To limit inconsistencies, expenditure estimates are based only on stated total package cost excluding airfare. Additional discretionary spending is disregarded and, therefore, the resulting package cost estimates are likely underestimates of package tourists' total expenditure. Because only about 100 interviews in the 2019 sample and even fewer interviews in the 2012 sample lend themselves to this approach, the package expenditure estimates are very imprecise. Moreover, it is important to keep in mind that a substantial share of package expenditures will never reach Uganda because it stays with non-Ugandan tour operators.

The mean total package cost in 2019 is estimated at US\$2,433 and the mean 2019 daily per person package cost is estimated at US\$279. This compares to a mean total package cost of US\$1,260 in 2012 and a mean 2012 daily per person package cost of US\$129²⁶. Discretionary spending on top of package tourist averaged about 20 percent of package cost in 2012 and 2019. These estimates seem to suggest that total package cost and daily package cost have increased between 2012 and 2019. However, the small number of observations, the large imprecision of estimates, and a sizeable number of package tourists implausibly stating they spend less than US\$50 per day render these estimates and comparisons inconclusive.

Expenditures of Independent Tourists

Expenditure of independent travelers are the most measurable economic impact of tourists' visits to Uganda. This is because independent travelers incur less fees charged by foreign travel agencies than package tourists and spend most of their money inside Uganda. In addition to this, their breakdown of costs into different expenditure categories is more credible than in the case of package tourists.

Figure 8 shows the distribution of total per person expenditures in 2012 and 2019²⁷. The distributions look remarkably similar. They are non-normal (there is no well-defined typical expenditure) and nonsymmetric and have a long tail with peaks at multiples of US\$500. The mean total per person expenditure is estimated at US\$897 in 2019 (median of US\$485) and as US\$994 in 2012 (median of US\$458). Limiting total expenditures to a maximum of US\$5,000 and thereby removing outlier observations (amounting to 3 percent of observations in 2012 and to 1 percent of observations in 2019) produces estimates of US\$761 in 2019 (median of US\$451) and US\$800 in 2012 (median of US\$458). In other words, overall total per person spending has essentially stayed the same. These means and medians are likely to be lower bounds because airfares are sometimes incorrectly included in total expenditure (in obvious cases leading to negative total cost if subtracted) and because a sizeable number of survey respondents provided implausibly low expenditure numbers.

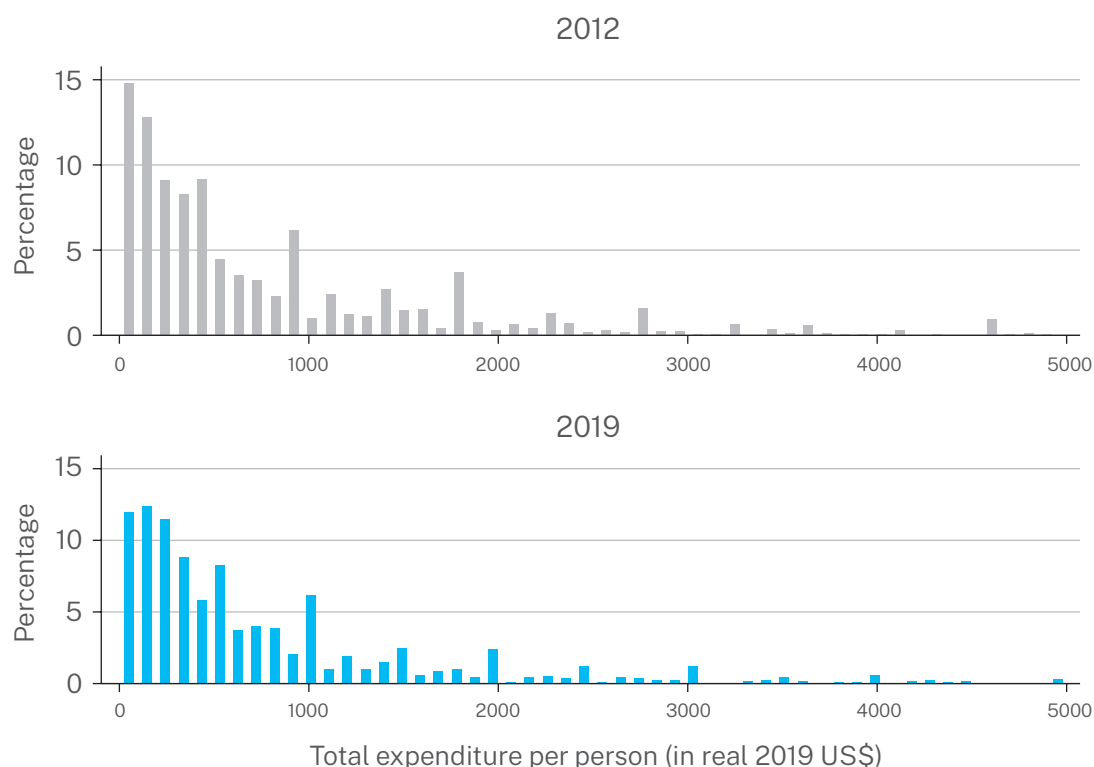
Table 2 shows average and median total per person expenditure by tourist type for the years 2012 and 2019 and Table 3 shows corresponding daily per person expenditures. To eliminate outliers only tourists with less than US\$5,000 of per person expenditures are considered.

Overall, total per person expenditures seem to have decreased between 2012 and 2019. However, except for meeting tourists, the estimates are sufficiently imprecise to support this conclusion. Moreover, adjustments based on a general price level change between 2012 and 2019 of 35 percent might be too drastic for the type of expenditures incurred by tourists. Therefore, it is prudent to say that total per person expenditures remained largely unchanged for nearly all tourist types. Only meeting tourists spend significantly less because their duration of stay has strongly decreased since 2012. As in 2012, leisure tourists have the highest average total per person expenditure.

26 All expenditures are in constant 2019 US\$. The annex explains the underlying methodology.

27 Comparison of 2012 and 2019 expenditures is not straightforward. The annex explains the underlying methodology.

Figure 8: Distribution of Independent Travelers' Total Expenditures in Constant 2019 US\$



Note: only total per person expenditures below US\$5,000.

Regional differences are also apparent. The mean per person expenditures of European (US\$1,033) and North American (US\$1,145) tourists are higher than those of African (US\$555) and other (US\$952) tourists. Age differences do not show a simple pattern. Total mean expenditures tend to rise with age and see a sudden drop for retirees: US\$809 for individuals between 15 and 25 years, US\$707 (25 to 34 years), US\$659 (age 35 to 44 years), US\$787 (45 to 54 years), US\$1,192 (55 to 65 years) and US\$910 for individuals over 65.

Table 2: Average and Median for Total per Person Expenditure in Constant 2019 US\$

	2012		2019	
	average	median	average	median
Leisure & Recreation	1146	916	1091	800
Business & Professional	758	458	791	410
Education & Training (2019 only)			948	710
Meetings, Events & Conferences	821	549	576	310
Religion	722	458	618	370
Visiting Friends and Relatives	607	293	566	300
Other	769	410	704	500
	800	458	761	451

Note: Only total per person expenditures below US\$5,000; Categories in 2019 have changed.

Table 3: Average and Median for Daily per Person in Constant 2019 US\$

	2012		2019	
	average	median	average	median
Leisure & Recreation	178	102	153	95
Business & Professional	155	96	144	83
Education & Training (2019 only)			63	36
Meetings, Events & Conferences	173	131	183	117
Religion	96	65	93	39
Visiting Friends and Relatives	95	53	77	48
Other	70	45	126	71
	137	86	123	71

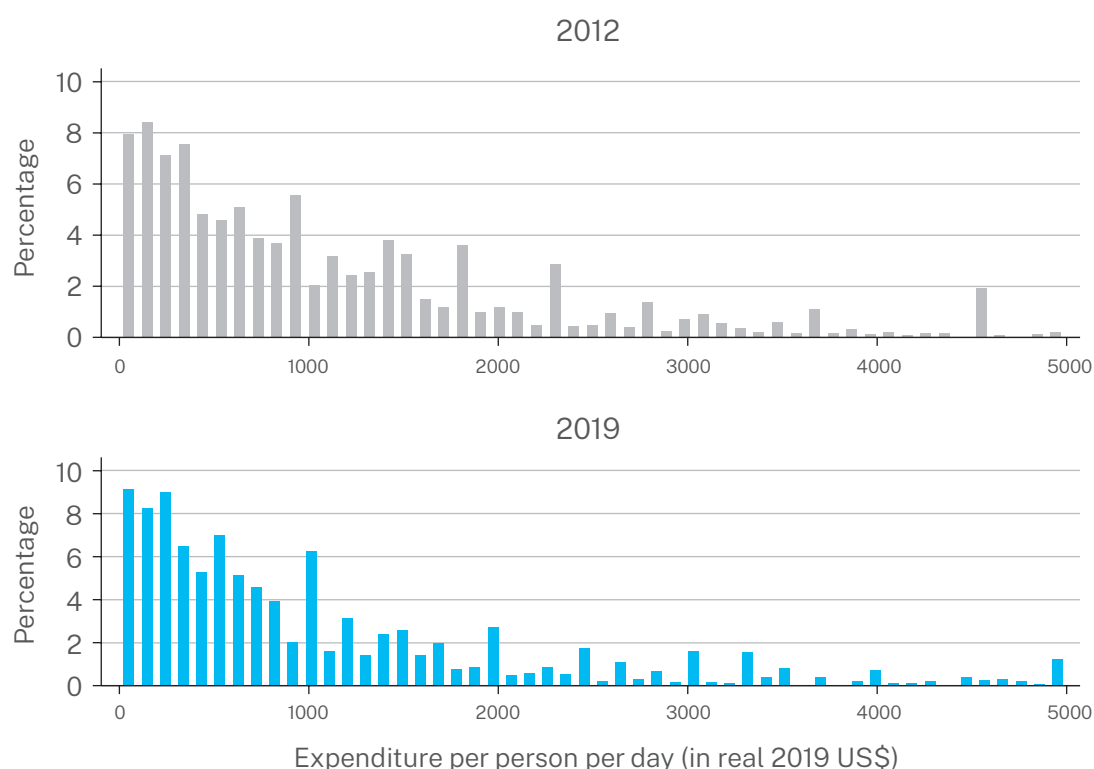
Note: Only total per person expenditures below US\$5,000; Categories in 2019 have changed.

Total expenditure is an important measure of economic activity. For policy purposes, daily expenditure is more interesting. One means of promoting the tourism sector is to encourage tourists to spend more per day or to stay longer. For example, the TEMS 2013 report found that global domestic product (GDP) would increase by around 1 percent if all international tourists stayed one day longer. Daily expenditure, obtained by dividing total expenditure by the duration of stay, allows it to separate the two different pathways to higher tourism expenditures. Figure 9 shows the distribution of independent travelers' daily per person expenditure. Again the 2012 and 2019 distributions look very similar. They are non-normal (there is no well-defined typical expenditure), nonsymmetric and have a long tail with peaks at multiples of US\$50. Translation from 2012 US\$ into 2019 US\$ shifts the 2012 peaks to the left. The mean daily per person expenditure is estimated at US\$123 in 2019 (median of US\$71) and as US\$137 in 2012 (median of US\$86). Less than 5 percent of tourists spent more than US\$450 per day in 2019 and US\$490 in 2012. On average, daily per person expenditures seem to have slightly decreased between 2012 and 2019. The caveat that this effect might be due to an overstated inflation adjustment applies.

Daily expenditure varies with the number of nights spent in Uganda. Generally, daily expenditure decreases as the duration of stay increases. The mean daily expenditure of tourists who stay one to three days is US\$180, it drops to US\$128 around one week, to US\$84 around two weeks, to US\$48 around three weeks, and US\$29 around four weeks. Possible reasons are lower costs for accommodation due to better rates, the possibility to avoid eating out in restaurants, use of slower and less expensive transportation, or engagement in low-cost activities.

Daily per person expenditures also differ by tourist type (see Table 3). Meetings tourists (US\$183), leisure tourists (US\$153), business tourists (US\$147) have, on average, the highest daily expenditures, whereas spiritual tourists (US\$93), VFR tourists (US\$77), and education tourists (US\$63), spend about 50 percent less per day. Leisure, business, and meeting tourists have shorter average stays and tend to spend more for accommodation than all other tourists. Furthermore, daily expenditure varies linearly with age before they drop off starkly for retirees. 15 to 25-year-old tourists spend US\$52 per day, whereas 55- to 64-year-old tourists spend US\$197 per day. However, tourists over 65 years spend only US\$101 per day.

Figure 9: Distribution of Independent Travelers' Daily Expenditures in 2012 (gray) and 2019 (blue) in Constant 2019 US\$



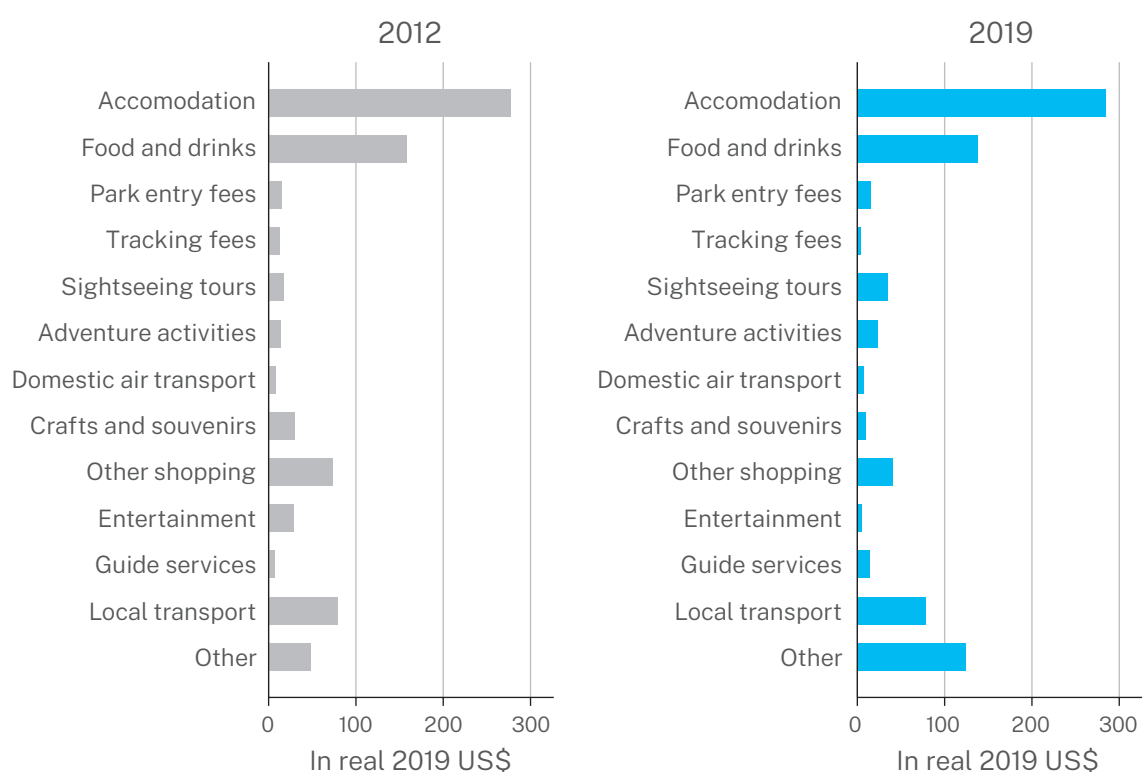
Note: Only total per person expenditures below US\$5,000.

When asked by the interviewers, a large majority of independent travelers (in 2012, this was about 90 percent) were willing to break down their total expenditure into expenditure subcategories such as accommodation, food and beverages, other shopping, local transport, and others. The high response rate allows the inference of representative estimates for the target population.

Average relative per person expenditure by expenditure subcategories in 2019 is shown in Figure 10. Accommodation (US\$275 versus US\$277 in 2012) and food and beverages (US\$134 versus US\$159 in 2012) account for more than half of mean total expenditure. Local transport (US\$77 versus US\$79 in 2012) and other expenses (US\$122 versus US\$48 in 2012) are two other subcategories with sizeable expenditure. These four subcategories alone account for 80 percent of mean expenditure.

The finding holds across all the tourist types. Table 4 presents total per person expenditures in US\$ in 2019. Unsurprisingly, leisure tourists have the highest average expenditure in categories that are related to nature tourism (for example, spending US\$112 on sightseeing tours and US\$68 on adventure activities). VFR tourists spend least on accommodation and beverages. Spiritual tourists' large expenditure in the residual expenditure subcategory ("Other") is mainly due to donations. Also notable are the low nature tourism expenditures among the sizeable business and meetings tourist segments. This appears to represent an unrealized opportunity to increase stays and expenditures through encouraging leisure tourism "add-ons".

Figure 10: Breakdown of Independent Travelers' Total per Person Expenditures in Constant 2019 US\$



Note: Only for total per person expenditures below US\$5,000; Categories are partly aggregated to allow direct comparison between years.

Table 4: Breakdown by Tourist Type of Independent Travelers' Total per Person Expenditures in 2019 in Constant 2019 US\$

	Leisure & Recreation	Business & Professional	Education & Training	Meetings, Events & Conferences	Religion	Visiting Friends & Relatives	Other	All
accommodation	335	394	303	318	189	139	208	275
food & beverages	153	163	151	89	130	124	123	134
park entry fees	25	9	19	3	3	19	8	15
tracking fees	7	3	4	0	11	3	3	4
sightseeing tours	112	14	22	8	4	22	14	35
adventure activities	68	9	13	1	21	18	18	23
domestic air transport	13	6	3	8	20	4	2	7
crafts & souvenirs	35	2	2	0	5	8	2	10
other shopping	85	33	25	20	48	26	42	39
entertainment	11	1	4	1	5	8	6	6
guide service	47	8	14	0	0	8	5	14
local transport	112	81	78	42	68	72	62	77
other	88	68	311	87	115	113	209	122
total	1091	791	948	576	618	566	704	761

Note: Only for total per person expenditures below US\$5,000; Categories are partly aggregated.

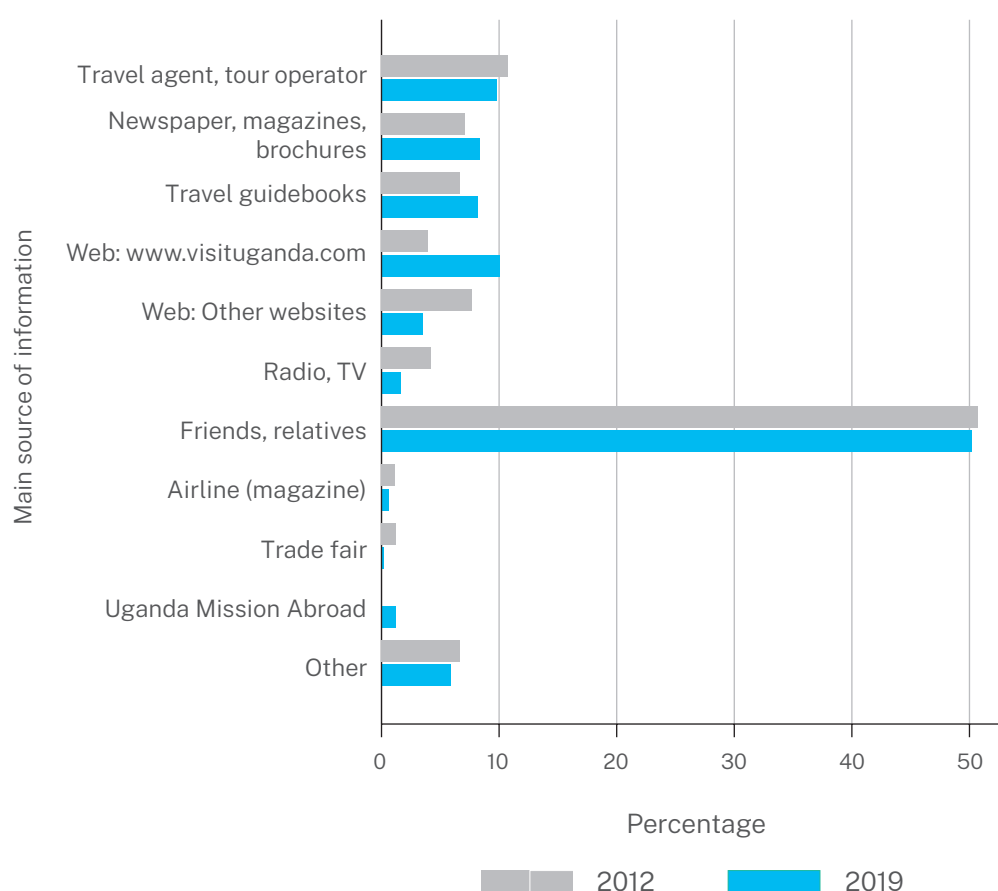
Information Sources about Uganda

Tourists who consider a visit to Uganda informed themselves before they made decisions about the trip in general and about accommodation, restaurants, sites to visit, and entertainment in particular. The interviewers asked tourists about their main information source.

In 2012, a majority of tourists (about 50 percent) stated that personal contacts with friends and relatives were their most important information source (see Figure 11). Travel agents (10 percent), travel guidebooks (8 percent), the web (14 percent), and newspapers (8 percent) remained influential information sources. Leisure tourists draw much more on travel agents (28 percent), travel guidebooks (11 percent), and the web (24 percent) than other tourists. Remarkably, Uganda's official tourism website (www.visituganda.com) has become an important source of information for this type of tourists. Twenty percent of leisure tourists now cite the website as their main source of information whereas only 4 percent did so in 2012. This suggests that the Ugandan government has successfully promoted leisure tourism through their website.

Unsurprisingly, Africans rely more on family and friends (59 percent) than other regions and not much on the information sources used by leisure tourists. Travelers from the far away regions of Asia, Oceania, and South America rely least on family and friends (only 27 percent) but consult remarkably heavily Uganda's official tourism website (22 percent). Variation by age groups is minor and largely reflects regional variation.

Figure 11: Main Source of Information in 2012 and 2019



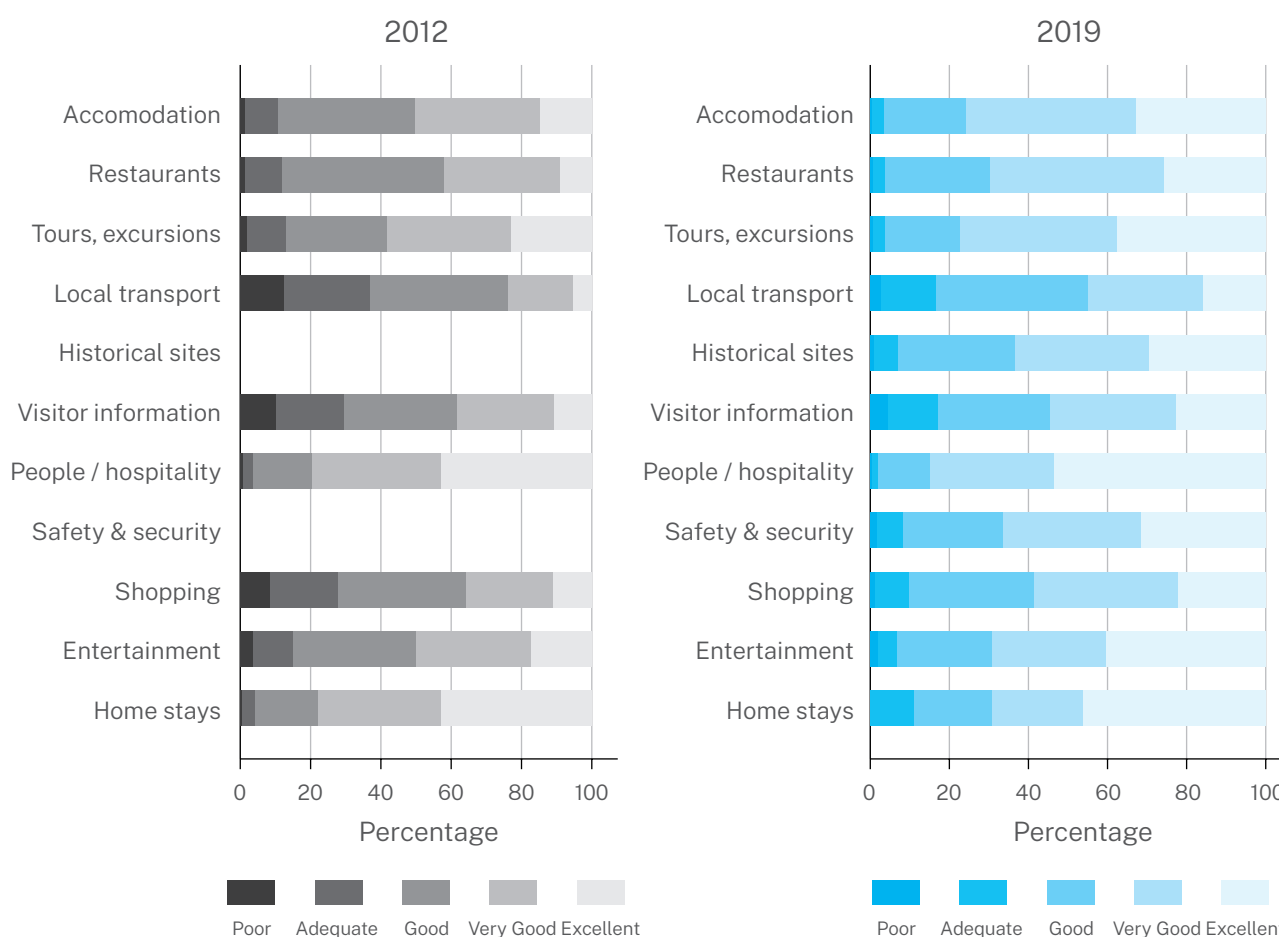
Note: only total per person expenditures below US\$5,000.

Tourists' Satisfaction with Trip

At the end of the survey, tourists were asked to rate their trip with regard to different aspects of their travel experience. The five possible categories run from “Poor” to “Excellent”. Figure 12 summarizes the results.

Most strikingly, between 2012 and 2019, subjective trip satisfaction increased strongly across all categories. The valuation of home stays is the only exception to this trend. The percentage of travelers who found aspects of their experience excellent or very good increased by an average of about 20 percentage points. In 2012, hospitality and home stays were given the highest satisfaction rating by tourists, whereas local transport and visitor information drew the most criticism. In 2019, hospitality and home stays were still among the most appreciated aspects. However, accommodation, restaurants, and tours had now improved with higher satisfaction levels. Around 75 percent of tourists rated these aspects as very good or excellent. In 2012, local transport was the most problematic category and yet by 2019 very good or excellent ratings for local transport had increased from 25 percent to 45 percent. In addition, very good or excellent satisfaction ratings for visitor information had also increased from 40 percent in 2012 to 55 percent in 2019.

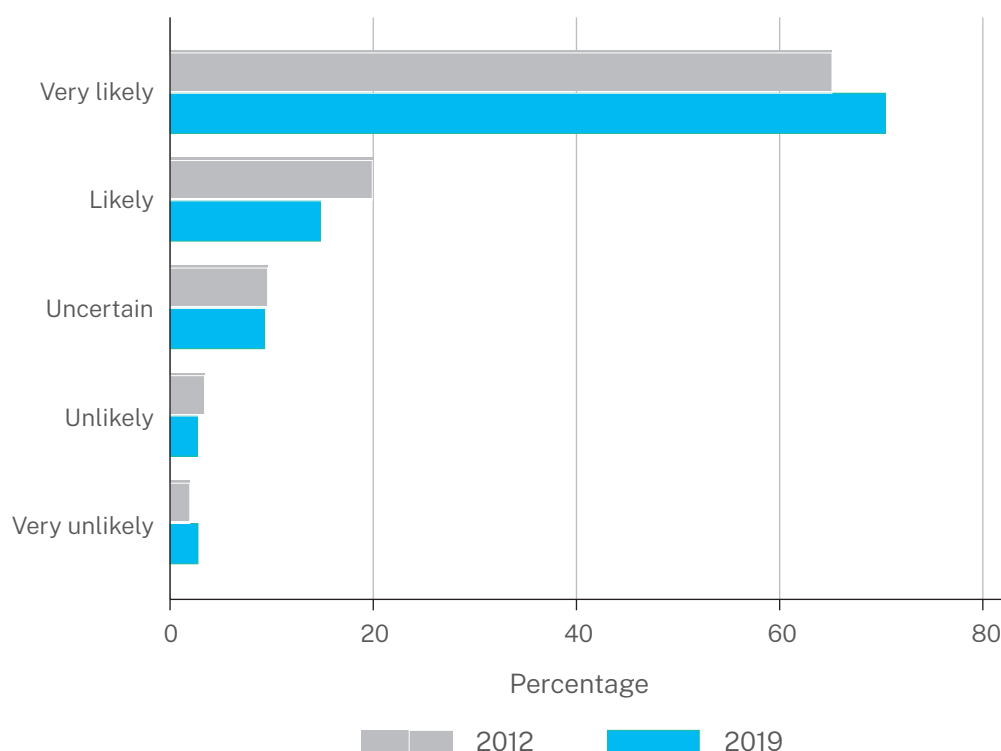
Figure 12: Tourist Satisfaction with Specific Trip Aspects



Note: Categories are partly aggregated to allow comparison between years.

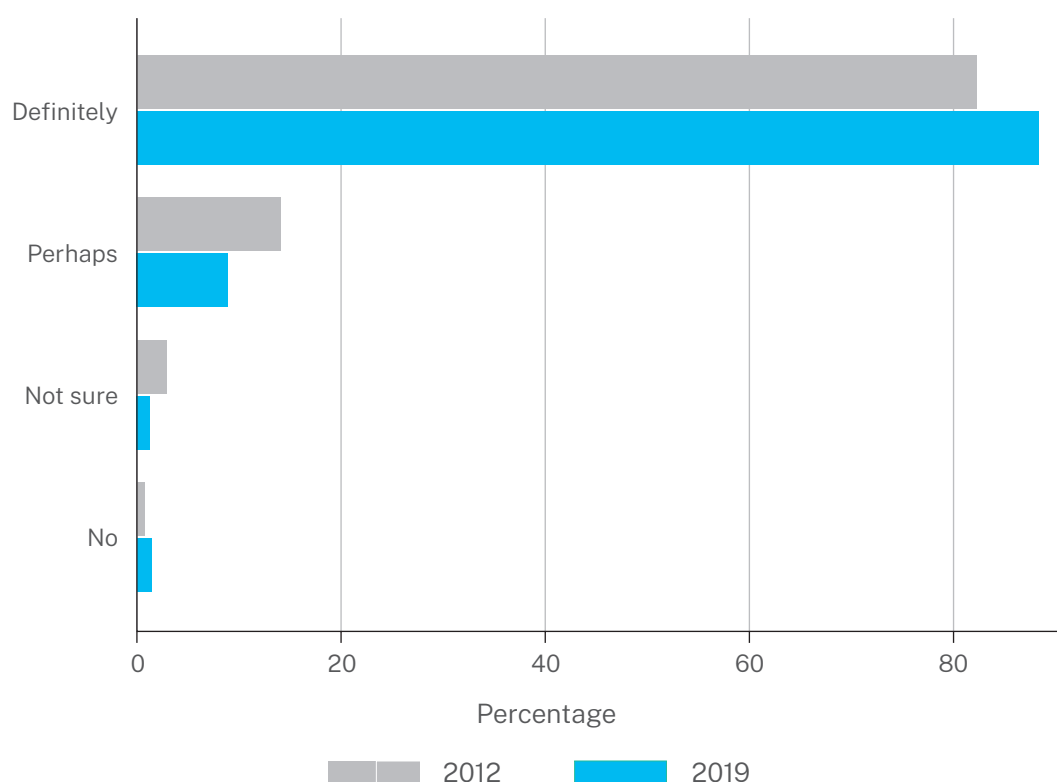
The different tourist types valued their experiences similarly. Leisure tourists and spiritual tourists declared good or excellent satisfaction with all categories more often than other tourists (5 percent to 10 percent). Variation by age and region also did not show striking differences.

Figure 13: Tourists' Likelihood of Return to Uganda in 2012 and 2019



This increase in high satisfaction with Ugandan trip experiences translates into even higher likelihoods of people returning to Uganda and recommending Uganda to friends. In 2019, nearly 70 percent of tourists – 5 percent more than in 2012 – say they are very likely to return. Leisure tourists are the most unlikely to return (about 50 percent say their return is very likely) whereas 70 percent or more percent of all other tourist types say their return is very likely (see Figure 13). Africans are the most likely to return (77 percent), followed by North Americans (66 percent), and then Europeans (56 percent) and other continents (57 percent). At country-level, there are no clear patterns and variation can be large between neighboring countries. For example, 38 percent of Swiss versus 60 percent of Italians and 75 percent of Austrians say they are very likely to return. In terms of age, tourists older than 65 years are the least likely to return. Only 56 percent of them say their return is very likely against 78 percent of younger tourists.

Figure 14: Tourists' Likelihood of Return to Uganda in 2012 and 2019



Leisure tourists' comparatively low likelihood of return is not a sign of dissatisfaction. Ninety percent of them – slightly more than all other tourist types – would definitely recommend a trip to Uganda to their friends (see Figure 14). Similarly, Europeans' low likelihood of return is not a sign of dissatisfaction. Ninety-three percent of them would strongly recommend a trip to Uganda to their friends. This is about 5 percent more than tourists from all other regions. In particular, 97 percent of Swiss tourists would definitely recommend a trip even though they have one of the lowest likelihoods of return to Uganda.







ECONOMIC ANALYSIS OF THE TOURISM EXPENDITURE AND MOTIVATION SURVEY

Economic Analysis of the Tourism Expenditure and Motivation Survey

To further assess the impact of tourism on the Ugandan economy, this section expands on the expenditure analysis from the previous section. These expenditures were made by nonresidents of Uganda and, therefore, register as exports and not as domestic final demand. While these exports make up a large chunk of the tourism sector, it is important to note that the overall size of the tourism sector is larger than what is captured by the tourism expenditure and motivation survey (TEMS) data. The difference includes expenditures by domestic tourists, investments made by tourism operators as well as investments and operating expenditures made by government in the administration of the sector and the operations of public sector tourism assets, such as museums and national parks. The Tourism Satellite Accounts (as long as they are implemented and maintained over time), as well as the publications of the World Travel and Tourism Council, can provide a snapshot of the larger sector.

Tourism exports are particularly important from the perspective of economic policy. They provide scarce foreign exchange earnings and contribute positively to the balance of payments. They also lend themselves particularly well to the influence of government policies. For example, policy reforms can strengthen the promotion of the sector in foreign markets, and reforms on the supply side can foster the growth of the tourism sector and its contribution to national income. Moreover, tourism exports are very closely linked to the hospitality sector.²⁸ In Uganda this sector is crucial to the informal service economy and heavily dominated by women and, thereby, can provide employment opportunities for groups who might otherwise struggle on the labor market.

Exports in the form of non-resident tourist expenditures have direct, indirect and induced effects on the Ugandan economy. The *direct effects* equal the expenditures made in Uganda by the tourists. *Indirect effects* that go beyond the immediate effect of these expenditures exist too. Indirect effects equal the domestic production required to supply the purchases made by tourists. For example, a purchase of a restaurant meal requires the purchase of foodstuffs, beverages, and energy to provide the meal, and these purchases create a cascade of value added in the sectors that produce food, beverages, and energy. These sectors in turn generate further value added and purchase intermediate inputs. Finally, *induced effects* equal the domestic production required to produce the goods and services consumed by households as a result of earning wages and salaries in the production of the goods and services purchased by the tourists.

By using the input-output (IO) table for Uganda it is possible to capture the indirect and induced effects of Uganda's tourism exports. The IO table also takes into account that some inputs to production are imported rather than domestically produced. By using Uganda's IO table, it is possible to estimate the indirect and the induced economic activities needed to satisfy tourists' demand. Including indirect and induced effects simultaneously will usually result in an overestimate of the multiplier and the value added because this implicitly assumes that Ugandan households spent their additional income entirely on goods and services. Disregarding induced effects and including only indirect effects in the calculation will generally result in an underestimate of the multiplier and the value added because the economic activity resulting from additional household income is completely neglected. The actual economic overall impact generally lies between

28 See Table 14 in the annex.

these upper and lower bounds. Therefore, it is good practice to state indirect effects and the combined indirect and induced effects separately when using the IO model to estimate value added.

The subsequent analysis uses the 2002 IO table because it improves comparability with the previous TEMS 2013 report. As IO tables of low-income countries are generally fairly insensitive to the passing of time, the substantive results of an economic analysis based on the IO model do not require the most recent IO table even though the structure of production and consumption are likely to have undergone some changes. Because the analysis uses conservative estimates of tourist numbers and expenditures (the difficult-to-estimate expenditures of leisure tourists are particularly conservative), and because tourism exports represent only a part of Uganda's tourism sector, the subsequent estimates will constitute a lower bound of tourism's role in the Ugandan economy. At the same time this lower bound relies on high quality data from the TEMS surveys and focuses on the highest-spending and most policy-sensitive foreign tourists.

Annual Numbers of Tourists and Expenditures

To estimate the total value added by tourism exports, it is necessary to infer 2019 expenditure breakdowns and numbers of tourist types for the entire year. Policy makers are generally interested in value added during an entire year and not only during the high season. The inference is possible if we assume that 2012 low season to high season ratios stay the same in 2019 and then use the known 2019 high season numbers to infer the 2019 low season numbers. Based on this approach, the team estimated annual tourist numbers and annual average expenditure breakdown for each tourist type. To eliminate the influence of rare outliers and avoid the previously discussed difficulties with expenditures of package tourists, calculations are based on independent tourists spending less than US\$5,000. It is likely that this approach underestimates average expenditures of leisure tourists because it neglects the influence of package tourists who make up about a third of leisure tourists and appear to incur significantly higher expenditures than independent leisure tourists. Unless the survey can reliably estimate the actual economic impact of package tourists, it is best to regard the estimated expenditures of leisure tourists as lower bound.

Table 5 shows the resulting number of visitors, average total per person expenditure and average per person daily expenditure. The annex contains detailed annual average expenditure breakdowns. As seen in the high season analysis of the previous section²⁹, leisure tourists, business tourists, and meeting tourists spend roughly twice as much per day as education, religion, and visiting friends and relatives (VFR) tourists. In addition to this, leisure tourists spend most per visit. Together with the degree of policy sensitivity, this makes leisure tourists (and meeting tourists to a lesser extent) a central target of tourism policy interventions.

It is welcome then that the estimated number of leisure tourists grew between 2012 and 2019 by 40 percent to 125,800. Leisure tourists – behind tourists visiting friends and relatives and before business tourists – now constitute the second largest tourist category. The number of meeting tourists also increased by 15 percent to 70,300. Finally, the number of tourists who visit friends and relatives strongly increased by 60 percent to 168,900. Trends in business, education, and other tourists are hard to establish because their 2019 categories do not match 2012 categories well and, as a consequence, are not directly comparable.

29 Compare also Uganda's Tourist Expenditure and Motivation Survey (TEMS) 2019 Report.

Table 5: Number of Tourists and Tourist Expenditures in Constant 2019 US\$ by Tourist Type

	2012			2019		
	tourists	total expenditure	daily expenditure	tourists	total expenditure	daily expenditure
Leisure & Recreation	89,400	1,017	143	125,800	981	126
Business & Professional	167,300	701	151	120,800	733	140
Education & Training				55,700	878	61
Meetings, Events & Conferences	59,100	758	137	70,300	534	146
Religion	22,800	825	88	15,300	701	86
Visiting Friends and Relatives	106,000	611	93	168,900	570	74
Other	56,000	750	64	47,000	686	117
	500,600	747	122	603,800	713	110

Note: Underlying 2019 low season numbers to calculate annual numbers are inferred; Average expenditures only for independent tourists spending less than US\$5,000.

Overall Economic Impact of Tourism Exports

To carry out the IO analysis the TEMS expenditure breakdown needed to be mapped to the categories used in Uganda's official industrial sector classification. Doing so showed that tourism exports were concentrated on hotel and restaurant services, cultural and recreational services (particularly for leisure tourists), transport, and retail trade³⁰. This composition determines the impact that tourist exports have on the Ugandan economy. For example, the sectoral impact of tourism exports is much less centered on primary products like edible oils, livestock, or coffee and tea than Uganda's overall export basket.

Box 1. Definition and Illustration of Direct, Indirect and Induced Effects



- direct effects* = tourism exports
- indirect effects* = domestic production required to supply tourism exports
- induced effects* = domestic production required to produce the goods and services consumed by households as a result of earning income in the production of tourism exports

30 see Table 12 in annex for the complete mapping for each tourist type.

With the help of the mapping and the IO model one can assess the overall impact of tourism exports on the Ugandan economy. The modeled indirect effects and the combined indirect and induced effects of tourism exports for the years 2012 and 2019 are presented in Table 6 and Table 7. The tables consist of four parts and contain information for each tourist type. The upper part restates the tourism exports and expenditures stemming from a single tourist. The second part shows the tourism exports and expenditures stemming from all tourists. The third part presents value added and related measures if one models the combined indirect and induced effects. The fourth part presents value added and related measures if one models only indirect effects. The related measures in the third and fourth part consist of the multiplier, that is the ratio between value added and tourism exports, and the breakdown of value added into its manifestations of wages and salaries, mixed income from unincorporated businesses, profits, and indirect taxes.



Table 6: Tourism Exports and Total Economic Activity of Tourists in 2012 (Absolute Values in Constant 2019 US\$)

	2012							
	Leisure	Business	Education	Meetings	Religion	Visiting	Other	All
SINGLE TOURIST								
Tourism exports	1,017	701		758	825	611	750	747
ALL TOURISTS								
Number of tourists	89,400	167,300		59,100	22,800	106,000	56,000	500,700
Tourism exports	91 million	117 million		45 million	19 million	65 million	42 million	374 million
Tourism exports % Exports	2.3%	2.9%		1.1%	0.5%	1.6%	1.1%	9.4%
DIRECT + INDIRECT + INDUCED EFFECTS								
Value added	222 million	296 million		114 million	48 million	162 million	104 million	936 million
Value added % GDP	0.9%	1.2%		0.4%	0.2%	0.6%	0.4%	3.7%
Value added (relative)								
Wages and salaries	28%	25%		25%	25%	26%	27%	26%
Skilled and highly skilled	20%	18%		18%	18%	19%	19%	19%
Semi-skilled and unskilled	8%	7%		7%	7%	8%	8%	8%
Mixed income	44%	45%		45%	45%	45%	44%	45%
Profits	19%	21%		21%	21%	19%	19%	20%
Indirect taxes	10%	9%		9%	9%	9%	10%	9%
Memo: Imports	22%	21%		20%	20%	21%	21%	21%
Memo: Multiplier	2.4	2.5		2.5	2.5	2.5	2.5	2.5
DIRECT + INDIRECT EFFECTS								
Value added % GDP	80 million	107 million		41 million	17 million	58 million	38 million	337 million
Value added % GDP	0.3%	0.4%		0.2%	0.1%	0.2%	0.1%	1.3%
Value added (relative)								
Wages and salaries	30%	23%		22%	22%	25%	27%	25%
Skilled and highly skilled	25%	19%		18%	19%	21%	22%	21%
Semi-skilled and unskilled	5%	4%		4%	4%	5%	5%	4%
Mixed income	36%	39%		40%	39%	39%	38%	38%
Profits	26%	31%		31%	32%	28%	27%	29%
Indirect taxes	9%	7%		7%	7%	8%	8%	8%
Memo: Imports	13%	10%		9%	10%	11%	12%	11%
Memo: Multiplier	0.9	0.9		0.9	0.9	0.9	0.9	0.9

Note: Estimates derived from independent tourists with total per person expenditures below US\$5,000 and extrapolated to entire tourist population.

In 2019, estimated tourist exports totaled US\$431 million and created between US\$387 million (indirect effects only) and US\$1,074 million (combined indirect and induced effects) of value added. In relative terms tourist exports accounted for 6.3 percent of all Ugandan exports while the resulting value added constituted between 1.1 percent of global domestic product (GDP) if one considers only indirect effects and 3.1 percent of GDP if one considers indirect and induced effects. In 2012 estimated tourist exports were US\$374 million (9.4 percent of exports) and created between US\$337 million and US\$936 million of value added (that is between 1.3 percent to 3.7 percent of GDP). In sum, between 2012 and 2019 tourism exports and value added increased by 15 percent while its relative importance with regard to GDP and total exports declined, as GDP and total exports grew even faster than tourism exports.

Table 7: Tourism Exports and Total Economic Activity of Tourists in 2019 (Absolute Values in Constant 2019 US\$)

	2019							
	Leisure	Business	Education	Meetings	Religion	Visiting	Other	All
SINGLE TOURIST								
Tourism exports	981	733	878	534	701	570	686	713
ALL TOURISTS								
Number of tourists	125,800	120,800	55,700	70,300	15,300	168,900	47,000	603,800
Tourism exports	123 million	89 million	49 million	37 million	11 million	96 million	32 million	431 million
Tourism exports % Exports	1.8%	1.3%	0.7%	0.6%	0.2%	1.4%	0.5%	6.3%
DIRECT + INDIRECT + INDUCED EFFECTS								
Value added	301 million	224 million	122 million	96 million	27 million	240 million	80 million	1075 million
Value added % GDP	1.2%	0.9%	0.5%	0.4%	0.1%	0.9%	0.3%	3.1%
Value added (relative)								
Wages and salaries	28%	25%	27%	25%	26%	27%	27%	26%
Skilled and highly skilled	20%	18%	19%	18%	18%	19%	19%	19%
Semi-skilled and unskilled	8%	7%	8%	7%	8%	8%	8%	8%
Mixed income	44%	45%	45%	45%	45%	45%	45%	45%
Profits	18%	21%	18%	21%	20%	19%	19%	20%
Indirect taxes	10%	9%	9%	9%	9%	9%	10%	9%
Memo: Imports	22%	20%	21%	20%	21%	21%	21%	21%
Memo: Multiplier	2.4	2.5	2.5	2.6	2.5	2.5	2.5	2.5
DIRECT + INDIRECT EFFECTS								
Value added % GDP	109 million	81 million	44 million	34 million	10 million	86 million	29 million	387 million
Value added % GDP	0.4%	0.3%	0.2%	0.1%	0.0%	0.3%	0.1%	1.1%
Value added (relative)								
Wages and salaries	30%	23%	27%	22%	23%	26%	27%	26%
Skilled and highly skilled	25%	19%	21%	18%	19%	21%	22%	21%
Semi-skilled and unskilled	5%	4%	7%	4%	4%	5%	6%	5%
Mixed income	36%	39%	40%	40%	39%	39%	38%	38%
Profits	25%	32%	25%	31%	31%	28%	26%	28%
Indirect taxes	9%	7%	8%	7%	7%	8%	8%	8%
Memo: Imports	13%	10%	12%	9%	10%	11%	12%	11%
Memo: Multiplier	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9

Note: Estimates derived from independent tourists with total per person expenditures below US\$5,000 and extrapolated to entire tourist population.

The absolute size of tourism exports increased between 2012 and 2019 by 15 percent. This increase is partly explained by the 20 percent increase of tourist numbers from 500,000 to 600,000 and partly by a change in the tourist composition and duration of stay. Tourism exports and added value increased by 36 percent for leisure tourists and by 48 percent for VFR tourists while it decreased for all other tourist types. The decrease of 17 percent for meeting tourists in spite of an increase in their numbers by 19 percent is due to the lower average number of nights they spent in Uganda. Leisure tourists now account for 29 percent of tourism exports and value added (up from 24 percent in 2012) while meetings tourists account for 9 percent (down from 12 percent in 2012) and VFR tourists for 22 percent (11 percent in 2012). After having been in 2012 the second largest source of tourist exports and value added, leisure tourists have become the largest source in 2019.

Two more features are worth mentioning. First, it should be noted that overall 1 dollar of tourist exports created between 0.9 dollars (direct + indirect effects) and 2.5 dollars (direct + indirect + induced effects) of value added, or in other words that the multiplier was between 0.9 and 2.5. This holds true for both years and all tourist types except for leisure tourists where the multiplier was between 0.9 and 2.4. The multiplier is slightly higher than the corresponding multiplier range of 0.8 to 2.3 for Uganda's overall export basket. This means that tourism exports are closely linked to the rest of the Ugandan economy. And while it might seem that goods and services flow exclusively to tourists and money flows only to the small segment of the Ugandan population working in the tourism sector, the reality is that tourism exports benefit the entire Ugandan economy.

Second, the value added created by tourism exports manifests, among others, as wages, which can be disaggregated to wages for skilled labor and unskilled labor. The value added by tourism exports finds its way more often to skilled labor than to unskilled labor: 19 percent of value added versus 8 percent if one considers direct, indirect and induced effects and 21 percent to 5 percent if one considers only direct + indirect effects. This split is even more pronounced for leisure tourism exports: 20 percent versus 8 percent if one considers direct, indirect and induced effects and 25 percent versus 5 percent if one considers only direct and indirect effects as only 17 percent of value added from Uganda's overall export basket flows to skilled labor, but 11 percent flows to unskilled labor, this means that tourism exports – relative to the overall export basket – shifts Uganda's economy towards skilled labor. In terms of numbers of jobs this difference would be smaller, given higher wages for skilled labor versus unskilled.

While this analysis suggests that the tourism sector does not favor the low-skilled over the high-skilled worker, it does create jobs for the low-skilled, and the larger share of value added by skilled labor points to considerable returns on the investments that government and households have made in educating the young. These figures on labor skills come with a caveat however – ideally data on labor earnings by skill level should be available at the sector level in order to give a robust estimate of these earnings. Expanding the labor data and incorporating the data into the IO model should be priority for the next TEMS survey.

Economic Impact of Increased Tourism

Tourism exports widely benefit the Ugandan economy. Given Uganda's unique endowments and the still comparatively low number of tourists, it is natural to ask what the economic impact of further tourism development would be. Further tourism development is possible through larger number of tourists or higher per person expenditures. Using the IO model one can ask what the overall economic impact of these two pathways would be.

Leisure tourists are not only the tourists who spent the most per visit but are also the tourists who are most easily influenced by policy interventions. Therefore, it makes sense to ask what the impact of an increase in the number of leisure tourists coming to Uganda would be. Adding another 100,000 leisure tourists to the 126,000 leisure tourists who visited Uganda in 2019, appears to be an ambitious but achievable medium to long term goal. An easy way to increase tourist per person expenditures is to convince them to stay longer in Uganda. Given that half of all tourists stayed less than a week and 80 percent of tourists stayed less than 15 days this appears feasible. In principle, it should be tempting for most tourists to take advantage of the proximity to Uganda's unique natural areas outside Kampala. Adding one night to the stay of every tourist in the target population while holding daily per person expenditure constant defines a scenario that the IO model can analyze.

Table 8: Economic Overall Effect of Two Tourism Development Outcomes

	100,000 additional leisure tourists	1 additional night for all tourists
TOURISM EXPORTS		
Additional tourism exports	98 million	67 million
Additional tourism exports (percent of exports)	1.5 percent	1.0 percent
DIRECT + INDIRECT + INDUCED EFFECTS		
Additional value added	240 million	166 million
Additional value added percent of GDP	0.9 percent	0.7 percent
DIRECT + INDIRECT EFFECTS		
Additional value added	87 million	66 million
Additional value added percent of GDP	0.4 percent	0.3 percent

Note: Value added in constant 2019 US\$ and relative to the 2019 exports and GDP.

The results of the analysis of the two scenarios are presented in Table 8. Adding another 100,000 leisure tourists to Uganda's tourist population would increase tourism exports by US\$98 million (equal to 1.5 percent of 2019 exports) and value added between US\$87 million (modeling only indirect effects) and US\$240 million (modeling indirect and induced effects), that is between 0.4 percent and 0.9 percent of 2019 GDP. Adding one additional night to all Ugandan tourists would have a comparable though lesser effect. Tourism exports would increase by US\$67 million (or 1.0 percent of exports and 0.3 percent of GDP) and value added would increase between US\$66 (modeling only indirect effects) and US\$166 million (modeling direct and indirect effects), or between 0.3 percent and 0.7 percent of GDP. The reason that these two scenarios lead to effects with a similar magnitude is that the second scenarios involves all tourists while the first scenario involves only leisure tourists.







MAIN FINDINGS AND POLICY RECOMMENDATIONS

Main Findings and Policy Recommendations

This section concludes by distilling main findings from the statistical analysis of the 2012 and 2019 high season waves and from the economic analysis of inferred overall economic activity for the entire years 2012 and 2019 before recommending immediate and short-medium term policy interventions. The policy recommendations are derived from the statistical and economic analysis, as well as desk research and tourism stakeholder feedback.

Statistical and Economic Main Findings

The statistical analysis focused on a specific subset of tourists and a comparison of the 2012 and 2019 high season surveys. A comparison between the full years was impossible because the 2019 low season survey had to be postponed because of the COVID-19 crisis. However, the main findings from the statistical analysis indicate successful tourism development:

- Satisfaction rates³¹ have increased significantly from 2012 to 2019 across most categories, notably for “restaurants” (up 29 percent from 2012 to 2019), “shopping” (up 23 percent), “accommodations” (up 23 percent), and “local transport” (up 18 percent).
- The highest overall satisfaction ratings in 2019 were observed for “people and hospitality” (85 percent), “tours and excursions” (77 percent), and “accommodations” (76 percent).
- The official tourism website has become an important source of information. Twenty percent of tourists in 2019 cited it as their main information source compared to only 4 percent in 2012.
- The percentage of tourists that come for leisure increased from 2012 to 2019 (from 21 percent to 25 percent) and the total number of leisure tourists increased from 89,000 to 126,000.
- In 2019, 32 percent of leisure tourists bought tour packages. This percentage is essentially unchanged from 2012 and runs counter to the global trend towards more independent tourism³².
- The average length of stay remained largely the same for leisure tourists (12 to 13 days in 2012 and 2019, on average) and business tourists (12 days in both years). Average stays among meetings tourists dropped from eight to four days, but this is in line with global trends.
- Average per person per trip expenditures remained largely unchanged between 2012 (US\$994) and 2019 (US\$897).
- The market segment that spent the most in 2019 was leisure tourists, with an average per trip expenditure of US\$1,091 (comparable to the 2012 average of US\$1,146).

Main findings from the economic analysis point to an increase of tourism exports and the impact of tourism on overall economic activity while suggesting further potential for development of the tourism sector:

- Tourism exports grew strongly between 2012 and 2019 by 15 percent from US\$387 million to US\$431 million, but not as strongly as total exports (tourism exports as a share of exports fell from 9.4 percent to 6.3 percent).

31 As measured by those who indicate “very good” or “excellent” on their satisfaction ratings.

32 See e.g. <https://www.cbi.eu/market-information/tourism/free-independent-travellers-fits/market-potential>.

- GDP generated from tourism exports increased from an estimated range of US\$337 million to US\$936 million to an estimated range of US\$431 million to US\$1074 million. However, it remained roughly constant as a share of total GDP, falling in the range of 1.1 percent to 3.1 percent of GDP in 2019 (1.3 percent to 3.7 percent of GDP in 2012).
- Tourism exports and value added increased by 36 percent for leisure tourists, and with 29 percent, they now account for the largest share of tourism exports and value added (up from 24 percent in 2012). Meeting tourists' shorter duration of stay decreased their tourism exports and value added by 17 percent and reduced their share of tourism exports and value added from 12 percent to 9 percent.
- Tourism exports are closely linked to the rest of the Ugandan economy and, relative to the overall export basket, shift value added to skilled labor. This is suggested by multipliers and skilled labor shares that are higher than the overall export basket.
- Two optimistic, but achievable medium-long term scenarios (increase of leisure tourists by 100,000 and increase of all tourists' duration of stay by one night) point to the potential of substantial increases of tourism exports without increasing tourist expenditures. Each scenario alone can increase tourism exports and value added by 15 percent to 20 percent.



Policy Recommendations

The main objective of this report was to undertake comparative analysis of the TEMS survey data; however, a number of policy recommendations emerged from the analysis and from consultations with the stakeholders. These recommendations are described below.

These policy recommendations are categorized within five areas of focus:

1. Tourism statistics and market intelligence
2. Product development
3. Marketing and branding
4. Protected area infrastructure and management
5. Sector coordination.

Each recommendation is then divided into two groups.

1. The first group includes those that should be initiated immediately (within the next six months) as part of the COVID-19 response.
2. The second group includes those that should be initiated within the short to medium-term (that is within the next two years).

Tourism Statistics and Market Intelligence

It is very difficult for government officials to make policy decisions without accurate and timely sector data. It also complicates decision-making for current and prospective investors. There are several areas where current efforts can be enhanced.

Immediate COVID-19 Response

- **Create a Tourism Sector Observatory**

It is important to regularly measure the performance of businesses along the tourism value chain. This has become even more critical in the context of COVID-19. An observatory can give early indications on the health of the sector by collecting data in areas such as number of clients, occupancy levels, capacity changes, employment levels and so on. Some data, such as occupancy levels, could be sensitive so should be aggregated (without displaying business names) and treated with confidentiality. In some countries, third parties handle the sensitive data. The observatory could also include surveys with international and domestic visitors to national parks to track sentiments on issues such as service quality, environmental management, product gaps, congestion, and pricing.

- **Conduct Visitor Survey to Track Sentiments After Tourism Sector Reopening**

The survey will be important to understand evolving traveler profiles, patterns, and sentiments regarding relevant elements of the travel experience such as hygiene protocols, immigration procedures, and tourism business preparedness. As the sector has officially reopened in early October 2020, the survey should be initiated immediately and be conducted on a continual basis over the next year to two years. It should provide highly useful feedback to help make the tourist experience more safe and enjoyable.

- **Expand Market Intelligence Capabilities and Efforts**

This involves the collection of key statistics and trends in target countries and market segments,

data from competitors, and information about relevant marketing channels. With the changes that have occurred in the global tourism landscape due to the pandemic, it will be critical for countries to re-evaluate which market segments to prioritize and how to target them. Uganda should begin to look beyond its traditional markets and study opportunities presented by other market segments and regional/global source markets. This will likely require recruitment and capacity building of specialists that can perform this function.

Short to Medium-Term

- **Collect and Report Tourist Arrival Figures in a Timelier Manner**

This critical data, which is collected at all border posts, should be published monthly—ideally a week or two after the close of the month. However, Uganda has yet to publish any international tourism arrival data for 2019 or 2020.

- **Conduct Visitor Surveys More Regularly**

As can be seen in Section 2, visitor surveys provide key data in terms of visitor profiles, expenditures, and satisfaction levels. Visitor surveys should be conducted annually to closely track sector trends. Yet before the 2019 visitor survey, Uganda had not conducted one since 2012. It is also important to keep the methodology consistent otherwise comparability is lost.

- **Improve Sampling Methodology**

To implement the stratified random sampling design of the tourism expenditure and motivation survey (TEMS) 2012 and 2019 surveys and achieve representativeness of the sample it is important to randomly sample departing tourists at every border crossing that is covered by the survey. Sampling of departing tourists at airports and land borders is inherently difficult. To approximate random sampling, a well-thought through and tested sampling strategy is needed that avoids sample bias or allows to correct for it.

- **Improve Methodology to Identify Economic Impact of Package Tourists**

To estimate the economic impact of package tourists on the Ugandan economy one needs to know how much of their spending actually arrives in Uganda. Currently it is not possible to reliably estimate the actual economic impact. However, improvements of the survey questionnaire (for example with regard to package tours that comprise multiple countries, or a clearer delineation of discretionary spending), a fuller understanding of the profit margins of non-Ugandan tour operators, and more precise estimates should allow it not only to improve estimates of package tourists' expenditure, but also their actual economic impact on the Ugandan economy. This would immediately improve estimates of leisure tourists' economic impact.

- **Incorporate labor data into the IO model and obtain a more recent input-output table.**

Blending data on sectoral employment and sectoral distribution of skill levels with the IO table would allow it to better assess the effects of tourism exports on the Ugandan labor market. Even though changes in Uganda's structure of production and consumption are likely to occur slowly, an updated IO table would increase the precision of the economic analysis.

- **Disseminate Tourism Statistics More Broadly**

Collection and analysis of tourism data is important, but of limited use unless it is widely disseminated. This should be done online so as to be accessible to all tourism stakeholders. Also, countries and destinations are increasingly developing interactive, user-friendly data dashboards to present data more effectively.

Product Development

While Uganda has a tremendous range of tourism assets, many have not yet been converted into market-ready tourism products. Just three national parks (Murchison Falls National Park (MFNP), Queen Elizabeth National Park (QENP), and Bwindi Impenetrable National Park (BINP)) capture approximately 70 percent of park visitation and the vast majority of tourism revenues. Uganda needs to develop new and innovative products that align with the interests of their priority market segments. Even within MFNP, QENP, and BINP, new products should be developed that would encourage visitors spend more time (and money) in these areas. Not only can this help attract more tourists, but also compel them to spend more days and money while in the country. Additionally, tourism product development initiatives can help increase value chain linkages, resulting in more money flowing into local communities.

Immediate COVID-19 Response

- **Support Communities to Enhance their Tourism Product**

The Uganda Community Tourism Association (UCOTA) has around 50 active community tourism enterprise members. Of these, around a dozen had been relatively successful before the pandemic. While general interest in community and experiential tourism has been on the rise globally (and approximately 80 percent tourists surveyed in Uganda expressed a desire to participate in community tourism), only around 10 percent incorporate community visits into their itineraries. Urgent support will be needed to help communities survive the shutdown. Support should focus not just on immediate assistance measures, but also training and technical assistance that can help communities develop higher-quality experiences in line with the evolving interests of the market. Craft producers can also be supported with product design and market linkages training.

Short to Medium-Term

- **Develop Matching Grant Facilities to Stimulate Product Innovation**

A matching grant facility can be developed to support new, innovative tourism products that can help attract target market segments. The facility could be broadly available, or only for products that fill specific gaps defined by Uganda Tourism Board (UTB) (based on the latest market intelligence). One example is leisure products tailored towards business and MICE tourists that may be willing to stay an extra day or two in the country. Grants would also ideally be accompanied by a combination of training, technical assistance, and mentoring that could cover topics such as business plan development, market research, product design, online marketing, etc.

- **Support the Development of “Experiences” to be Offered through Online Portals**

One of the most important trends in tourism over the past several years has been the move from typical sight-seeing tours towards specialized, curated experiences that provide a deeper connection to the destination’s people and culture. Airbnb launched its Experiences platform in 2016 and already offers 30,000 distinct experiences. The experience market now includes nearly all of the major online travel companies (including TripAdvisor, Booking.com, and Expedia). Given the flexibility and short length of “experiences”, they can be tailored to all types of special interest groups, as well business and MICE tourists. To encourage the development of experiences, a pilot project could be initiated. This could begin with awareness building workshops for tour guides, tour operators, UCOTA, and interested individuals. For those with promising ideas, training and technical assistance could be provided in areas such as experience creation, customer service, marketing the experience through online channels.

Marketing and Branding

Hiring market representation firms in key source markets, as mentioned in Section 1, has given the country's marketing efforts a major boost. Yet, there is widespread recognition among stakeholders that further efforts are needed. This is evident from survey responses regarding visitor's main source of information. Whereas more tourists are visiting the country's official tourism website than in 2012 (18 percent in 2019 versus 4 percent in 2012), a very small proportion are obtaining information from other websites, TV, or print media. Below are some specific areas in which efforts should be made.

Immediate COVID-19 Response

- **Develop a National Tourism Marketing and Promotion Strategy**

This need was specified in National Development Plan (NDP III) and has been identified by UTB as a vital tool for them to carry out their mandate. It would help ensure a coordinated approach by public and private sector stakeholders, which has long been absent. A key element of the strategy would be to identify priority market segments, which should be driven by information gathered through the market research and intelligence efforts mentioned above. Strategy development should initiate as soon as possible, as all other initiatives will logically flow from the action plan.

- **Launch a National Tourism Brand**

Uganda does not currently have a national tourism brand. UTB and other stakeholders have expressed interest in reintroducing the “Pearl of Africa” tagline. A highly collaborative and strategic process should be launched to define the brand architecture in line with priority market segments. Images, themes, and values should all be determined for the brand during this process. An important output will be a new logo, which should replace the Tourism Uganda logo currently found on the country's official website and other marketing materials. Ideally, the redeveloped brand will be launched through an extensive communications and promotional campaign at both the international and national level.

Short to Medium-Term

- **Broaden Digital Marketing Efforts**

The national strategy will undoubtedly highlight the importance of enhancing the country's digital marketing efforts. While the official tourism website has improved, UTB has indicated the need to optimize digital content (text, photos, and video), undertake search engine optimization, develop destination mobile applications, and amplify their social media reach. A stronger digital presence can also help Uganda attract more independent tourists, whose expenditures generally have relatively low levels of leakage.

- **Build Capacity of Small and Medium-sized Enterprises (SMEs) to Market Themselves Online**

Small tourism businesses are increasingly able to market and sell their services directly to clients through a growing number of digital portals such as Airbnb, Viator, and Getyourguide.com. This enables the small businesses to directly enter into the tourism value chain, which spreads the tourism dollar further and expands the range of products available to tourists. Yet few of these businesses currently have the knowledge or skills to use these digital tools effectively. As such, capacity building in the form of training and technical assistance is required.

- **Secure a Sustainable Source of Funding for Marketing and Branding Activities**

Uganda's marketing budget is small compared with competitors, which limits its ability to position the destination within key markets. In the absence of a budget increase from the government, it is recommended that the stalled conversation on the tourism levy be reinitiated. This bed night tax, which is very common in other countries, could provide the country with a sustainable source of marketing and branding funding in the medium to long term.

Protected Area Infrastructure and Management

Protected areas are the primary destinations for leisure tourists in Uganda. Yet, some key infrastructure gaps within the protected areas act as barriers to growth of visitation and investment. Also, the ability of Uganda Wildlife Authority (UWA) to carry out its conservation and tourism management mandate is limited to some extent by human and financial resource gaps. The latter has been exacerbated by the pandemic and resulting loss of tourism revenues. If Uganda is unable to protect its key nature-based assets, tourists will go to competitor destinations. Some recommended measures are described below.

Immediate COVID-19 Response

- **Bolster UWA's Conservation and Tourism Management Resources**

Poaching has increased significantly since the beginning of the pandemic. UWA will need financial support to maintain its patrols and conservation activities until tourist revenue returns. Tourism management capacity among protected area staff could also be enhanced in certain areas such as tourism planning, interpretation, community tourism development, and data collection.

- **Build New Accommodations Geared Towards the Domestic Market**

The domestic market is growing and has taken on increasing importance during the pandemic. Yet options for the domestic market (including students on school trips) are limited, as most of the accommodations in national parks are prohibitively expensive for the majority of Ugandans.³³ The few relatively inexpensive facilities in MFNP and Kidepo Valley National Park (KVNP) are in high demand. Similar accommodations could be built in other protected areas.

Short to Medium-Term

- **Expand Road Network within National Parks**

In some protected areas, the limited coverage of roads constrains wildlife viewing, particularly in light of some shifts of wildlife movements due to climate change, natural habitat changes, human-wildlife conflicts, and oil exploration. An example is MFNP, where only 10 percent of the park is accessible to tourists and some of these areas are devoid of wildlife due to oil exploration-related disturbances. UWA has signaled other road infrastructure needs within QENP, BINP, and KVNP. Any road work would need to be preceded by studies of the impact on the environment and local wildlife.

- **Consider Building Canopy Walkways and Ziplines**

Based on the success of canopy walkways in other protected areas such as Rwanda's Nyungwe Forest National Park, it is felt that this could help diversify Uganda's tourism product. Areas that seemingly have the strongest potential for canopy walkways are KVNP, BINP, Kalinzu Forest

33 As measured by those who indicate "very good" or "excellent" on their satisfaction ratings.

Reserve, and Budongo Forest Reserve. There has also been discussion of installing ziplines in Rwenzori Mountains National Park (RMNP). Private Public Partnerships should be explored both for canopy walkways and ziplines.

Sector Coordination

The tourism sector is a broad and complex network of stakeholders from the public sector, private sector, and civil society. Without close coordination, individual efforts will be far less effective. Some coordination efforts within the Ugandan tourism sector (such as the Tourism Coordination Committee) have been made in the past but have not been sustained. The need for coordination has become more urgent in the context of the COVID-19 pandemic.

Immediate COVID-19 Response and Short to Medium-Term

- **Develop a Public-Private Dialogue (PPD) Structure**

The PPD should include representatives from relevant Ministries and government bodies, tourism private sector associations, and civil society members such as nongovernmental organizations (NGOs) and universities with substantial tourism programs. Objectives and ground-rules for the PPD should be established from the beginning. Ideally, the group should be chaired by a high-level official (in some countries the role is even taken on by the Prime Minister or Deputy Prime Minister). Over the next year to eighteen months, the meetings should focus on COVID-19 response and recovery. Given the urgency of the matter, it is recommended that meetings be held monthly. Afterwards, participants may opt to only meet quarterly. PPDs can be hard to sustain—some keys to success are strong local buy-in, professional and impartial facilitation, and quick wins to build confidence.







STATISTICAL ANNEX

Statistical Annex

To obtain representative estimates of the target population and to allow for a meaningful comparison between the tourism expenditure and motivation survey (TEMS) 2012 and 2019 surveys, the survey data required certain adjustments. This annex describes the sample and the target population, before outlining the methods used to estimate characteristics of the target population and to compare 2012 and 2019 expenditures and categories that are not immediately comparable.

Survey

The TEMS 2019 high-season survey was conducted in September 2019. It interviewed departing visitors at seven different borders posts (Entebbe, Katuna, Busia, Malaba, Cyanika, Mirama Hill, and Mutukula). Unlike the TEMS 2012 survey it not only targeted non-Ugandan nonresidents who stayed at least one night in Uganda, but also Ugandan nonresidents and day visitors. Moreover, the TEMS 2019 survey was conducted at three additional border crossings (Cyanika, Mirama Hill, and Mutukula). A survey interview lasted about 10 minutes and 4,564 individuals were interviewed in total (at a response rate of 92 percent). After data cleaning 4,184 interviews remained. To obtain a representative picture of the target population the 2019 survey applied the same stratified sampling approach as the 2012 survey. This implied that in each survey wave interviewees at the seven border crossings should be selected with the same probability while the number of interviews at the different borders could be determined independently.

The TEMS 2012 survey targeted only the population of departing non-residents who stayed at least one night in Uganda. This approach focused the survey on the tourists with the highest spending in Uganda and the highest amenability for policy intervention. During the 2012 high season survey 2,005 interviews with departing tourists were conducted at four border crossings: 1,503 in Entebbe, 169 in Katuna, 151 in Busia, and 182 in Malaba. During the 2012 low season 1,572 interviews were conducted: 978 in Entebbe, 287 in Katuna, 188 in Busia, and 119 in Malaba. The 2012 response rate of 72 percent was significantly lower than the response rate in 2019 and constituted a potential source of bias (for example, if tourists with higher expenditures were less or more willing to participate in the survey).

Unfortunately, the exact sizes of the target population at the different border crossings were not exactly known. The official statistics record nonresident departures of tourists independent of their length of stay. Consequently, tourists who did not stay overnight in Uganda were included in the official numbers. However, nonresident departures at land border crossings generally include a large number of visitors who do not stay overnight and are not part of the target population. To impute the unknown target population at land border crossings, it was assumed that about 80 percent of the Common Market of Eastern and Southern Africa (COMESA) citizens' land border crossings derived from visitors who do not stay overnight.

To allow for a meaningful comparison between the two 2012 and 2019 surveys the 2019 target population and sample were adjusted to match the 2012 target population and all interviews that fell outside the 2012 target population were dropped. In particular, interviews with tourists having Ugandan nationality, interviews with day visitors, and interviews conducted at the Cyanika, Mirama Hill, and Mutukula border crossings were dropped. This reduced the 2019 sample size from 4,184 interviews to 2,827 (1,449 in Entebbe, 199 in Katuna, 569 in Busia, and 610 in Malaba). Table 9 summarizes for each survey and season the number of interviews conducted at the different borders.

Table 9: Sample Strata Sizes

	2019		2012	
	high season	low season	high season	low season
Entebbe	1,510	978	1449	
Katuna	169	287	199	
Busia	151	188	569	
Malaba	182	119	610	
	2,012	1,572	2827	

Another complication is the absence of official 2018 and 2019 immigration numbers. Therefore, the TEMS 2019 report imputed the number of total arrivals at the different border crossings. This report uses these imputed numbers as an estimate for departing tourists, infers the number of visitors from COMESA countries in the missing years based on the known 2017 ratios, and applies the previously described correction for visitors from COMESA countries. The resulting target populations of tourists are shown in Table 10.

Table 10: Target Population Strata Sizes

	2019		2012	
	high season	low season	high season	low season
Entebbe	122,231	233,392	157,851	271,978
Katuna	17,791	34,359	21,607	47,861
Busia	18,625	40,796	21,999	44,900
Malaba	12,179	21,265	12,353	25,209
	170,826	329,812	213,810	389,948

The 2019 target population of tourists increased from 500,000 to 600,000. Most of the increase is due to a significantly higher number of departures from Entebbe: 430,000 people departed from the airport in 2019 (about 75,000 more than in 2012). The high season target population – the focus of the statistical analysis – also increased. About 45,000 more tourists departed during 2019 high season than in the 2012 high season.

Sample Weights and Post-stratification

In stratified random samples, sample averages and sample distributions over respondents' answers generally do not correspond to averages and distributions of the target population. To infer the population averages and population distributions, it is necessary to weigh respondents' answers appropriately. The most basic weights equal – for each stratum – the ratios between departing tourists and successfully conducted interviews. Table 11 summarizes the resulting weights.

The basic weights rely on the assumption that interviewees in each stratum were randomly sampled. However, perfect random sampling at border crossings is hard to achieve. One can check the extent of random sampling by comparing known population distributions to sample distributions. As departures from

Table 11: Basic Sample Weights

	2019		2012	
	high season	low season	high season	low season
Entebbe	81	239	109	
Katuna	105	120	109	
Busia	123	217	39	
Malaba	67	179	20	

Entebbe are unlikely to contain many visitors who do not stay overnight, direct comparison of Entebbe's official regional distribution of nonresident departure with the sample distribution should give an indication of the quality of random sampling. Based on 2012 migration statistics, it seems that European and North American tourists have been oversampled (for example, during the low season they made up 35 percent and 25 percent of interviewees, but accounted for only 22 percent and 16 percent in the official migration statistics), whereas African tourists have been under sampled (for example, during the low season they made up 34 percent of interviewees, but accounted for 40 percent in the official migration statistics). Similarly, during the 2019 high season Europeans were responsible for 36 percent, North Americans for 21 percent, and Africans for 30 percent of Entebbe interviews. However, according to 2017 official immigration numbers they represent about 22 percent, 16 percent, and 42 percent of all Entebbe departures. This suggests that random sampling was not perfect.

To mitigate the effects of imperfect random sampling and improve the representativeness of samples, the 2012 and 2019 samples were post-stratified, that is the basic weights were adjusted so that for each survey, season, and border crossing, the regional distributions in the samples match the expected regional distributions in the target populations. Table 12 presents the expected regional distributions in the target populations.

Comparison of Expenditures Between Different Years

Comparison of expenditures in 2012 and 2019 is not straightforward because exchange rates and price levels have changed over time. To allow a comparison across years all a three-step procedure is applied. First, expenditures are converted to Ugandan Shilling using the official 2012 and 2019 currency exchange rates. Second, to account for the increase in prices between 2012 and 2019 (according to the IMF the 2019 general price level was about 35 percent higher than in 2012), 2012 expenditures in Ugandan Shilling are inflated to 2019 prices. Finally, for convenience the expenditures in 2019 real Ugandan Shilling are converted to US dollar based on the current 2019-dollar exchange rate.

Comparison of Survey Answers Over Time

The 2012 and 2019 survey questionnaires are similar, but not identical. In particular, the 2012 and 2019 lists of possible answers (categories) to the same question differ at times. Whenever a plausible aggregation is possible to allow a meaningful comparison, differing categories are aggregated into categories that are identical for both years. If a plausible aggregation is impossible non-identical categories are used for 2012 and 2019.

Table 12: Expected Regional Strata Distributions

border	region	2019		2012	
		high season	low season	high season	low season
Entebbe	Africa	43,177	92,292	65,920	113,831
Entebbe	Europe	32,347	56,850	35,482	61,034
Entebbe	North America	19,075	34,381	25,701	44,023
Entebbe	Other	27,632	49,869	30,748	53,090
Katuna	Africa	14,466	28,870	19,046	42,009
Katuna	Europe	956	1,569	1,158	2,489
Katuna	North America	628	1,189	703	1,515
Katuna	Other	1,741	2,731	700	1,848
Busia	Africa	14,802	33,013	17,387	36,959
Busia	Europe	773	1,561	2,000	3,124
Busia	North America	813	1,276	822	1,386
Busia	Other	2,237	4,946	1,790	3,431
Malaba	Africa	9,045	16,253	9,764	20,750
Malaba	Europe	754	897	1,123	1,754
Malaba	North America	485	654	461	779
Malaba	Other	1,895	3,461	1,005	1,926

For example, the survey question that asks for the main purpose of the visit to Uganda is unchanged in the 2012 and 2019 questionnaires. In the 2012 survey seven categories were possible answers³² while thirteen categories were possible in 2019.³³ No interviewee selected the “Cultural Tourism” or “In Transit” categories in 2019. To allow comparison between years these different categories are aggregated into seven new ones:

1. Leisure and recreation
2. Business and professional
3. Education and training
4. Meetings, events and conferences
5. Religion
6. Visiting friends and relatives (VFR)
7. Other.

The “Cultural Tourism” category is merged with “Leisure and recreation”; the “Other” category aggregates the previous ““Health and Medical care”, “Volunteering”, “Shopping”, and “Other” categories. The new “Education and Training” category is not aggregated because a plausible aggregation was not obvious.

³² The seven 2012 categories were “Leisure, recreation and holidays”, “Business and professional”, “Spiritual and Religious visit”, “Meetings and Conferences”, “Cultural tourism”, “Visiting friends and relatives”, “Other”.

³³ The thirteen 2019 categories were: “Holidays, Leisure & Recreation”, “Business & Professional”, “Visiting Friends and Relatives”, “Meetings, Events and Conferences”, “Education and Training”, “Cultural tourism”, “Health and Medical care”, “Volunteering”, “Religion/pilgrimages”, “Day Visitors (Excursionists)”, “Shopping”, “Other”, “In Transit”.



A large herd of red and white Zebu cattle with prominent horns is gathered in a savanna setting. The cattle are the central focus, with their heads and horns filling much of the frame. In the background, there are green trees and a clear blue sky. A semi-transparent blue banner is overlaid on the upper part of the image, containing the title 'ECONOMIC ANNEX' in white capital letters.

ECONOMIC ANNEX

Economic Annex

The annual overall economic impact that tourists have on the Ugandan economy is of great interest to policy makers. To analyze the economic impact of tourism exports on the Ugandan economy with the help of the input-output (IO) model it is necessary to know the annual numbers and the expenditure breakdowns of the different types of tourists. With this knowledge one can map tourists' annual expenditures to the economic sectors in the Ugandan IO table and estimate the overall economic impact of tourism exports.

Table 13: Whole Season Breakdown of Independent Travelers' Total per Person Expenditures by Tourist Type

	2012							
	Leisure & Recreation	Business & Professional	Education & Training	Meetings, Events & Conferences	Religion	Visiting Friends & Relatives	Other	All
Accommodation	296	265		324	308	158	209	249
Food & beverages	190	149		171	205	149	165	162
Park entry fees	55	5		7	9	5	17	14
Tracking fees	27	3		2	1	9	25	10
Sightseeing tours	68	6		6	10	12	18	18
Adventure activities	61	5		2	10	6	17	15
Domestic air transport	14	7		4	7	3	9	7
Crafts & souvenirs	46	21		25	42	26	35	29
Other shopping	51	91		83	53	93	61	80
Entertainment	37	25		16	15	36	28	28
Guide service	16	3		2	4	4	9	6
Local transport	111	76		62	97	61	81	78
Other	44	46		55	64	50	75	52
Total	1017	701		758	825	611	750	747

	Leisure & Recreation	Business & Professional	Education & Training	Meetings, Events & Conferences	Religion	Visiting Friends & Relatives	Other	All
Accommodation	280	306	281	254	238	144	187	240
Food & beverages	168	153	140	111	170	137	136	146
Park entry fees	40	6	17	2	8	8	15	13
Tracking fees	11	2	3	0	4	7	21	7
Sightseeing tours	88	9	20	5	9	14	13	23
Adventure activities	67	6	12	1	12	9	16	17
Domestic air transport	13	6	3	5	8	1	7	6
Crafts & souvenirs	31	15	2	11	25	22	22	20
Other shopping	63	74	23	41	47	73	52	64
Entertainment	25	15	3	5	11	26	20	19
Guide service	27	5	13	0	1	5	7	8
Local transport	108	79	73	39	81	57	72	73
Other	60	57	288	58	87	65	118	76
Total	981	733	878	534	701	570	686	713

Note: Only for total per person expenditures below US\$5,000 (constant 2019 US\$); Underlying 2019 low season numbers are imputed.

Because 2019 low season tourist numbers and expenditure breakdowns are not known they need to be imputed. A reasonable way to do this is to assume that the 2012 ratios between high season and low season tourist numbers and expenditure categories remain the same in 2019. With this assumption one can estimate the tourist type specific expenditure breakdowns for the entire season. Table 14 presents the results. Mapping these expenditure breakdowns to the economic sectors of Uganda's IO table is straightforward. Table 14 contains the results that serve as input for the IO analysis.

Table 14: Mapping to Ugandan IO Sectors of Whole Season Breakdown of Independent Travelers' Total per Person Expenditures by Tourist Type

2012								
	Leisure & Recreation	Business & Professional	Education & Training	Meetings, Events & Conferences	Religion	Visiting Friends & Relatives	Other	All
Hotels, Bars and Restaurants	485	414		494	513	308	374	412
Social, Cultural and Recreational Services	98	112		108	95	120	96	109
Retail Trade	264	46		35	49	71	114	90
Other Services	111	76		62	97	61	81	78
Passenger Road Transport	44	46		55	64	50	75	52
Air Transport	14	7		4	7	3	9	7
Total	1,017	701		758	825	611	750	747

2019								
	Leisure & Recreation	Business & Professional	Education & Training	Meetings, Events & Conferences	Religion	Visiting Friends & Relatives	Other	All
Hotels, Bars and Restaurants	448	459	421	366	408	281	323	386
Social, Cultural and Recreational Services	258	42	69	14	45	69	91	87
Retail Trade	94	90	25	52	72	96	74	85
Other Services	60	57	288	58	87	65	118	76
Passenger Road Transport	108	79	73	39	81	57	72	73
Air Transport	13	6	3	5	8	1	7	6
Total	981	733	878	534	701	570	686	713

Note: Only for total per person expenditures below US\$5,000 (constant 2019 US\$); Underlying 2019 low season numbers are imputed.

