



UGANDA TOURISM TRENDS AND OUTLOOK REPORT, 2024

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World Tourism Growth Trend and Outlook

The world economy proved more resilient than expected in 2023 amid significant monetary tightening, policy uncertainties and multiple shocks arising from conflict and climate change, avoiding a worst-case scenario of a recession¹. Tourism is among the sectors that has remained resilient in the face of the impacts of COVID-19 and the resultant economic slowdown. Latest data from the World Tourism Organization (UNWTO), reveals that international tourism recovered 88% of pre-pandemic levels in 2023 (-12% versus pre-pandemic year 2019) with an estimated 1,286 million tourists (Overnight Visitors), up 34% from 2022.

The International tourism receipts reached USD 1.4 trillion in 2023 based on preliminary estimates – about 93% of the USD 1.5 trillion earned by destinations in 2019. Total export revenues from tourism (including passenger transport) were estimated at USD 1.6 trillion in 2023, almost 95% of the USD 1.7 trillion recorded in 2019. Tourism direct gross domestic product (TDGDP) climbed to USD 3.3 trillion in 2023 according to provisional estimates, about 3% of global GDP, similar to 2019 values, driven by strong domestic and international travel (Figure 1).

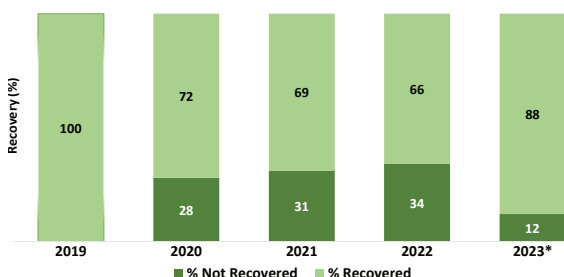


Figure 1: Recovery of Global International Tourist Arrivals (% of 2019 levels) Source UNWTO Barometer 2024 *Based on 2023 forecast

Data from UNWTO (Figure 2) reveals that the Middle East recorded the best results, with arrivals 22% above pre-pandemic levels. Africa recovered 96% of 2019 numbers, Europe 96%, the Americas 90% and Asia and the Pacific 65%. Visa facilitation measures, development of new destinations, investments in new tourism-related projects and the hosting of large events, help underpin this remarkable performance. However, performance among Asia's sub regions is mixed, with South Asia recovering at 95% while North-East Asia at only about 50% of pre-pandemic levels.

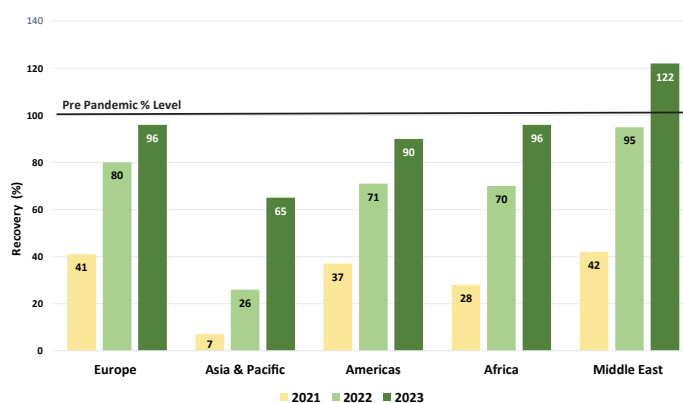


Figure 2: International tourist arrivals (% recovery change vs. 2019)
Source: Adopted and modified from UNWTO Barometer data, 2023

UNWTO projects that international tourism is expected to recover to pre-pandemic levels in 2024, with initial estimates pointing to 2% growth above 2019 levels. International tourism receipts are also projected to reach USD 1.5 trillion in 2024².

This projection is subject to several factors including the pace of recovery of Asia and the Pacific, economic circumstances such as inflation and its effect on transport and accommodations costs, as well as the evolution of geopolitical tensions and conflicts. The global trade growth is expected to recover to 2.4% in 2024, remaining below

¹ UN (2024) World Economic Situation and Prospects 2024, UN Department of Economic and Social Affairs Accessed from <https://desapublications.un.org/publications/world-economic-situation-and-prospects-2024>

² UNWTO (2023) World Tourism Barometer 2023. Accessed from <https://www.unwto.org/news/international-tourism-to-end-2023-close-to-90-of-pre-pandemic-levels>

the pre-pandemic trend of 3.2%. UNWTO Directorate of Market, Intelligence & Competitiveness envisages that local gastronomy, nature, wellness and rural tourism experiences will take centre stage in shaping travel in 2024. More travellers will continue to prioritise honest sustainability (as opposed to green washing and vague sustainability) and will engage more in transformative adventure travel that gives back to the local community³.

Tourism growth trend may further improve in 2025 as global GDP growth is forecast to progress moderately to 2.7% though it will remain below the pre-pandemic trend growth rate of 3.0 per cent. However, prospects for many developing countries, especially vulnerable and low-income countries, have remained weak, hence slowing a full recovery⁴.

Uganda’s Tourism Growth and Recovery Trend

Similar to the global growth trend, the tourism sector in Uganda has maintained resilience in the post COVID-19 period. Preliminary data from the Uganda Bureau of Statistics (UBOS) and the Ministry of Tourism Wildlife and Antiquities (MTWA) reveal that international visitor arrivals have steadily recovered from 31% in 2020 to 82% in 2023 (based on 2019 pre-COVID-19 level) – Figure 3. According to provisional estimates, by the close of 2023, the international visitor arrivals were 1,262,734, representing a 55% growth rate from 814,504 arrivals in 2022⁵.

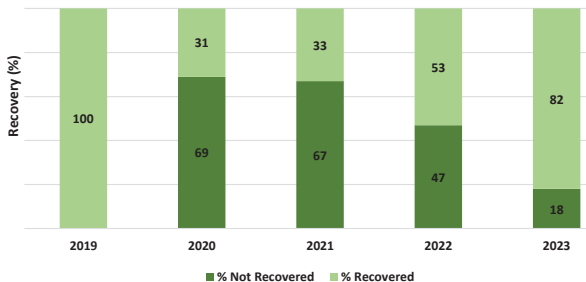


Figure 3: Recovery of Uganda’s International Tourist Arrivals (% of 2019 levels). Source: Adopted and modified from UBOS & MTWA data, 2023

A deep dive analysis reveals that the overall recovery of the industry has mainly been driven by the steady growth of wildlife-based tourism. Data from UWA reveals that the Visitor numbers to Uganda’s 10 national parks have recovered at much faster rate. By 2023 the visitor numbers had recovered and surpassed the 2019 pre-pandemic levels by 20% (Figure 4).

Visitor numbers increased from 101,331 in 2020 to 387,914 in 2023 compared to 323,861 in 2019⁶. Data indicates that increasing levels of domestic and regional tourism are among the main drivers of the sectors growth. This

trend is in line with global trends where travellers, since COVID 19 outbreak have tended to opt for destinations not very far from their usual environment.

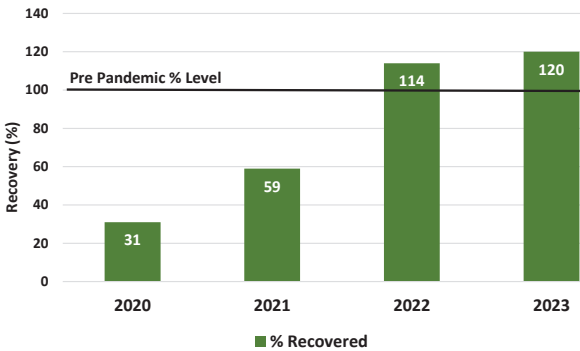


Figure 4: Visitor arrivals to Uganda’s National Parks (% recovery change vs. 2019) Source: Adopted and modified from UWA data, 2023

Uganda’s tourism Outlook and Projections

Tourism Research and Development Centre (TRDC) and the Ministry of Tourism Wildlife and Antiquities (MTWA) administered a questionnaire to a Panel of Tourism Experts⁷ in January 2024. The survey asked the experts to rate the international and domestic performance of the sector in 2023. Based on their expertise and experience they made projections for 2024, assessed the likely drivers and constraints of the tourism sector in 2024. This Tourism Trend and Outlook (TTO) report provides an evaluation of Uganda’s tourism sector recent performance and examines short-term future prospects.

2023 Performance and 2024 Projections

The latest TRDC Panel of Experts survey shows that 82% of tourism experts expect better performance in 2024 than in 2023, while 11% expect similar performance and another 7% suggest it could be worse (Figure 5).



Figure 5: Uganda’s tourism sector overall performance in 2023 compared to 2022 Source: Tourism Experts Survey, January 2024

However, the experts were optimistic about the performance of the sector in 2024. The majority (85%) were hopeful that the performance will improve in 2024 – with 41% projecting it would be ‘better’ and 44% suggesting it would be ‘much better’. Only 8% projected performance to be ‘equal’ and 7% ‘worse’ than 2023 – (Figure 6).

3 Roadbook (2024) The biggest travel trends for 2024, as predicted by industry insiders. Accessed from [https://roadbook.com/travel/best-travel-trends-2024-tourism/#:~:text=%E2%80%9C9CLocal%20gastronomy%2C%20nature%2C%20wellness,World%20Tourism%20Organization%20\(UNWTO\).](https://roadbook.com/travel/best-travel-trends-2024-tourism/#:~:text=%E2%80%9C9CLocal%20gastronomy%2C%20nature%2C%20wellness,World%20Tourism%20Organization%20(UNWTO).)

4 UN (2024) World Economic Situation and Prospects 2024, UN Department of Economic and Social Affairs Accessed from <https://desapublications.un.org/publications/world-economic-situation-and-prospects-2024>

5 UBOS and MTWA Statistical Reports 2023

6 UWA Report 2023

7 Panel included tour operators, accommodation & food providers, travel agents, tourism association leaders, officials of government tourism agencies, community enterprises, academia & consultants



Figure 6: Expected future prospect/forecast of Uganda's tourism sector performance in 2024 compared to 2023 Source: Tourism Experts Survey, January 2024

In spite of the sectors projected improved performance in 2024, the experts postulated that the sector would not fully recovery in the same year.

More than half of the experts (55%) indicated the sector would likely recover in 2026 or thereafter, and 19% predicted recovery in 2025. Only 15% predicted recovery in 2024 and 11% revealed that the sector had already recovered in 2023.

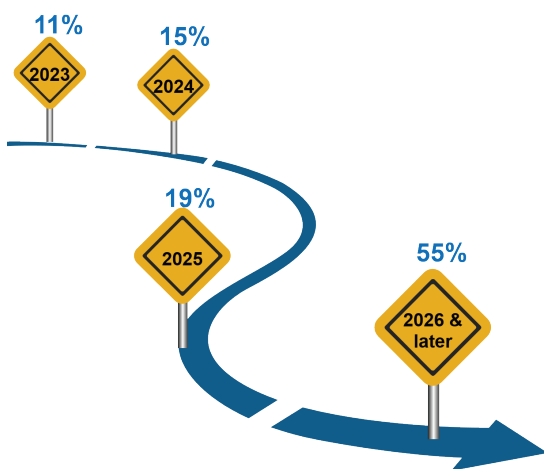


Figure 7: Projected recovery of Uganda tourism sector Source: Tourism Experts Survey, January 2024

To gain a holistic view of the tourism sector the survey enlisted the opinion of the panel of experts on domestic tourism.

Majority (59%) indicated that domestic tourism substantially contributes to overall development of the tourism sector – with 44% highlighting it does so to a ‘large extent’ and 15% to a ‘very large extent’.

An equally significant number (30%) mentioned its contribution is to a ‘small extent’ and 4% to a ‘very small extent’ – Figure 8.

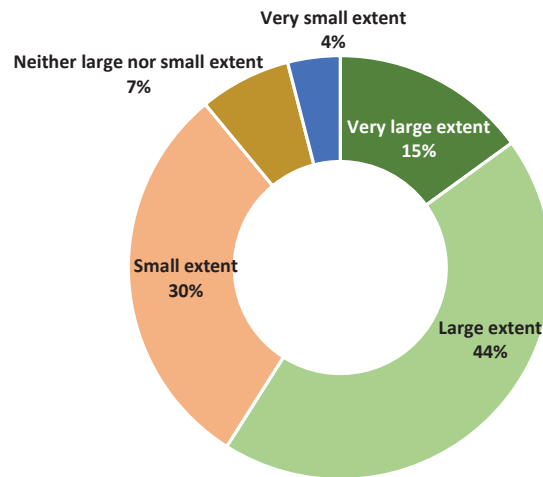


Figure 8: Extent domestic tourism contributes to the overall development of the tourism sector Source: Tourism Experts Survey, January 2024

With regard to the anticipated domestic tourism growth rate compared to 2023, 59% of the experts predicted that it would grow at a ‘moderate’ rate and only 19% expected a ‘rapid’ growth rate. Its 19% and 4% who predicted a ‘slow’ and ‘same’ growth rate respectively – Figure 9.

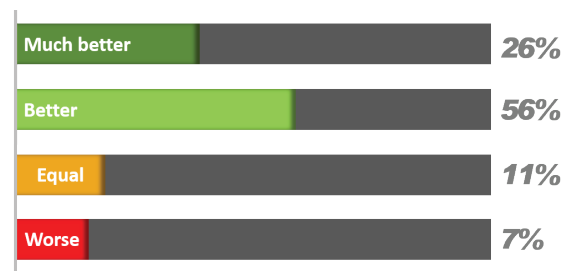


Figure 9: Anticipated domestic tourism growth rate in 2024 compared to 2023 Source: Tourism Experts Survey, January 2024

Drivers and Enablers of Uganda's Tourism Sector Growth in 2024

To further understand Uganda's tourism sector outlook in 2024, the panel of experts were asked to identify the factors they consider key in influencing and driving overall growth and competitiveness of the sector (Figure 10). The key factors identified include the need for the countries' tourism policy and planning to focus more on: prioritising tourism product development with keen focus on product diversification; adopting sustainability and green tourism practices especially in face of increasing climate change and resultant negative impacts; prioritizing and investing more in research and development to guide, inform and drive evidence based planning and growth; ensuring balanced tourism development across the regions of Uganda; and focusing on developing domestic tourism, among other factors.



Photo Credit: Uganda Wildlife Authority

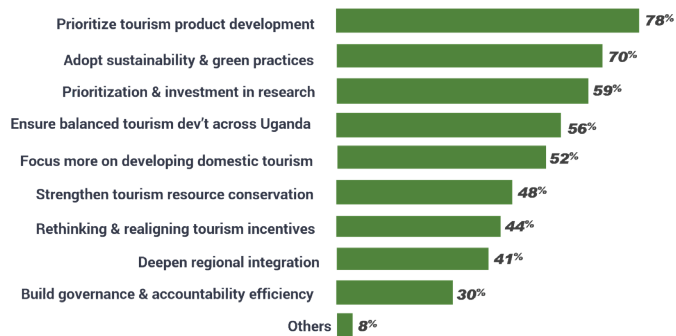


Figure 10: Likely key driving factors that will influence the overall growth and competitiveness of the tourism sector in Uganda in 2024 Source: Tourism Experts Survey, January 2024

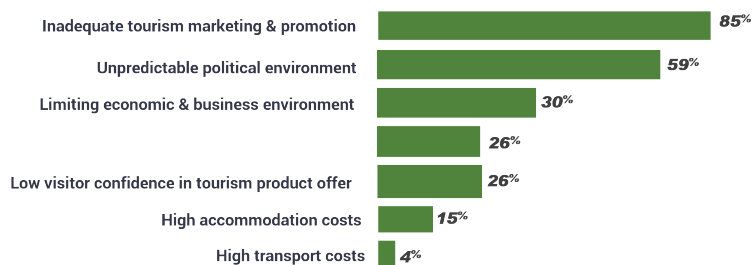


Figure 11: Main factors limiting full recovery of international tourism in Uganda Source: Tourism Experts Survey, January 2024

Challenges to overcome for Uganda's tourism sector to attain full recovery in 2024

In order for full sector recovery to be attained in the short and medium run, the experts identified existing challenges that need to be overcome. The main challenges include: inadequate tourism marketing and promotion; unpredictable political environment and unfavourable economic and business environment, among others – Figure 11.

Conclusion

Overall, the growth of the tourism sector is anticipated to maintain a steady growth rate and is forecasted to achieve full recovery in the short and medium term. However, the extent to which the projected growth rate and recovery will be achieved, is highly dependent on the extent to

which the tourism sector stakeholders work together to improve the business environment, enhance the policy and planning frameworks, support skills development, ensure efficient sector management and, governance and enhance compliance to sector quality standards and regulations.

The views expressed in this publication are from the tourism experts and do not necessarily represent the views of TRDC or Ministry of Tourism Wildlife and Antiquities and their management.

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Tourism Trends and Outlook Report is a publication of Tourism Research and Development Centre (TRDC) in collaboration with Ministry of Tourism Wildlife and Antiquities (MTWA) to provide insights into the tourism trends and projections to inform policy and planning processes. TRDC is a leading non-for-profit tourism and hospitality research, planning and policy centre in Uganda, and collaborates with research institutions and experts across Africa and the World.

We Welcome comments and suggestions.

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