

COAST project

Format Rapid Tourism Value Chain Analysis

Based on the tourism value chain analysis methodology that will be presented in the ST-EP training seminars, COAST demo coordinators will carry out a rapid tourism value chain analysis in their destination and prepare a report (proposed length: 5 – 10 pages) on the tourism value chain using the following format:

Executive summary

Describe briefly to what extent tourism currently helps generate an income for poorer groups in the destination. Present the main priority areas identified for action to increase income earned from tourism by poor and disadvantaged households.

1. Local economy: overview of main economic activities and poverty levels

Provide basic data on the destination regarding the size of the population and average household size, the surface and population density. Present an overview of the main economic activities and poverty levels, based on available economic and social indicators, such as main economic activities and their relative importance in the local economy, % of local people that completed primary and secondary education, % of local people living under the poverty line, etc.

2. Tourism product: overview of tourism facilities and services, and involvement of local people

Assemble information (capacity-beds, location, price, ownership-local/foreign, employees-number/gender) on all type of tourism facilities and services available in the destination (accommodation, restaurants, excursions, souvenir shops). Assess if local people are providing any goods and services to tourists (domestic tourists, including expats, and foreign) or tourism enterprises in the destination (e.g. fish, agricultural product, cultural performances, guided tours, handicrafts). Explore if local people have established small or community based tourism enterprises to earn a direct income from tourism. Explain if local people are benefitting in an indirect manner from tourism through voluntary donations or taxes/fees used for community development purposes.

3. Tourism markets: type of tourists visiting the destination

Describe the source markets of the tourists visiting the destination, making a distinction between domestic tourists, including expats, and foreign tourists. Collect any available statistical information on visitor arrivals. Explain how the tourists are visiting the destination: as part of a package tour, independently (Frequently Independent Traveller), with their own transport, with family/friends. Identify if certain niche markets are important for the destination, e.g. special interest groups such as divers, bird watchers

4. Earnings of poor and disadvantaged households from tourism

Make a rough estimate of the total income generated from tourism in the destination (number of tourists x average length of stay x average daily expenditure). Estimate which part of this income flows to local people in the destination through ST-EP mechanisms 1 – 6.

Indicate which particular parts of the tourism value chain (sub-chains) are the largest source of earnings for the poorer groups in the society (e.g. accommodation, excursions, crafts, food and drinks).

5. Main opportunities for the poor to increase their earnings from tourism

Assess in which sub-chains good opportunities exist to increase the income for the poor. Indicate which interventions would be required to make optimal use of these opportunities and describe which stakeholders would have to be involved in it. Present main findings in the following table (the examples included in the different columns serve to give an impression of how to fill in the table):

Sub-chain* E.g.:	Accommodation	Food and drink	Curios and craft	Transport, excursions
Approx. turnover in destination per year	US\$....	US\$...	US\$.....	US\$....
% accruing to local people %%%%
Approx. earnings of local people	US\$	US\$	US\$%
Main activities through which local people earn income (with approx income per group per year)	E.g. Hotel workers (US\$) Guest house workers (\$...)	Fishermen (\$.....) Farmers (\$...)	Weavers (\$....) Vendors (\$....)	Taxi drivers (\$...) Boat owners (\$...) Guides (\$.....)
Conclusions regarding income flowing to poor households in the destination	E.g. relatively low. Some local poor employed in cleaning jobs.	E.g. High for local fishermen; relatively low for local farmers as most agricultural products are bought from outside the destination.	Low, only few weavers.	High for guides coming from poor households.
Main opportunities to increase income earned by local poor		More fresh food supply and speciality food products	Develop tailor-made local crafts	Training of more local guides; developing new excursions

* sub-chains to be included in the table shall depend on the products available in the destination

6. Priority recommendations to the COAST project

Indicate how the available resources in the COAST project can best be use to carry out actions to help poor groups of the society benefit from tourism development. Describe which stakeholders will have to be involved in the actions, and how many poor households could benefit from it. Explain how the proposed actions would be complementary to existing products and services offered in the destination, and how full support from the private sector can be obtained to carry out the proposed actions.

Note:

There is no need to prepare a highly academic paper. The figures provided may be “guesstimates”. Important aspects of the exercise are:

- the process of analysis
- the consultation of various stakeholders in the sector (local authorities, main hotels and tour operators, tourism business associations, tourism promotion office, NGOs/CBOs, selected local guides and shop owners)

- to get an understanding of how the tourism value chain functions, and how local people are currently earning income through tourism
- to identify opportunities for the poor to benefit more from tourism
- to propose actions to help the poor benefit from tourism development