

**IMPLEMENTATION OF THE
TOURISM SATELLITE
ACCOUNT (TSA) IN THE
DOMINICAN REPUBLIC**

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Central Bank of the Dominican Republic

Experience of the Dom. Rep. in the elaboration of the TSA

- Elaboration of TSAs for years 1991, 1994-1996**
- TSA Update 2000-2005**
- Project to link the TSA with the Environmental Accounts of the resource of water in the Dominican Republic**

OBJECTIVES OF THE TSA

- System of economic information related to tourism, set-up in an accounting way, satellite to the central system of national accounts, but narrowly related to this one as for: concepts, definitions, classifications, methods of recording and of compilation.
- Detailed presentation following the format of national accounts

DRTSA Lineal Concepts

- Follows to the methodology proposed by the UNWTO;
- Delimitation of tourism following the system of classifications presented in the TSA-RMF
- Identification of the relevant macroeconomic variables and their mutual relationships:

DEFINITION of TOURISM

Tourism comprises the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year, for leisure, business or other purposes.

FORMS OF TOURISM

**Domestic
Tourism**

**Outbound
Tourism**

**Inbound
Tourism**

ECONOMIC DELIMITATION OF TOURISM

- ✓ From the point of view of Supply
- ✓ From the point of view of Demand

Tourism defined from the point of view of Supply

Tourism would be determined by the quantity and variety of goods and services produced by the industries which main activity would be to satisfy the demand generated by visitors.

Characteristic Tourism Products

- *Accommodation services*
- *Food and beverage serving services*
- *Air Passenger Transport services*
- *Road Passenger Transport services*
- *Supporting passengers transport services*
- *Passenger transport equipment rental*
- *Travel agency , tour operator and tourist guide services*
- *Cultural, sports and recreational services*
- *Other recreational services*
- *Miscellaneous tourism services*

CONNECTED TOURISM PRODUCTS

- *Handicrafts*
- *Retail trade services*
- *Other goods and connected services*

Specific Activities

CHARACTERISTIC ACTIVITIES

 *Hotels and similar*

 *Restaurants, and similar*

 *Air passenger transport services*

 *Road passenger inter-city transport services*

 *Transport supporting services*

 *Transport equipment rental*

 *Travel Agencies and similar*

 *Cultural, sporting and other recreational services*

 *Other tourism service activities*

CONNECTED ACTIVITIES

- *Production of handicrafts*

- *Tourism retail trade*

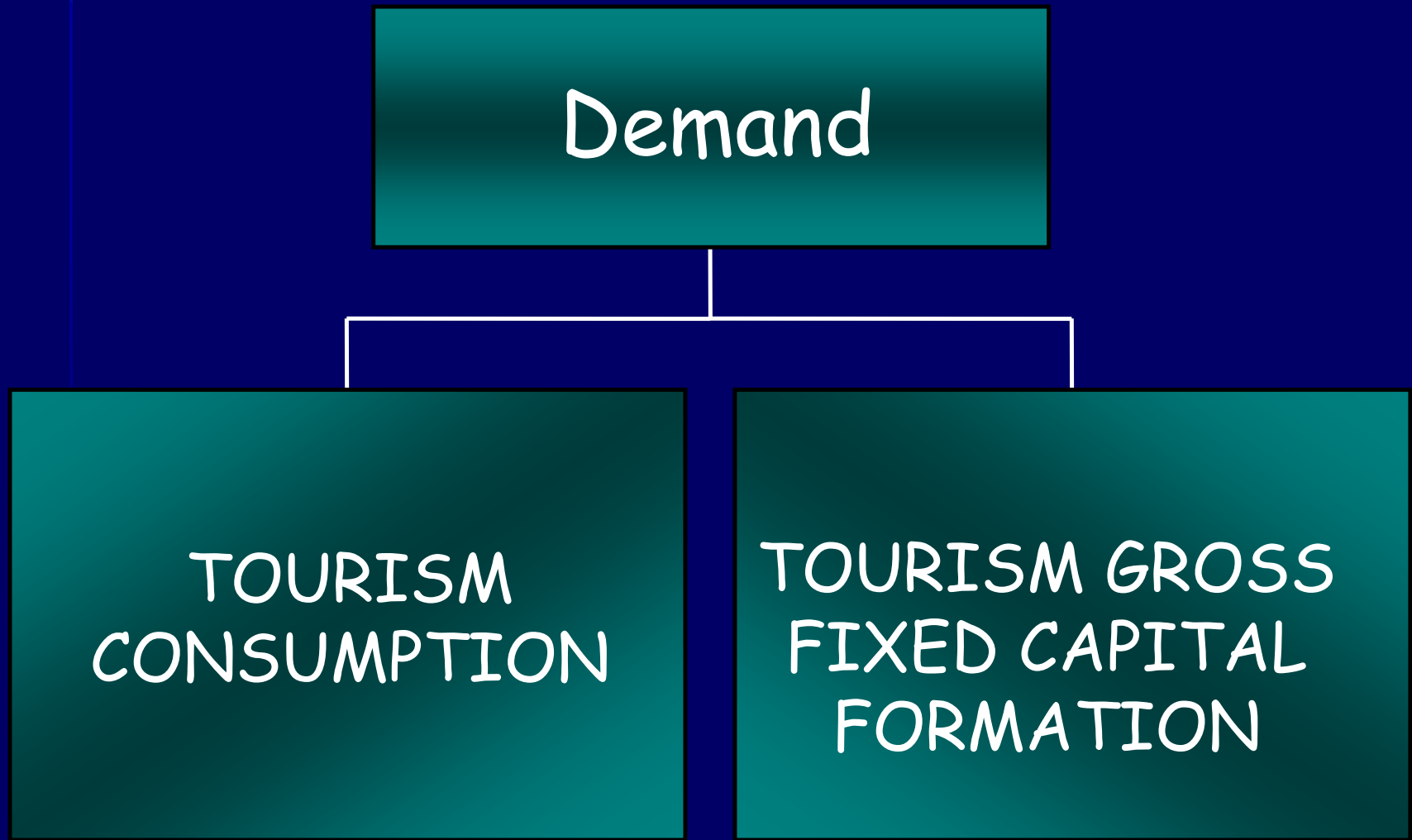
Tourism from the point of view of Demand

All goods and services acquired by visitors

All activities are potentially concerned by tourism, since visitors might acquire any goods and services

Visitor consumption includes all consumption expenditure in relation to a trip made by a visitor before, during and after his trip.

Composition of Demand



TABLES AND CHARTS ELABORATED IN THE DRTSA

- ✓ Supply and Use Table for 13 groups of characteristic and connected products, and 28 groups of other, non tourism specific products
- ✓ Production Account of the Tourism Industries
- ✓ Supply and Use Charts
- ✓ Consumption categories: Inbound, domestic and Outbound
- ✓ General Tourism Consumption by Functions
- ✓ Gross fixed capital formation by industries

Interinstitutional Platform for the Elaboration of the TSA

- Central Bank of The D. R.
- Ministry of Tourism
- National Association of Hotels and Restaurants

Activities Developed Within the Interinstitutional Platform

- ✓ Establishing responsibilities for the collection of the information;
- ✓ Obtaining the basic information for the update of the TSA
- ✓ Celebrating workshops and seminars for the users
- ✓ Training of the Technical Team
- ✓ Celebration of a Regional Seminar for the presentation of the results

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To integrate the
statistics coming
from different
sources

To adapt the
information to the
National Accounts
System

STATISTICS RELATED TO TOURISM COLLECTED AND COMPILED BY THE CENTRAL BANK

- ✓ **Statistics of Flows of travellers by air**
- ✓ **Hotel Censuses, years 2000 y 2006**
- ✓ **Calculation of the activity of Hotels, Bars and Restaurants**
- ✓ **Calculation of the Foreign Income generated by Tourism within the Balance of Payments**
- ✓ **Tourism Satellite Account**
- ✓ **Visitor Expenditure and Motivation Survey**

ACTIVITIES REALIZED BY THE CENTRAL BANK RELATIVE TO TOURISM

- ✓ Foreign investment in Tourism
- ✓ Employment and incomes generated by the hotels, bars and restaurants activity: Labor Force National Survey
- ✓ Hotel Occupancy Rates
- ✓ Rooms Availability
- ✓ Taxes paid by the tourism activities

Public And Private Institutions That Provide The Information That Is Needed For The Compilation Of The TSA

- **Internal Revenue Department**
- **Civil Aviation Department**
- **Migration Department**
- **Dominican Port Authority**
- **Secretary of Public Works**
- **Travel Agencies Association**
- **Tour Operators Association**
- **National Office of Land Transportation**
- **National Statistical Office**
- **Howarth Consulting: a private firm**
- **International Air Transportation Association - IATA**

**TOURISM SATELLITE
ACCOUNT 1996
MAIN RESULTS**

TABLE 1 INBOUND TOURISM CONSUMPTION BY PRODUCTS AND CATEGORIES OF VISITORS, YEAR 1996

(DOP\$ MILLIONS)

DETAIL	Inbound Tourism Consumption	Percentage Participation
Accommodation services	7,982.4	33.0
Food & Beverages	11,161.7	46.2
Transport and support services	993.4	4.1
Travel Agencies and Tour Operators services	91.0	0.4
Recreational Services	418.6	1.7
Other goods and services	3,534.0	14.6
TOTAL	24,181.1	100.0

✓ **BY CATEGORIES of Consumption and length of stay:**

✓ **Inbound Tourism Consumption: 59.5%**

✓ **Tourists 99.0%**

✓ **Excursionists 1.0%**

TABLE 2
DOMESTIC TOURISM EXPENDITURE BY PRODUCTS
AND CATEGORIES OF VISITORS,
YEAR 1996

(DOP\$ MILLIONS)

DETAIL	Domestic Tourism Consumption	Percentage Participation
Accommodation services	1,590.7	13.8
Food & Beverages	4,532.5	39.3
Transport and support services	3,874.7	33.6
Travel Agencies and Tour Operators services	37.6	0.3
Recreational Services	102.7	0.9
Other goods and services	1,404.7	12.2
TOTAL	11,542.9	100.0

Domestic Tourism Consumption = 28.5%

TABLE 3
OUTBOUND TOURISM EXPENDITURE BY PRODUCTS
AND CATEGORIES OF VISITORS,
YEAR 1996

(DOP\$ MILLIONS)

DETAIL	Outbound Tourism Consumption	Percentage Participation
Accommodation services	720.1	14.7
Food & Beverages	914.6	18.7
Transport and support services	2,080.4	42.5
Travel Agencies and Tour Operators services	35.5	0.7
Recreational Services	90.9	1.9
Other goods and services	1,048.3	21.4
TOTAL	4,889.8	100.0

OUTBOUND Tourism Consumption = 12.0%

TABLE 4
INTERNAL TOURISM CONSUMPTION,
YEAR 1996

Products	(DOP\$ Millions)			
	Inbound	Domestic	Total	Percentage Participation
Accommodation services	7,982.4	1,590.7	9,573.1	26.8
Food & Beverages	11,161.7	4,532.5	15,694.2	43.9
Transport and support services	993.4	3,874.7	4,868.1	13.6
Travel Agencies and Tour Operators services	91.0	37.6	128.6	0.4
Recreational Services	418.6	102.7	521.3	1.5
Other goods and services	3,534.0	1,404.7	4,938.7	13.8
Total	24,181.1	11,542.9	35,724.0	100.0

TABLE 5
PRODUCTION ACCOUNTS OF TOURISM INDUSTRIES AND OTHER INDUSTRIES
YEAR 1996

(DOP\$ MILLIONS)

DETAIL	GDP of the Tourism Industries and others	Percentage Participation
GDP of the Tourism Industries	23,784.1	100.0
Hotels and similar	12,198.2	51.3
Restaurants and similar	5,105.7	21.5
Air Passenger transport	124.9	0.5
Land passenger transport	3,085.5	13.0
Transport equipment rental	307.5	1.3
Travel Agencies and similar	287.6	1.2
Handicrafts	146.3	0.6
Tourism Retail trade services	942.7	4.0
Other tourist service activities	202.4	0.9
Taxes on Imports	970.5	4.1
ITBIS + taxes - Subsidies	412.8	1.7
ECONOMY GDP	239,198.8	
% Part. of Tourism industries	9.9	

ITBIS = TAXES ON RETAIL TRADE OF INDUSTRIALIZED GOODS

TABLE 6
GDP of Tourism industries and net tourism demand
YEAR 1996

(DOP\$ MILLIONS)

DETAIL	Value
GDP of the Tourism Industries	23,784.1
Value of Gross Output	41,735.5
Intermediate Consumption	(19,334.7)
Taxes on Imports	970.5
ITBIS + taxes - Subsidies	412.8
NET TOURISM DEMAND	49,137.2
Domestic Consumption (domestic tourism consumption)	23,651.5
Gross Fixed Capital Formation	5,177.0
Exports (inbound tourism consumption)	26,146.6
Imports (outbound tourism consumption)	5,837.9

ITBIS = Taxes on the Retail trade of industrialized goods

TABLE 7
REMUNERATION IN THE TOURISM INDUSTRIES
1995-2005

(DOP\$ MILLIONS)

DETAIL	Remuneration	Percentage Participation
Hotels and similar	3,626.6	51.3
Restaurants and similar	2,016.3	28.5
Air Passenger transport	240.9	3.4
Land passenger transport	380.7	5.4
Transport equipment rental	143.9	2.0
Travel Agencies and similar	290.9	4.1
Handicrafts	80.9	1.1
Tourism Retail trade services	282.5	4.0
Other tourist service activities	9.3	0.1
TOTAL	7,072.1	100.0

TABLE 8
TOURISM GROSS FIXED CAPITAL FORMATION
YEAR 1996

(DOP\$ MILLIONS)

DETAIL	1996	PERCENTAGE PARTICIPATION
Tourism Gross fixed capital formation in Tourism	5,177.0	100.0
Equipments for passenger transportation	737.6	14.25
Construction	3,567.0	68.90
Tourism infrastructure	872.4	16.95

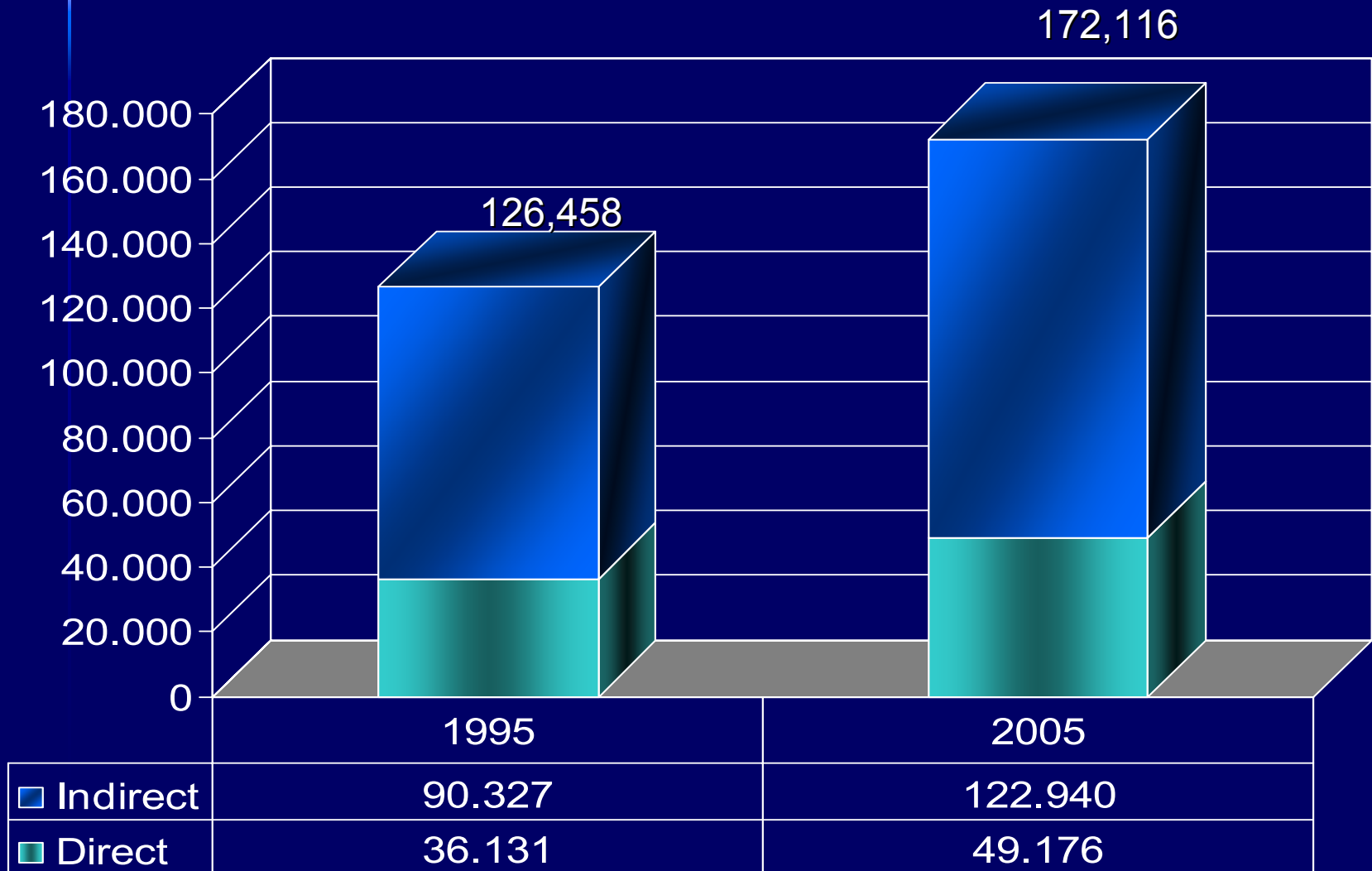
TABLE 8: TOURISM GROSS FIXED CAPITAL FORMATION

TOURISM GROSS FIXED CAPITAL FORMATION REPRESENTS 10.7% OF THE TOTAL INVESTMENT OF THE ECONOMY

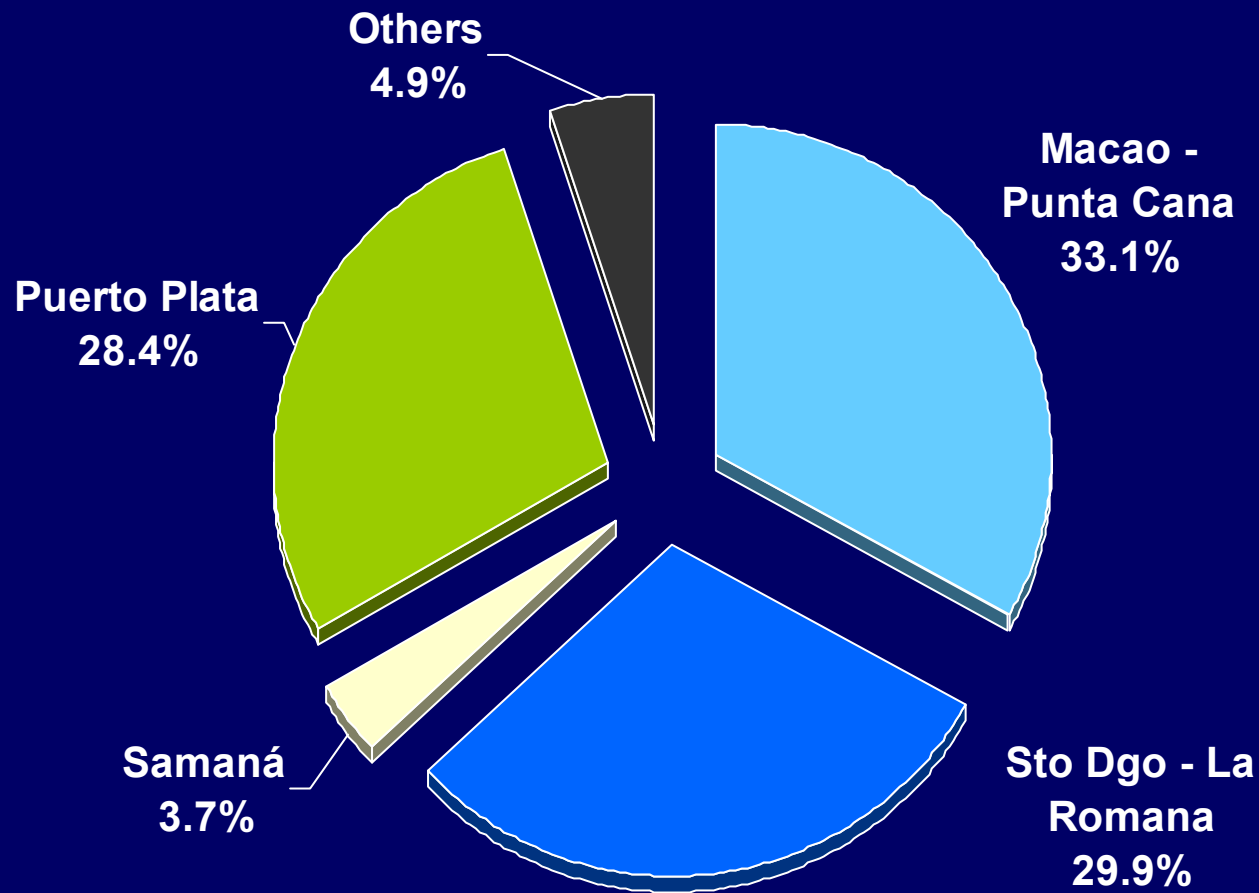
CONCLUSION

- ✓ The TSA provides a framework that is adapted to the integration of dispersed Tourism statistics.
- ✓ It is a powerful instrument for the analysis and for taking decisions both for the public and the private sector
- ✓ Allows to quantify the real dimension of tourism and to measure its effects on the other activities of the economy.

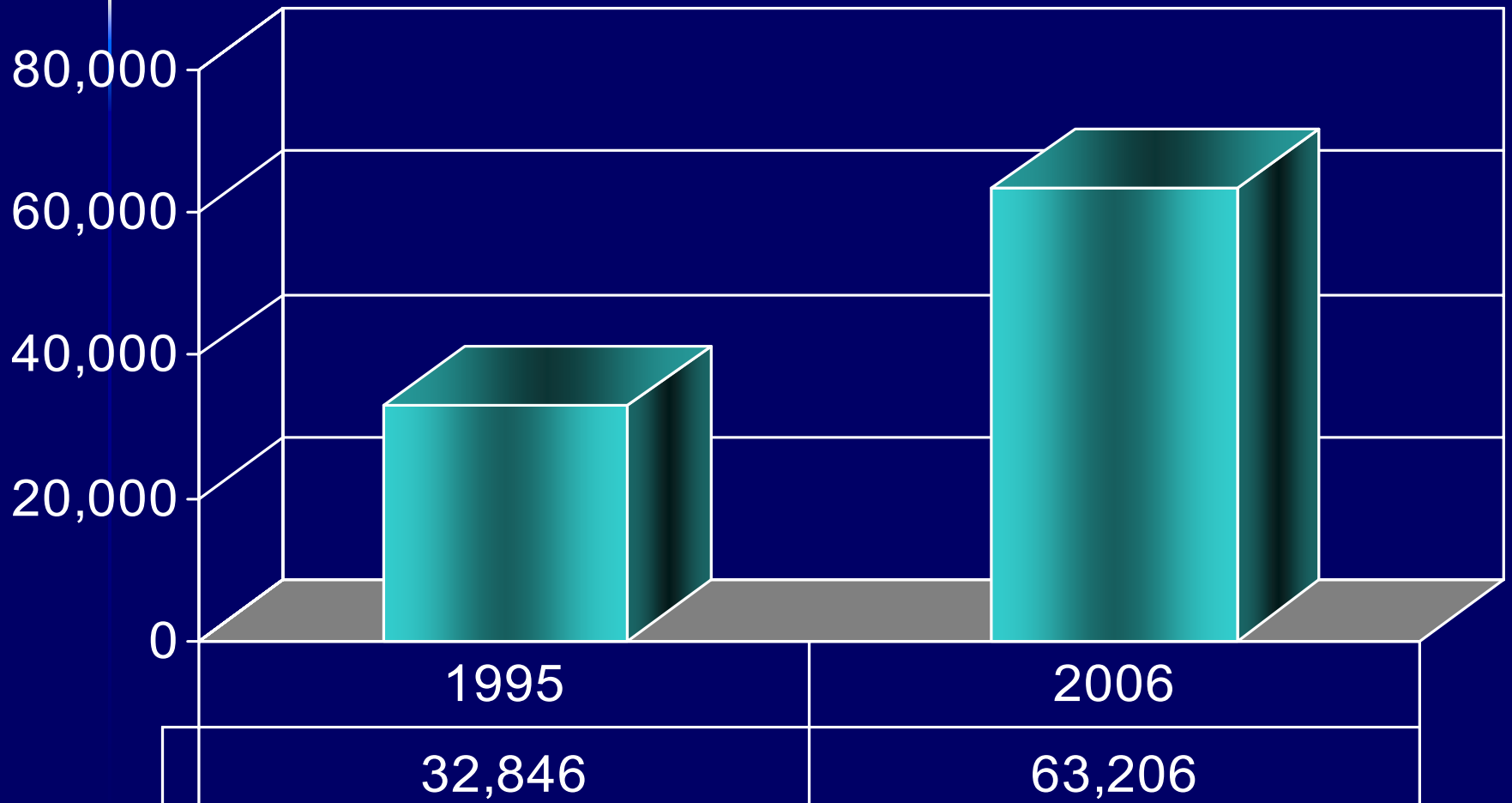
Jobs Generated by the Tourism Industries 1995 - 2005



Employment distribution by Tourism Areas



Hotels Available Rooms 1995 - 2006

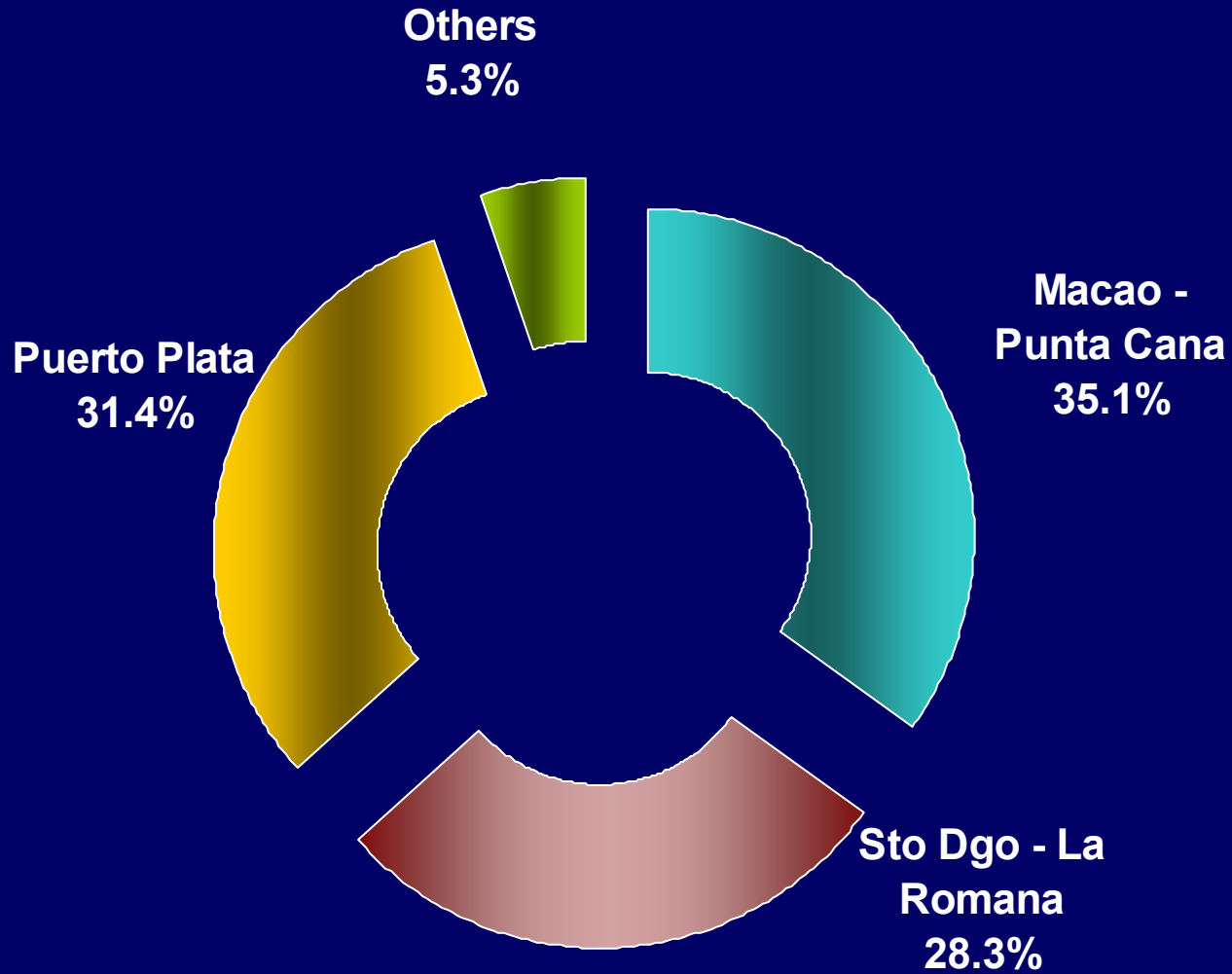


26,086 new rooms: 2,600 rooms / year

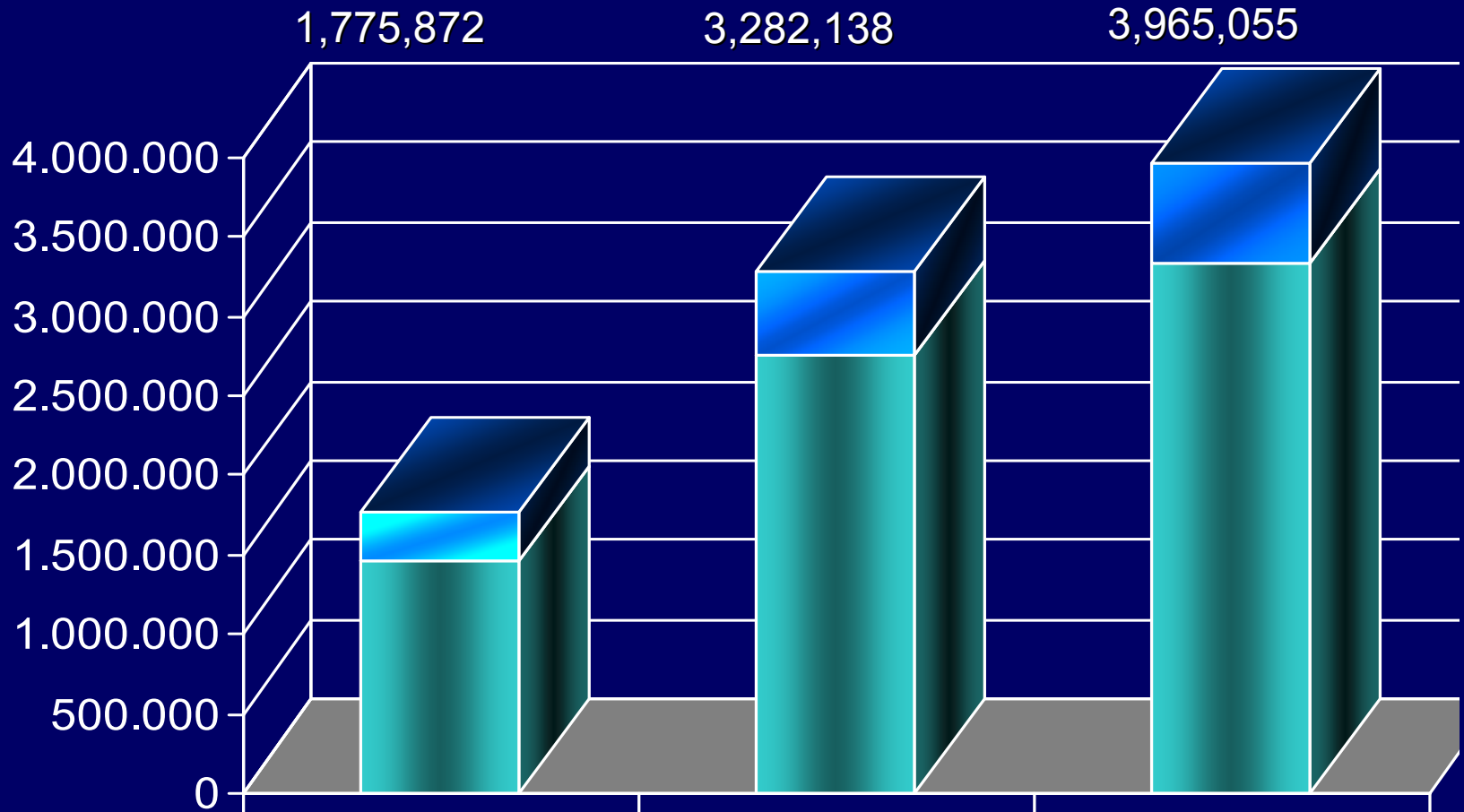
Accumulative Rate of Growth 6.7%

Supply of Rooms by Tourism Area

2006

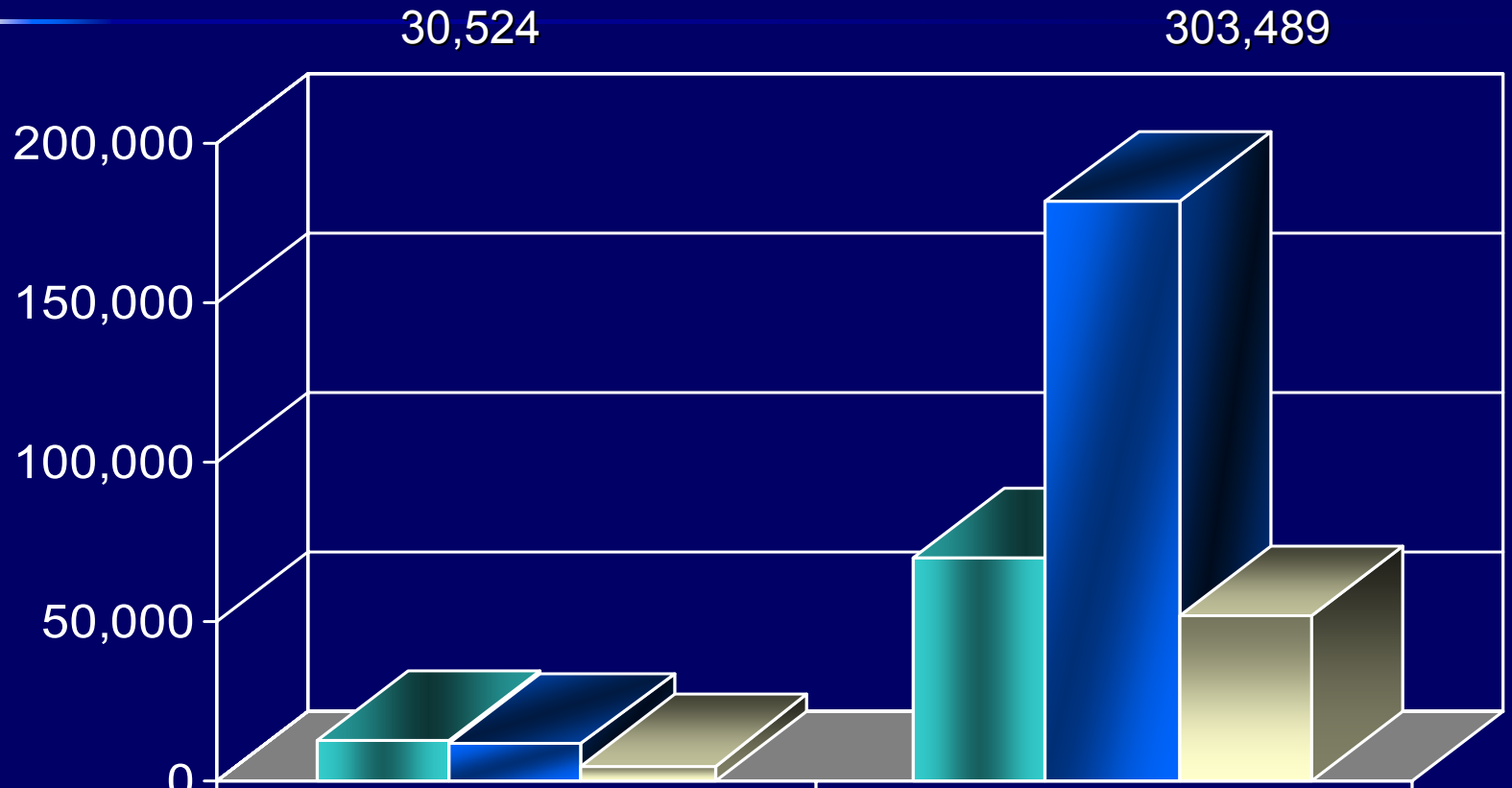


Tourist Arrivals by Air, According to Country of Residence



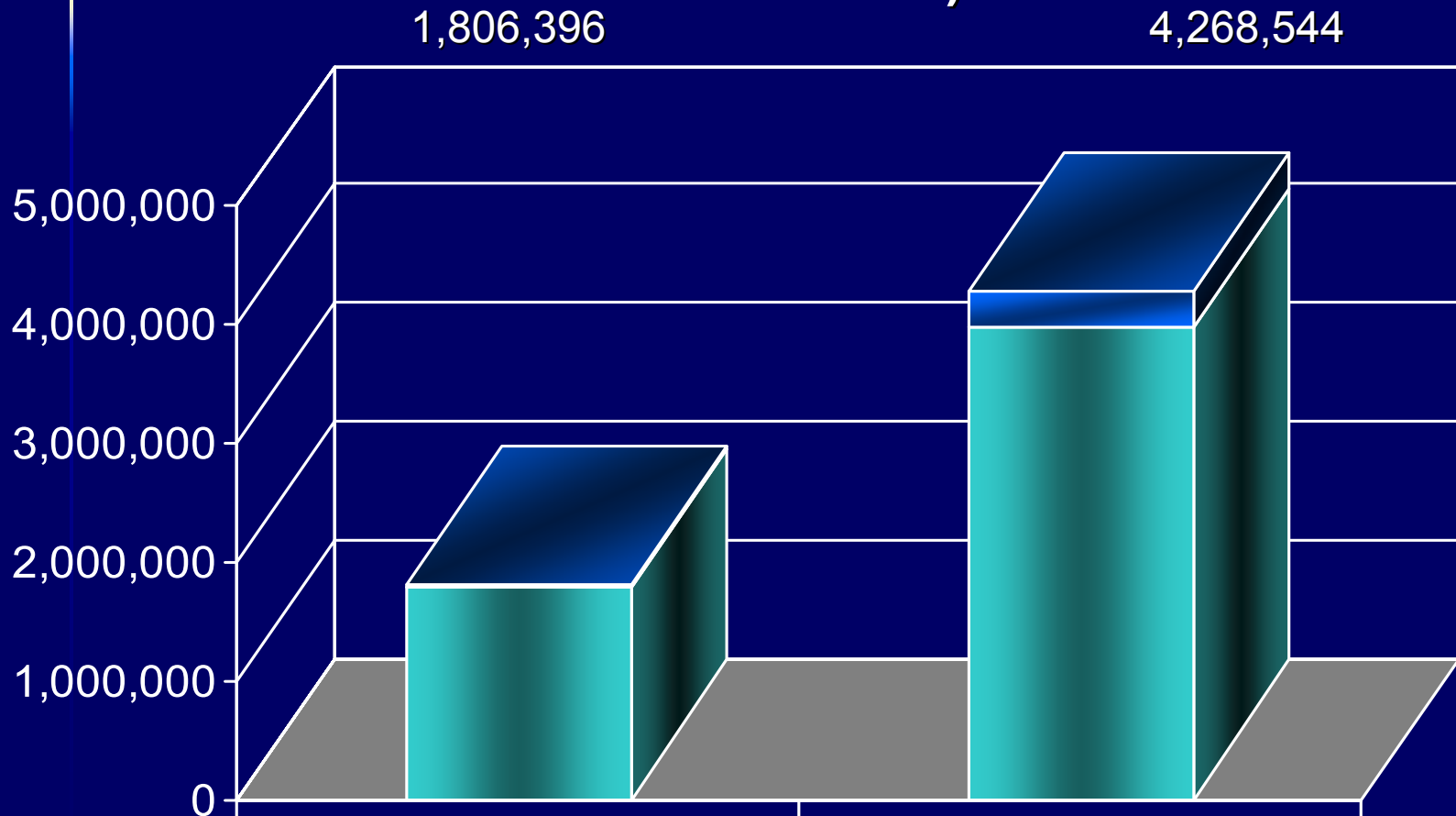
	1995	2003	2006
Returning residents	304.533	523.588	622.949
Arriving non residents	1.471.339	2.758.550	3.342.106

Tourist Arrivals by Sea 1995 - 2006



	1995	2006
Sto. Dgo.	12,804	70,372
La Romana	12,291	181,330
Others	5,429	51,787

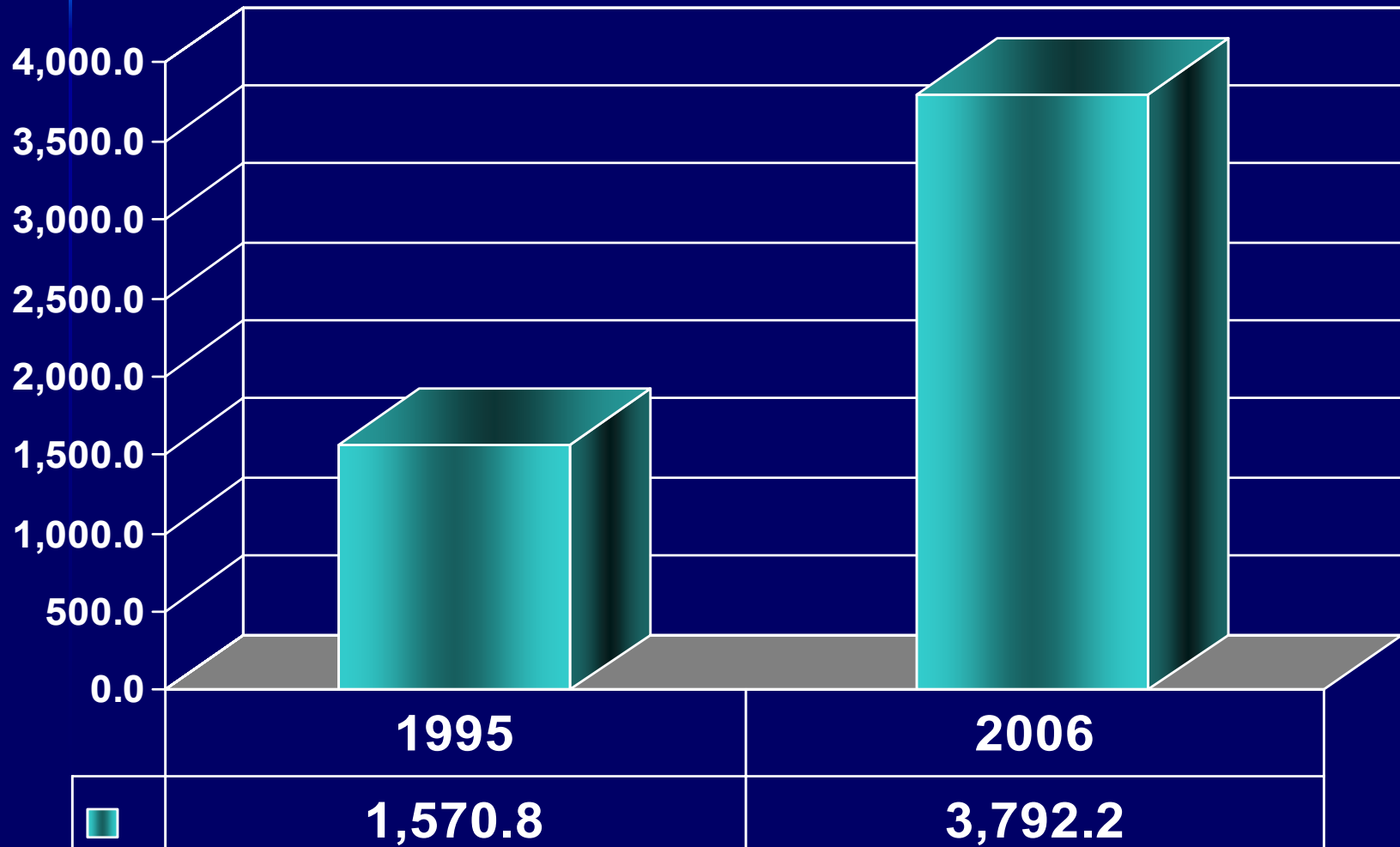
Total Tourists Arrival (residents and non residents)



By Sea	1995	30,524	2006	303,489
By Air	1995	1,775,872	2006	3,965,055

Tourism Income (US\$ Millions) 1995 - 2006

Accumulative Rate of Growth 8.2%



Thank You Very Much
for your Attention