

ETHIOPIAN TOURISM COMMISSION

**“ Some Reflections on Tourism in the Less Developed
Countries – The Case of Ethiopia.”**

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Some Reflections on Tourism in the
Less Developed Countries – The Case of Ethiopia

Under this title I want to address the following issues – this morning :

1. The importance of tourism to the Ethiopian economy
2. Ethiopia's tourist attractions – its tourism potential
3. Efforts being made to make the potential a reality /
the role of the Federal Government / Do we have the necessary
infrastructure ?
4. Advantages of the relative backwardness of the country to the
development of tourism
5. The impact of tourism and international assistance
6. Are there alternatives to tourism?
7. Have poor countries better framework conditions for
International tourism than richer ones?

First, let's have some basic facts about Ethiopia:

- Location : On the Horn of Africa
4 and 14 degrees North,
33 and 48 degree East
- Area : 1,112,000 sq.km.
Slightly more than twice the size of Spain
- Population : 70 million
One and three quarters the population of Spain
- Standard of Living : We are poor. We survive with slightly more than 5% of the GDP of Spain (at purchasing power parity)
- Type of Government : Federal Republic with
9 federal states and
two autonomous cities

Importance of Tourism to the Ethiopian Economy

How important is Tourism to the Ethiopian Economy ?

Currently, tourism still represents a very small sector of the Ethiopian economy. In fact, for those of you who like hard facts and figures, it accounts for just 2% of the gross domestic product. However, with Ethiopia's potential for tourism (which I will speak about in a minute) and given its contribution to export earnings (over 15%) it has already been recognized as an important sector.

Its importance also emanates from the economic development strategy we have adopted – Agriculture Development-led Industrialization Strategy. Drought still periodically threatens. And we depend on rain-fed agriculture. So, for good reasons, the emphasis is on agriculture; it is on rural development (where 85% of the population live); it is on food security; it is on food self-sufficiency. This is an industrialization strategy via agricultural development. In order for this strategy to work it has to be supported by the export sector. This is where tourism is enormously valuable to us – for, as you know, it is a form of export. Also, at present, we are mostly dependent on the exportation of raw coffee. And given the instability of the price of coffee we need to diversify our exports. Tourism can provide this opportunity.

Ethiopia's Tourist Attractions – its Potential for Tourism

Ethiopia has a vast array of tourist attraction appealing to a wide range of interests: Paleo-anthropological, historical, natural and cultural.

The Paleo-anthropological attractions include famous hominids such as Lucy or *Australopithecus Afarensis*, *Ardipithecus Ramidus*, *Ramidus-Ramidus-Kadaba*, and the *Bodoman* – – going back 5.8 million years in the history of human origins, plus the most recent sensation *Homo-Sapien Edaltu*, a direct human ancestor, which is believed to be 160,000 years old. The oldest stone tools in the world, at 2.5 million years, are an Ethiopian find . The regions that have yielded these so far, have much more to tell about our origins, according to scientists.

The historical attractions, no less rich, represent the saga of one of the world's most ancient countries with uninterrupted sovereignty of more than three thousand years. Names such as Yeha and Axum with their ruins of temples, standing stelae, tombs and statues recall the glories of an empire that dealt with Persia, Rome and Byzantium. Lalibela, site of the famous rock-hewn churches, is testimony to the architectural (or the spiritual) heights attained in the Middle Ages by Ethiopians. Gondar, the Camelot of Africa, Harar, the fourth holiest place in Islam, and Tia with its astronaut-like grave markers are bewildering relics of regional civilizations that composed Ethiopia.

In so far as natural attractions are concerned, Ethiopia is one of the most physically and biologically diverse countries in the world, with high plateaux, long mountain ranges, lofty peaks, long rivers including the Blue Nile, wide valleys including the great Rift Valley, arid deserts, and many fresh water lakes. Out of 823 species of birds, 16 are endemic; of 277 species of wildlife, seven mammals are endemic. Some of Africa's big game are found in Ethiopia in their wild state and natural habitat. The country has nine national parks and more sanctuaries and protected areas — — Insuring, by the way, the continued existence of the Walia Ibex, a specie not unknown to the French and the Swiss.

The rich and diverse Cultural attractions emanate from the interactions of civilizations, religions, ethnic groups, languages, social organizations, and customs. Ethiopia is known as an early adherent to three of the world's great religions, Judaism, Christianity and Islam. Some 80 languages and more dialects are spoken in present-day Ethiopia — — truly a mosaic of peoples. The Ethiopian script, the unique calendar, religious festivals, folk dance and jewelry — — to us affairs of daily life — — have never failed to captivate visitors.

Frances Linzee Gordon, a travel Journalist who wrote the Lonely Planet Guidebook on Ethiopia summarizes Ethiopia's tourist attractions are follows:

" Ethiopia has

- History and culture as good as anything in North Africa;
- Birds and wildlife as good as anything in East Africa;
- A climate and scenery as pleasant as anything in South Africa; and
- Ethnic groups and culture as interesting as anything in West Africa."

Efforts Being Made to Make This Potential a Reality/

The Role of the Federal Government/ Do We Have the Necessary Infrastructure?

We now know the country's potential. But do we have the infrastructure to make this potential a reality?

Partly Yes, Ethiopian Airlines, 57 years old now, is considered one of Africa's best airlines. It is also one of the biggest, flying to more destinations within Africa than any other airline (some 28 destinations). It also boasts a US-rated Grade 1 for its safety record. The Airline serves no less than 80 destinations, over 20 destinations in Europe, the middle East, Asia and America. (It has recently re-commenced two flights a week to Paris).

Everyday new hotels, lodges, (eco-lodges), camps, restaurants and cafés are opening up in the country. Apart from the Sheraton and Hilton at the top end, we now have hotels to suit all markets down to the backpackers, traditionally the trailblazers of the traveling world. The Government's decision to privatize state owned hotels still stands.

I can also state that the development of infrastructure within the country has been a particular priority.

What does this mean for tourism?

- New roads to take tourists comfortably and quickly to many parts of the country;
- New airports with better facilities and comforts;
- A more extensive network of power supply; and
- A better telecommunications network to facilitate apparently such essential traveller's needs today as internet access.

Foreign investment is also being actively encouraged. A few exciting and tourism related projects such as

- A new hotel by the Accor Group,
- A Disney-like amusement park,
- A private game reserve

Are either under consideration or on the pipeline.

In addition the Federal Government is responsible for :

- the initiation of national tourism policy and strategy
- tourism promotion
- encouragement of the development of tourism facilities

The Impact of Tourism and International Assistance

Although there have been no systematic attempts to measure leakages from tourism income in the Ethiopian case, a hard look at their nature would indicate that these could be quite substantial but maybe not as high as in some countries because practically all the facilities are owned by either the Government or Ethiopian nationals. These can be categorized as follows : investment related (construction materials, furniture, furnishing equipment, aircrafts, other vehicles); operation related (beverages and some food items, Fuel, spare parts, expatriate service, profit remittance – very minimal); promotion related (trade fair participation costs, advertisement costs abroad; cost of collateral materials prepared abroad), etc.. However, there are substantial positive impacts.

These are :

- greater foreign exchange earnings to support the economic development strategy;
- employment generation with
 - labour intensity
 - favouring women and the disadvantaged
- creation of markets for handicrafts and artwork (which is actually booming) and for farm produce, local beverages, textiles, etc..
- protection of tourism resources (heritage sites)

- protection of environment
- improvement on the country's image

Bilateral donors, the EU and the UNESCO are involved in the preservation and conservation of heritage sites. In a recently approved project the World Bank is also involved in a cultural heritage project (perhaps the first of its kind in the world). This will contribute towards sustainability of tourism.

Alternatives to Tourism

As, I think, I have established above Ethiopia has tremendous tourism potential. We have limited other known natural resources, and developed industries. In spite of what the travel advisories from some quarters say (as you know the advisories shoot wildly in the air these days), I can say that the safety and security situation is impeccable. The people are very friendly. We are a new destination. These are our comparative advantages. As I said earlier we also need to diversify the sources of export earnings. I would take this opportunity to reaffirm that Ethiopia is perfect for tourism – and no – I see no alternatives to tourism.

Have Poor Countries better conditions for International Tourism than Richer Ones ?

The low cost of living makes poor countries such as Ethiopia a good value place for Western travellers. The cheap exports such as souvenirs and cheap labour are good for foreign investors such as those wishing to start up tour agencies or run hotels, safaris etc.. The fact that there are people who have not been exposed to the cultural phenomenon of Westernization or particularly, globalization provides authentic

experiences. Again in contrast to the homogenized West where people all look the same, wear the same style of clothes, drink the same kind of coffee (now Starbucks), there is a great deal of diversity in countries like Ethiopia. I also believe that poor countries have greater capacity to handle tourism now – many are large enough to take quite large scale development. It may sound strange but we are also becoming less bureaucratic. We have a civil service reform program in Ethiopia which goes even to the level of process re-engineering. Recently the Investment Authority cut down the time needed to get an investment license from an average of 25 days to 2 days. My colleagues in the Ministries of Finance and Economic Development and Trade and Industry complain about the EU Bureaucracy and EU Regulations. I was once told of bananas imported to Europe – they can't be too straight, nor too bendy, too small nor too long and they taste of nothing anyway !

In conclusion I would like to make a couple of remarks. First, I hope I have not painted a very sugary and buttery picture about Ethiopia. That was not my intention. We are still struggling with problems of bad image – the image of drought, famine and disaster – some of which is true. We are trying to be competitive. We are suffering from lack of quality service. There is lack of coordination among the activities of various partners in the industry. We have facilitation problems. These problems are immense but not insurmountable and we are seriously trying to do something about them.