

PACIFIC ISLANDS TOURISM SATELLITE ACCOUNT.

Tonga's TSA Case Study

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Tourism is important to many PIC economies

- Tourism is important to economic development of PICs.
 - 2019: 2.2 million visitor arrivals, USD 4 billion in receipts, contributed to approx. 8% of regional GDP (SPTO, 2021).



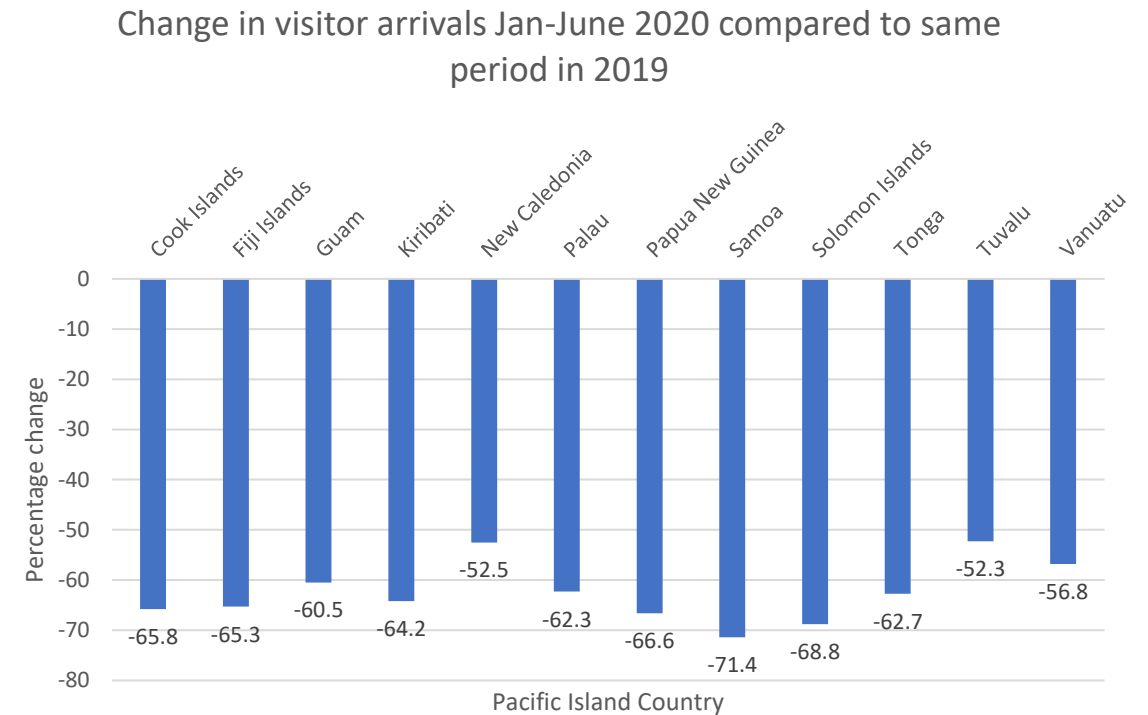
Source: iStock

Country	Tourism total contribution to GDP in 2015 (%)	Tourism total contribution to employment in 2015 (% share of total)
Fiji	42.1	38.1
Kiribati	22.4	19.2
Papua New Guinea	1.9	1.6
Solomon Islands	9.1	7.9
Tonga	17.9	18.6
Vanuatu	10.1	40.2
World Average	10.1	9.6

Source: Cheer et al (2018)

COVID-19 emphasised the importance of tourism for PIC economies

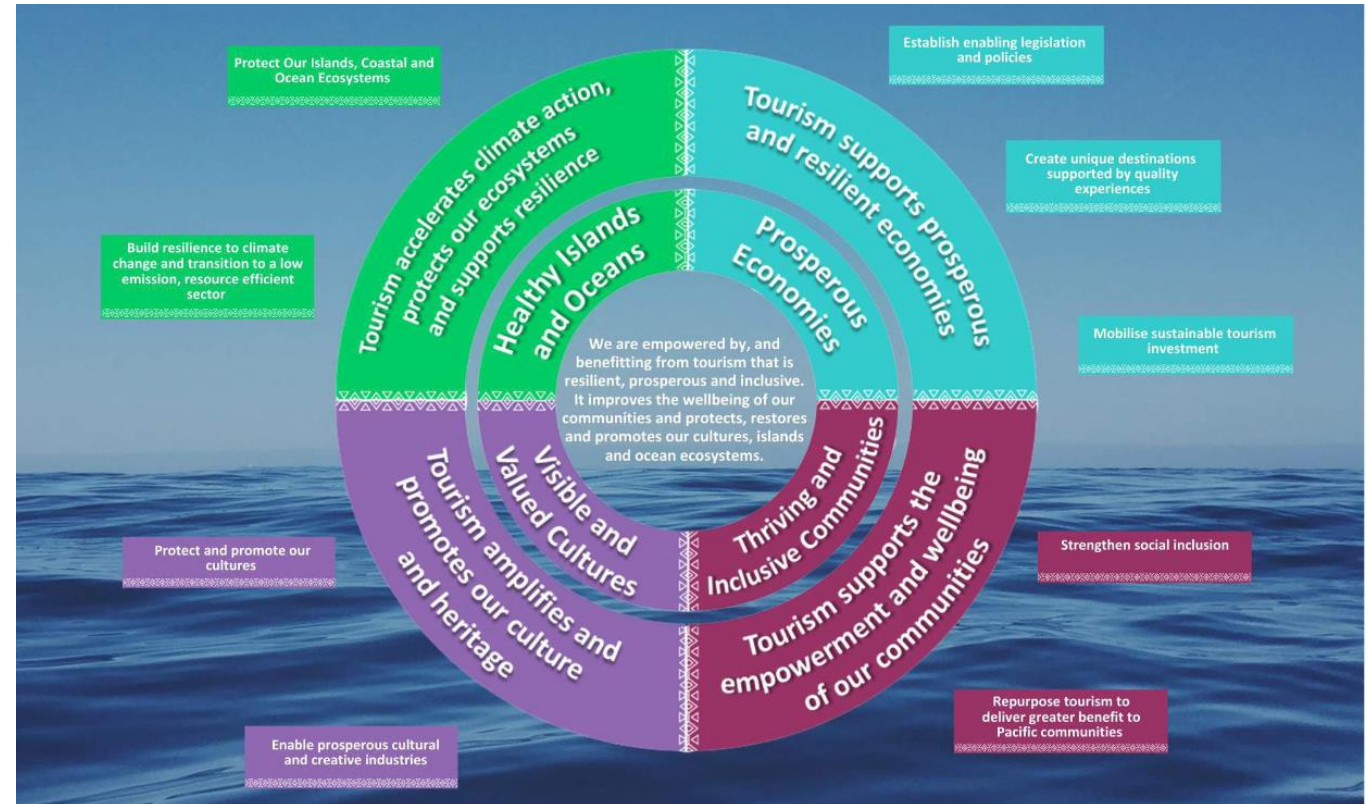
- Border closures led to significant decreases in visitor arrivals.
- Tourism earnings diminished, PIC governments lost foreign exchange & taxation revenue.
- Many jobs lost, businesses closed.
 - Both formal sector (e.g. restaurants, bars, hotels) & informal sector (e.g. handicrafts, markets) impacted.



[Source: South Pacific Community, 2020](#)

Post-COVID recovery emphasises sustainable tourism via the Pacific Sustainable Tourism Policy Framework

- Growing concern about the sustainability of tourism in the Pacific including the environmental impacts and unequal distribution of economic benefits.
- Development of SPTO Strategic Plan 2020-2024 that emphasises 'Pacific Islands empowered and benefitting from sustainable tourism.'
 - Pacific Sustainable Tourism Policy Framework (PSTPF).



[Source: SPTO \(2020\)](#)



Pacific Tourism Statistics Strategy: Measuring the success of PSTPF

- The PSTPF is supported by the Pacific Tourism Statistics Strategy (PTSS).
- Tourism stats in the Pacific have issues with data quality, consistency, coverage as well as capacity gaps and insufficient resources.
- PTSS is a regional statistical framework that supports measurement of sustainable tourism to address key policy issues.
 - PTSS aims to build robust tourism statistical systems (national & regional).

PTSS VISION

An empowered Pacific, benefitting from sustainable tourism that is informed by regular, accessible and high-quality tourism statistics and intelligence.



To provide the Pacific region with a high quality and objective statistical system for measuring the sustainability of tourism that is informed by quality statistics, research and intelligence. This will be achieved through collaborative partnerships, are accessible to all tourism stakeholders and supports informed decision making, research and dialogue within governments, the private sector and the community at the sub-national, national, sub-regional and regional levels.

PTSS MISSION

STRATEGIC OBJECTIVE 1

Develop an agreed set of core indicators on sustainable tourism for countries to produce on a regular basis which will support the PSTPF, national and regional strategic plans and the UN 2030 Agenda for Sustainable Development

STRATEGIC OBJECTIVE 2

Build collaborations and partnerships between users and producers of tourism statistics, and national and regional organisations

STRATEGIC OBJECTIVE 3

Improve data management processes and procedures for the production, compilation and dissemination of statistical data

STRATEGIC OBJECTIVE 4

Improve the quality, timing, detail and coverage of national and regional information relating to the sustainability of tourism, including the evaluation of new sources

STRATEGIC OBJECTIVE 5

Evaluate and improve statistical skills and competencies

Tourism Satellite Account (TSA) and the Pacific Tourism Statistics Strategy (PTSS)

- In advancing the sustainable tourism development agenda in the SPTO region, it requires a strong monitoring system to guide the way and the recent Pacific Tourism Statistics Strategy (PTSS) needs a regional TSA to be in place.



What is a Tourism Satellite Account (TSA)?

The TSA framework follows the UNWTO International Recommendations for Tourism Statistics 2008 (IRTS2008) and the Tourism Satellite Accounts (TSA): Recommended Methodological Framework 2008 (TSA: RMF 2008).

Tourism Satellite Accounts (TSA): Recommended Methodological Framework 2008 (TSA: RMF 2008).

- The TSA:RMF 2008 is a standard statistical framework and the main tool for the economic measurement of tourism. It adopts the basic system of concepts, classifications, definitions, tables and aggregates of the system of National Accounts and enables the generation of tourism economic data (such as Tourism Direct GDP) that is comparable with other economic statistics

International Recommendations for Tourism Statistics 2008 (IRTS2008)

- The IRTS 2008 provides a comprehensive methodological framework for the collection and compilation of tourism statistics in all countries irrespective of the level of development of their statistical systems. It facilitates a link to the conceptual framework of the TSA, a national accounts, the balance of payments and labour statistics.

The Objectives & Benefits of a TSA



Measuring	<p>Measuring the economic impact of tourism</p> <ul style="list-style-type: none">• Measuring the economic impact of tourism: One of the primary objectives of the TSA is to measure the economic contribution of tourism to a country's economy. This includes estimating the value of tourism-related expenditures, GDP, employment, and other
Supporting	<p>Supporting investment and financing decisions</p> <ul style="list-style-type: none">• The TSA provides investors and financiers with a clear understanding of the tourism industry and its economic impact. This can help to attract investment in the tourism sector, and to ensure that investments are made in a way that maximizes their economic
Informing	<p>Informing policy and planning</p> <ul style="list-style-type: none">• The TSA provides policymakers with a detailed understanding of the tourism industry and its economic impact. This information can be used to develop policies and strategies that support the growth and development of the tourism sector, and to ensure that
Improving	<p>Improving data collection and analysis</p> <ul style="list-style-type: none">• Developing a TSA requires the collection and analysis of a wide range of data, including data on visitor arrivals, tourism expenditures, and employment in the tourism industry. This can help to improve the quality and availability of data on tourism, and to build
Benchmarking	<p>Benchmarking and international comparison</p> <ul style="list-style-type: none">• The TSA provides a standard framework for measuring the economic impact of tourism, which allows for benchmarking and international comparison. This can help to identify best practices and areas for improvement in the tourism industry, and to position the

Project Tasks



I. Identification of inter-related areas and data. Areas to include tourism accommodation, visitor expenditures, transportation (regional, international and domestic), Food & Beverages, whale watch industry, cruise ships, yacht visitors, handicraft industry, entertainment/cultural activities for tourists, employment, economic linkages to other industries such as the Agricultural sector.



II. Review and establish appropriate TSA methods for measuring direct economic contributions of tourism consumption to a national economy consists of unique set of interrelated tables.



III. Conduct workshops with stakeholders to explain the TSA project; Conduct staff training on surveys, data mining and collection of relevant TSA information;



iv. Establish a TSA unit within the Tonga Statistics Department



Tonga's Tourism Industry

Key Indicators

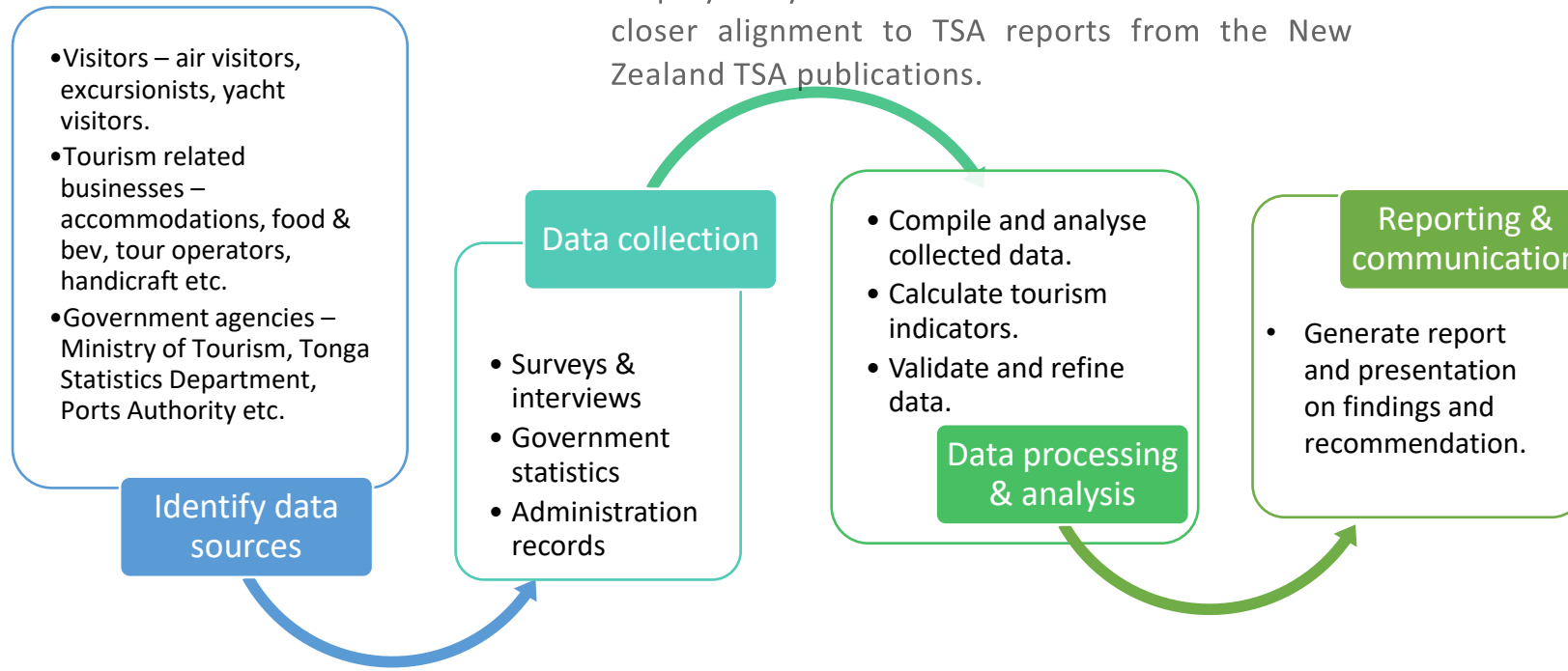
- Sources: Taumoepeau (2022), National Reserve Bank of Tonga (2022), Tonga Statistics Department (2022)



	2015	2016	2017	2018	2019	2020	2021
Air Visitors	53,752	59,130	62,506	54,046	67,284	9010	202
Excursionists	14,000	25,719	21,719	21,708	23,152	2,530	0
Air arrivals (visitors, VFR and returning residents)	85,269	95,930	100,630	105,474	109,371	22,846	1,903
Yacht arrivals	1,426	1,818	2,344	1,552	2021	6	0
Tourism/Travel receipts	80.2	96	114	118	135	44	22
Estimated economic benefits (TOP millions)	128.3	154	182.4	189	216	70.4	35.2
Travel & Tourism GDP total contribution estimates (%)	20	21	20	22	24	6.1	3

TSA Methodology

- The methodology would follow closely the OECD and the UNWTO methods. As well as to follow closely established practice and protocols as employed by similar Pacific economies and also a closer alignment to TSA reports from the New Zealand TSA publications.



Data collection – Economic Impact Surveys



International Visitors Survey (IVS)



Whale Watch



Cruise Ship Passengers



Domestic Air Passengers



Handicraft



Visiting Yachts



Employment





Key Findings

Tourism Expenditure

- Total expenditure by domestic and international tourists
- Impact of tourism spending on various sectors of the economy

Employment and Job Creation

- Number of direct and indirect jobs supported by tourism.
- Contribution of tourism to employment generation.

GDP contribution

- Percentage share of tourism in the overall economy.
- Economic significance of tourism.

The benefits of adopting TSAs

- Present picture of the overall tourism industry, contribution to GDP and employment and other economic indicators
- Provide high quality comparable data for decision making and policy
- Allows tracking of progress towards sustainable tourism goals
- Support stakeholders and tourism operators in business strategy and planning

