



Findings

Findings reports on ongoing operational, economic, and sector work carried out by the World Bank and its member governments in the Africa Region. It is published periodically by the Knowledge and Learning Center on behalf of the Region. The views expressed in Findings are those of the author/s and should not be attributed to the World Bank Group.

<http://www.worldbank.org/afr/findings>

Tourism in Senegal

In 2000, receipts of FCFA 96.8 billion (US\$129 million) ranked the tourism sector in Senegal second after fishing and before groundnuts and phosphates. Tourism generated about 12,000 jobs directly and 18,000 indirectly, and contributed 2.5 percent of GDP.

The sector has provided the base for economic growth in the Petite Côte, Senegal's principal tourist region, and can be a catalyst for other regions. The resort in the Petit Côte, originally built around a fishing village, Saly, has become an international resort. It all started with a pioneering German vacation village for the European winter market and an anchor hotel that is both a winter beach destination and a fully equipped center for ocean sports fishing and diving. Saly has a core of services, including shopping, post office and banking, and a number of other hotels and residences that provide a critical mass for tourism. Unlike other African tourist destinations, Saly has also attracted a local residential and tourism market.

Senegal has a variety of first-rate natural and cultural assets for

tourism. Its natural assets include a variety of birds, access to big game fishing and scuba diving, and some wildlife. Its cultural assets include its peoples, their music, culture and handicrafts, which all provide the potential for diversification and expansion of tourism. The country's appeal is enhanced by its relative proximity to Europe and warm climate in Europe's winter, with the added advantage of no jet lag on a north-south route. Senegal can also exploit assets that tourists associate with Africa, such as wildlife, even if the variety, habitat, and facilities are not as good as elsewhere, because for many tourists this will be their first visit to sub-Saharan Africa.

Recent history shows a sector that is growing but also losing market share in an expanding international and regional market. Between 1975 and 1997, Senegal dropped from 7th to 16th in the World Tourism Organization (WTO) ranking of the top twenty tourist destinations in Africa. The annual growth rate in visitor numbers from 1996 to 2000 was 6.7 percent, and for the decade 1990/2000 it

was 4.7 percent. This compares with WTO's estimate that during the past fifteen years the numbers of international tourists worldwide more than doubled to 698 million, and those to Africa increased from 9.7 million to 26.9 million, an average annual growth rate of 7 percent.

Air access to Senegal was affected in 2001 not just by the events of September 11 but also by the termination of operations of Air Afrique, Sabena, and Swissair. Air access to and from Europe to Paris is maintained by daily Air France flights and regular flights by *Air Sénégal International*, by the new Swiss and Brussels Airlines as well as the greater use of charters. Weekly flights to South Africa have also improved connections with Southern Africa.

Sustainable expansion of tourism in Senegal's ecological areas requires a revision of land-use planning and establishment of environmental regulations, particularly for the coastal zone. There is insufficient awareness in Senegal of the growing demand, particularly from Europeans, for "green" tourism. To date, no hotel in Senegal has earned any international certification of good environmental management — e.g., ISO 14,001, Green Globe — in contrast to several rival resort destinations in Africa.

Two major cultural areas — *Ile de Gorée* and *St. Louis* — receive external assistance for their conservation in order to attract tourists. Currently, the government is exploring ways to protect the livelihoods of Senegal's internationally renowned musicians and artists through legislation to protect their access to royalties. An attractive range of local handicrafts raises

tourist expenditures and effectively distributes these expenditures to local communities.

Linkages between tourism and other sectors, and concomitantly the direct and indirect employment it generates, help add value from tourism. An essential condition, however, is that the mainstream tourism sector be healthy for these linkages to take root and for local communities to benefit. Senegal is now expected to target "pro-poor" tourism and generate specific processes for consultation with local people or to incorporate them as stakeholders in tourism.

Senegal is counting on tourism to contribute to foreign exchange earnings, employment and tax generation, regional development, and to stimulate growth and reduce poverty alleviation. The government, in association with other stakeholders, has adopted a target of 1.5 million visitors by the year 2010. Those targets will require adding 20,000 beds throughout the country — a more than doubling in hotel beds in the ten-year period from 2000 to 2010. To achieve these ambitious targets, Senegal is seeking to stimulate demand and attract substantial investment.

To attract investment, the government is creating the conditions for a sound policy framework for tourism. It is strengthening the dialogue between the public and private sectors and local stakeholders, and building consensus within government on the benefits from an expanded tourism sector. A sound policy framework for tourism will also have positive spin-off effects on the business environment. In this context, a number of points are worth mentioning:

- Tourism is cross-sectoral and multi-disciplinary. It will be essential to involve all levels of society — and especially those local communities most affected by tourism. Senegal has a good recent track record on participatory approaches and the involvement of communities is already increasing. Tourism is often justified in Africa based on its potential to ensure environmental and cultural preservation. While this is important, Senegal would gain from looking at tourism as an economic resource in itself, to be managed sustainably. Effectively managed, tourism is an efficient way of reducing poverty by creating jobs where few alternatives exist.

- Land is offered in Senegal under long-term leases. In practice, many leases to individuals and companies are for speculative purposes and land is not readily available for development. Ways must be found to make serviced land available, preferably through private-public partnerships — in much the same way as for other export sectors under EPZ arrangements. While SAPCO was successful in launching the Petite Côte, there may be alternate models for assuring that land is made available in new areas. Provided cash flow is assured and operations are structured appropriately, there may be private solutions to maintain existing sites and developing new ones.

- *Minimum infrastructure platform.* Africa is faced with a huge shortfall in infrastructure services, and Senegal is no exception. The backlog cannot be fully met in the short-run and ways must be found to build essential physical and "soft"

infrastructure through the use of appropriate technology, innovative ways of associating the private sector, and adoption of priorities linked to economic and social sectors. The choice of tourism as a priority requires that some infrastructure be justified on the basis of tourism demand; in any event, infrastructure built for tourism will be available for multi-sectoral use.

- *Support for SMEs and micro-enterprises.* Although some anchor investments represent major investments, many of the industries supporting tourism are small or medium-sized. To this end, a support system to encourage entrepreneurship and business support services and systems to facilitate entry are being encouraged, together with appropriate finance.

- *Negative impacts.* In some countries where tourism has grown in unfettered ways, there have been negative physical and social impacts. The former can be addressed through plans that determine carrying capacity and set limits to growth; the latter requires a code of ethics by all stakeholders. Senegal is taking measures to create the *plans d'aménagement* to ensure an appropriate framework for growth and that there is a lively debate on maintaining ethical and cultural standards (see below).

- A sound institutional framework is also essential. Senegal has experimented with various institutional solutions and moving towards a balanced public/private approach. Following an innovative process under the *Journées nationales de concertation*, a space for continued dialogue has been created. The private sector is consolidating its associations into an

effective framework for channeling its point of view. This opens the way to addressing the unresolved questions of destination marketing and improvements in the service.

- Finally, it is encouraging to see that Senegal is tackling tourism through tourism plans over the next ten to twenty years.

- In the current transition period (2001–2006), it is improving policy formulation and dialogue between the public and private sectors, taking appropriate planning measures, improving technical capacity, and strengthening its institutions for marketing and promotion. During this stage, Senegal is initiating master plans for its main tourism areas and setting in motion a process to sustain its natural and cultural assets. The institutional framework would be strengthened, and towards the end of the period an investment forum will be held.

- In the Expansion Stage (2007–2011), there should be an influx of investment as a result of the investment forum. During this stage, the benefits from tourism should grow and also be distributed among a broader range of beneficiaries. Under joint public-private management and with external assistance, data collection could be started and a methodology designed for preparation of a Tourism Satellite Account that would provide the sector with a good statistical base and management tool to track its contributions, impacts and linkages. The public and private sectors would jointly evaluate progress on the plan. A particular effort would be made on training for the

sector, including the study of foreign languages.

Controlled expansion would be encouraged through the master plans. Pro-poor tourism policies would target poverty alleviation. Cultural assets could be identified and promoted as part of the tourism product to enrich it and to expand the beneficiaries of tourism. Environmental goals of zoning, physical planning, and coastal zone management should be pursued and go hand-in-hand with achievements by the hotel sector in obtaining green certification.

- In the Consolidation Stage (2011–2015), Senegal should be a competitive international tourism destination, and as a result should have greater bargaining power with international tour operators, airlines and cruise ships as to the prices it charges for use of its facilities.

This article was written by Iain Christie, Consultant, Private Sector and Infrastructure Department, Africa Region, World Bank. For more information, please e-mail Ichristie@worldbank.org

Findings

Findings would also be of interest to:

Name _____

Institution _____

Address _____

Findings can be accessed via the World Bank Group's website at <http://www.worldbank.org/> Click on Publications, then Periodicals. Or, click on Countries and Regions, then Africa.

Letters, comments, and requests for publications not available at the World Bank Bookstore should be addressed to:

Editor, Findings
Operational Quality and Knowledge Services
Africa Region, The World Bank
1818 H Street NW, Mailstop J-8-811
Washington, D.C. 20433
e-mail: pmohan@worldbank.org