

Tourism and social development in Seychelles

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Introduction

Tourism in the developing world has both the potential to be an agent of social and economic development in less developed areas or a source for friction and alienation within the local community. For many nations, in particular small island developing states (SIDS), tourism has become the main sector of economic activity, or at least the main source of foreign exchange earnings, and in most countries, it is also an important sector for employment (United Nations, 2001). But in the words of a Southeast Asian developer, 'the global tourism industry has both the potential to destroy through insensitive development, the very source of its existence, or to create a symbiotic relationship with the natural environment, preserving it, enhancing it for future generations to enjoy' (Kwon-Ping, 1992).

Developing countries are often seen as primary locations where tourism can flourish because they have retained distinctive cultural and environmental characteristics; unfortunately they are also less equipped to protect and guard this heritage. Seychelles, a small island state in Africa, has a service-oriented economy where travel and tourism contribute approximately 21.8 per cent of GDP. Tourism also brings in 60 per cent of the country's precious foreign exchange as Seychelles has a limited land area available for agriculture, few natural resources and is extremely dependent on the importation of raw materials and a wide range of commodities. Tourism is described as one of the pillars of the economy of this archipelago composed of 112 islands scattered over 1.2 million square miles of the Indian Ocean. It has a population of over 80,000, who live on the coastal zones of the three main islands of Mahe, Praslin and La Digue.

Overview of social development in Seychelles

The UNDP Human Development Index ranks Seychelles as having the highest index in Africa. GDP growth for Seychelles

has been around 5 per cent annually from 1996 onwards, except for 1999 when it fell to 2.99 per cent. The annual GDP per capita is US\$7500, which places the country in the middle income group of countries.

The tourism industry can truly be considered as everyone's business because of its major contribution to the economy. Because of the revenue generated directly and indirectly by tourism, government has been able to provide a range of welfare services to citizens at no cost or at very low cost.

Overview of tourism in Seychelles

The tourism industry took root in Seychelles with the opening of the international airport in 1971. The trend in visitor arrivals for the period 1975–2000 is shown in Figure 1 (overleaf). As it shows, there has been a remarkable increase in tourist arrivals in the country over the last 30 years.

In the first National Development Plan (NPD) for the period 1977 to 1981, the government's intention was to preserve and protect the special attraction and individuality of Seychelles as the foundation for the development of tourism by encouraging selective development of the industry while considering the suitability of the investments and the costs as well as benefits to Seychelles. The approach for tourism development was based on eight fundamental points:

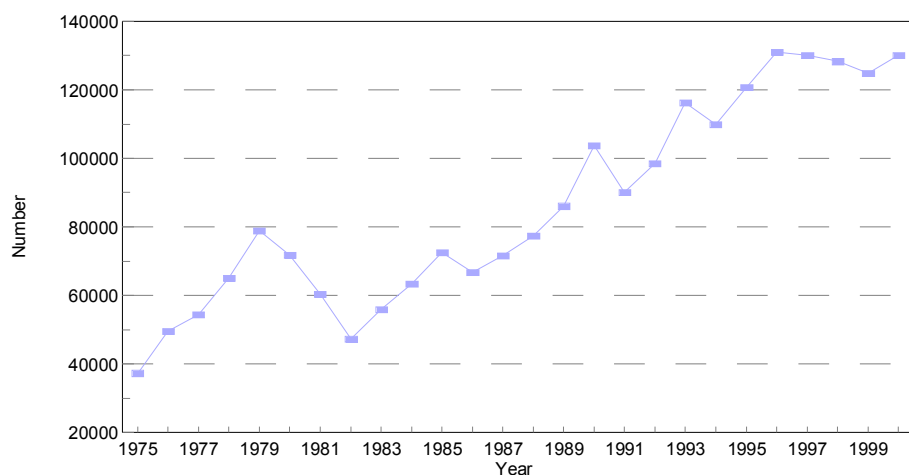
- To promote and generate all-year-round tourism;
- To spread tourist traffic evenly across the islands;
- To maximise the economic benefits derived from tourist expenditure, and to increase net foreign exchange earnings from tourism;
- To encourage investment by the commercial and public sectors in tourism within Seychelles;
- To maintain a steady, orderly and controlled growth in tourism;

Table 1 Gross domestic product by broad productive sectors for Seychelles, 1994–1999 (in Seychelles rupees)

	1994	1995	1996	1997	1998	1999
Agriculture, forestry and fishing	101.6	101.0	97.4	93.2	90.4	99.8
Industries	462.5	529.6	560.6	683.3	786.1	909.9
Tourism	388.9	386.1	370.7	418.5	419.0	401.5
Government	344.6	338.8	351.0	376.0	411.0	434.0
Other services	1161.8	1064.3	1209.0	1273.6	1353.5	1310.2
GDP	2459.4	2419.8	2588.7	2844.6	3060.0	3155.4

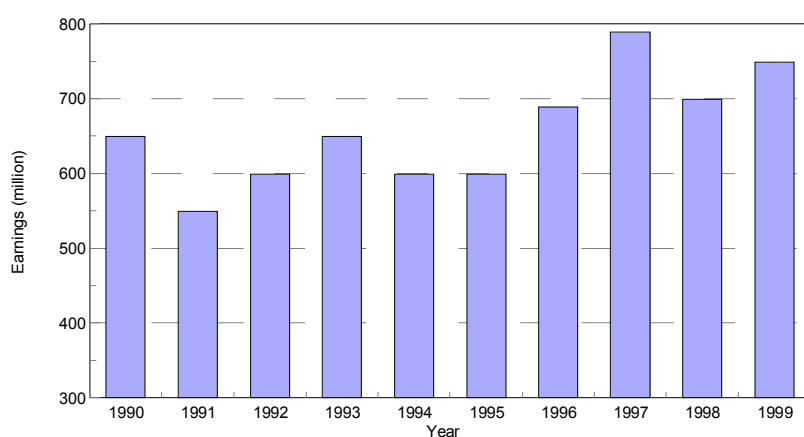
Source: Central Bank, Annual Report 1999.

Figure 1 Visitor arrivals, 1975–2000



Sources: National Development Plan 1981–85, Management Information Systems Division, 1986 and 2000.

Figure 2 Tourism earnings, 1990–99 (in Seychelles rupees)



Source: Ministry of Tourism and Transport, 2001.

- To protect and enhance the natural attractions, scenic beauty, and cultural heritage of the islands;
- To encourage participation by Seychellois in tourism developments and services; and
- To encourage the training and education of Seychellois in tourism skills and expertise.

During the period 1981–85, emphasis was placed on the need to consolidate and improve standards and facilities. At the time, there were some 68 establishments for tourists. Amongst these, five were large hotels (more than 30 rooms); 18 were small hotels (less than 30 rooms) and 50 were guest houses and self-catering facilities. The five large hotels accounted for 60 per cent of employment in the tourism sector.

It is important to note that reports from commercial banks indicated an increase in income which meant that visitors, even

when fewer than usual, were actually spending more per day – thus increasing the yield. According to the Central Bank statistics on trade in services, tourism earnings have increased steadily from SR353 million in 1986, to SR663 million in 1993, reaching about SR750 million in 1999 (US\$1 is approximately 5 Seychelles rupees).

In view of the relatively poor performance of the Seychelles tourism industry over that period, government has undertaken a thorough assessment of the situation to identify and respond to shortcomings that ‘act as restraints to growth’. Additionally, the Ministry of Tourism and Transport is presently looking at the possibility of introducing the use of Satellite Tourism Accounts (STA) which determine the size and economic importance of tourism by including measurements that take into account both the direct and indirect contributions of tourism. The STA provides a comprehensive set of indicators based on a detailed analysis of all components of the demand of goods and services associated with tourism, rather than looking at earnings from tourist operations only.

Policies for the future of tourism

The strategic directions listed in the Vision 21 document (Ministry of Tourism and Transport 2001), which makes provision for coordinated national efforts for the period 2001–10, include

such aims as expanding capacity, increasing yields and promoting eco-tourism and community benefits through the development of a wide range of nature-based attractions and activities. They also include ensuring that tourism is a nationally integrated industry that takes account of environmental capacity and sustainability.

Vision 21 states that ‘the long-term economic sustainability of the Seychelles’ tourism industry is closely linked to the continued health of the natural eco-systems upon which it depends’. It also adds that ‘it is now widely recognised that if local communities are not involved in tourism projects from the design stage through to implementation and management, community residents often will not support the project nor be in a position to benefit from it’.

It is clear that the intention is to mobilise ‘strong national commitment and partnership’. This is to be achieved through (a)

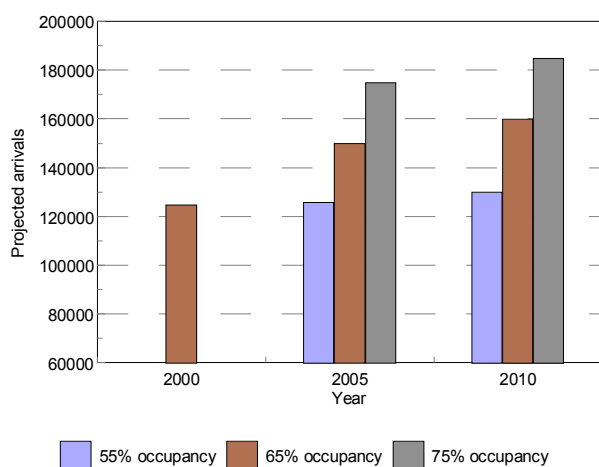
sustainable growth of the industry using eco-tourism as a base; (b) an integrated approach that will take into account the needs of the community; (c) promoting and conserving the cultural heritage; and (d) developing human resources appropriately.

Sustainable growth of the industry through eco-tourism

Seychelles has so far resisted the temptation of allowing mass tourism, in spite of the perceived 'easy pickings' that could be made over a short period of time. It has instead determined a carrying capacity for the island system. The aim is to achieve an increase in visitor arrivals of about 7 per cent a year, using the year 2000 as base zero to a figure of about 180,000 in 2005 and subsequently a more modest growth of about 2 per cent annually to a figure of 200,000 visitors in 2010.

It has limited the size of its hotels in order to prevent the over-use and eventual pollution of the environment by too large a concentration of individuals in one location. Until now a hotel unit could have a maximum of 200 rooms, but recently the concept of tourist 'villages' in pre-determined sites has allowed more than 200 rooms, but these will be different theme-based establishments. Although the islands offer a range of facilities from 5-star accommodation to small guesthouses, quality is a defining factor. This has allowed Seychelles to maintain a selective marketing

Figure 3 Projected growth in arrivals, 2000-2010



Source: Ministry of Tourism and Transport, 2001.

approach where pricing acts as a filter for the type of tourism that the country desires.

The notion of eco-tourism is gradually becoming more popular, but while frequent references are made to this form of tourism, there are few projects that truly embrace valid aspects of ecological concern. Furthermore, most of the tourism establishments are old and difficult to convert to eco-friendly processes. In order to take into consideration this new approach, the Vision 21 document defines Seychellois eco-tourism as follows:

Eco-tourism accommodates and entertains visitors in a way that is minimally intrusive or destructive to the environment and sustains and supports the native cultures in the locations it is operating.

Recently a requirement was introduced for all new hotels or other tourism projects to be subjected to an Environmental Impact Assessment prior to implementation. However, the 2000–2010 Environmental Plan of Seychelles (EMPS), admits that despite all the good intentions and cases of obvious progress in several areas, there are a number of existing problems. These include inappropriate land use and zoning, destruction of natural habitats, malfunctioning sewerage plants, continued sale of marine souvenirs (in spite of stringent control laws) and the use of large amounts of natural resources such as water and fossil fuels.

Development of tourism on the various islands differs according to population levels, infrastructure and accessibility. The islands of Mahe and Praslin tend to have well-established hotels of various sizes. Several far-flung islands have also been turned into tourist hideaways. It is interesting to note that destinations such as Bird Island or Cousin Island, which sell an essentially environment-centred product, perform considerably better than the average establishment in terms of occupancy despite the fact that they are costlier and located quite a distance from the main islands.

Social impact

Much time and effort goes into ensuring that the industry functions at peak level in order to maximise revenue, providing the highest level of satisfaction to clients, as tourism is, first and foremost, a business. Nonetheless, this business can have a tremendous impact on the social fabric of a country if it is not guided and contained in the appropriate way. A survey of the situation in Seychelles carried out in 1998 looked at the impact of tourism. It investigated:

- Who benefits financially from the tourism sector;
- How tourism has affected our local and moral values; and
- What influence tourism has had on our cultural life.

In response to the question about who benefits financially from tourism, 53 per cent of respondents stated that everyone benefited, 31 per cent thought most people benefited, 14 per cent thought some people benefited and 2 per cent considered that very few people received any benefits. However, nearly 70 per cent of the respondents stated that those employed in the tourism sector were either poorly paid or very badly paid.

In terms of the impact of tourism on moral values, 14 per cent thought there had a considerable impact, 22 per cent thought there had been some impact, 24 per cent a little impact and 39 per cent felt there had been no impact on morals. However, 45 per cent felt that tourism might have increased prostitution while 55 per cent considered it had virtually no impact on prostitution.

Tourism was considered to have an impact on culture, but whether this impact was good or bad was not specified. Fifty seven per cent thought it was a major influence on culture, 36 per cent, a partial influence and 5 per cent thought it had very little influence.

In order to ensure that informal 'contacts' between nationals and tourists produce positive results and help the industry, the Ministry of Tourism launched a sensitisation program in 1993, to increase awareness of the importance of the tourism industry to the economy of the Seychelles and the subsequent need to provide good service. The programme is led by a committee with representatives from the various relevant bodies.

Recommendations

It is difficult to predict the social and economic performance of Seychelles without the boost in tourism from the early 1970s. Unlike other developing countries, Seychelles has managed to avert negative social and environmental impacts. However, substantial work needs to be done at both the strategic and operational levels to produce a coordinated approach to long-term tourism development. Therefore, the following recommendations are proposed:

- Preparation of indicators that can help to determine the demographic capacity in relation to tourism intake in Seychelles, bearing in mind the established limitations in regards to economic, social and environment sustainability;
- Conduct a baseline study on knowledge, attitude and practice (KAP) of the local population regarding tourism and use the results to inform personnel working in the tourism industry;
- Define sustainable tourism indicators that will help to consolidate all the policies and programmes for sustainable tourism; and
- Intensify communication measures to raise public awareness and productivity in the tourism sector.

Conclusion

In a speech given in March 1999 in Seychelles, Francesco Frangialli, the Secretary General of the World Tourism Organisation, stated that from his point of view 'Tourism can be a viable option for small islands but only if it is solidly based on the principles of sustainable development'. The Seychelles has started on that path. The country has also tried to diversify the bases of the national economy by investing in fisheries, but it is clear that tourism is and will continue to be an essential component of the economy. As stated in Vision 21, 'not only does tourism generate direct economic benefits in terms of income, foreign exchange, employment and

government revenues, it also serves as a catalyst to other economic activities such as agriculture, fisheries, manufacturing and crafts. Additionally, tourism helps pay for the development of infrastructure used by the entire Seychellois community, and it helps justify and pay for conservation of the natural environment and cultural heritage of the country.'

The country's track record is impressive for such a young nation with such a small population, but these achievements cannot be taken for granted because the world we live in is far from being static. Great efforts need to be invested in maintaining advantages gained, and this is where the knowledge and experience of other countries with similar conditions can be important sources of ideas.

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