Planet Tracker

BUILDING BACK BETTER

A MARSHALL PLAN FOR NATURAL CAPITAL:

Reversing the decline in Sub-Saharan African GDP in Nature-Based Tourism Sector from COVID-19

ANALYST NOTE

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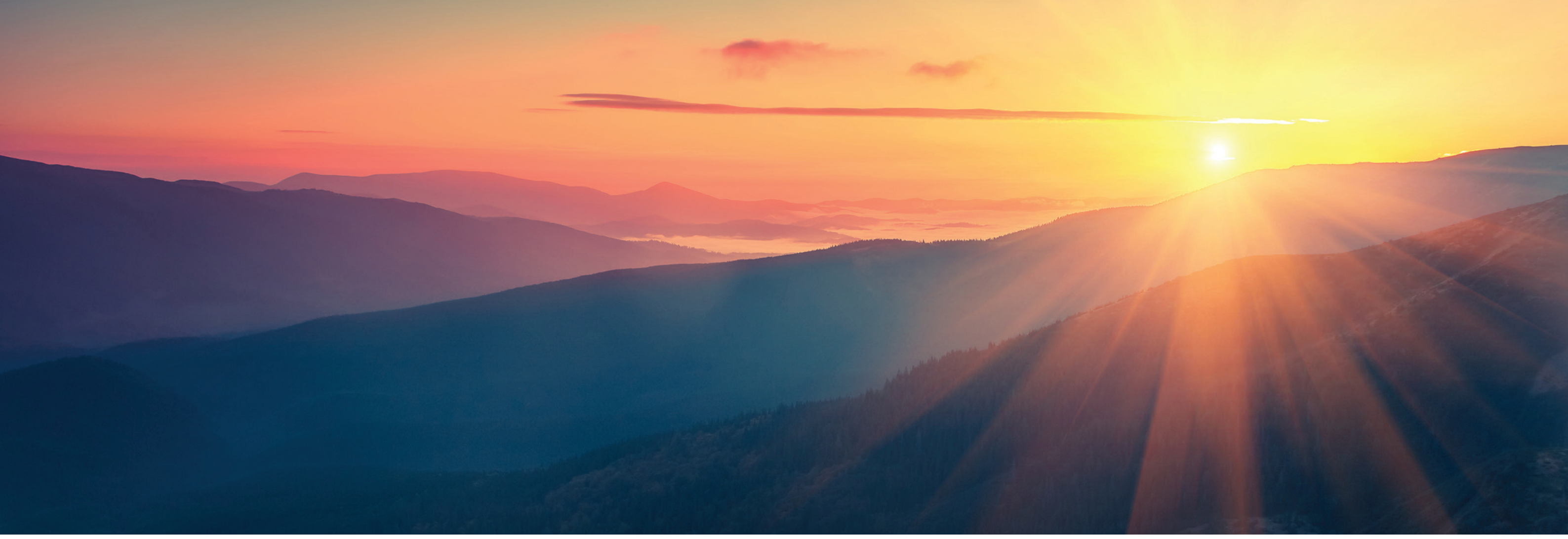

ABOUT PLANET TRACKER

Planet Tracker is a non-profit financial think tank aligning capital markets with planetary limits. It was created to investigate the risk of market failure related to ecological limits. This investigation is primarily for the investor community where ecological limits, other than climate change, are poorly understood, even more poorly communicated and not aligned with investor capital.

Planet Tracker generates breakthrough analytics to redefine how financial and environmental data interact with the aim of changing the practices of financial decision makers to help avoid environmental collapse.

FOOD AND LAND USE TRACKER

Food and Land Use Tracker investigates the natural capital impact that equity funds have in financing publicly traded food and agriculture companies.

Our aim is to align capital markets with the sustainable management of global food systems and agriculture resources.

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INTRODUCTION
COVID-19 Hurts Conservation-Linked GDP in Africa

The U.S. funded European Recovery Program, better known as the Marshall Plan, spent $128 billion in 2020 terms to support the reconstruction of war-torn Europe. Today, a global plan to support Sub-Saharan African (SSA) economies to increase social, economic and environmental resilience is needed, in light of the systemic shocks that we already know await us through climate impacts and now COVID-19 and its detrimental impacts on conservation funding. The economic shocks from COVID-19 may be harsher than the pandemic itself as tourism, much of it nature-based tourism[i] as shown in Appendix I, accounts for 2% of SSA nations GDP and up to 38% of the GDP of some SSA nations.[1]

We need a Marshall Plan for nature

A green infrastructure strategy can provide necessary skills and wages to draw down our environmental deficit – through replanting mangroves and watersheds, removing invasive species, upgrading and rewilding our conservation areas, building fire breaks and restoring areas damaged by wildfire in natural forests, restoring shorelines, rebuilding tourism infrastructure to minimize environmental impacts and installing better waste management and energy systems. Investment in recovery should help us to build a world that will make us stronger, more resilient to catastrophic events.

This paper proposes that recovery will be best served through bridge support to the unemployed via a comprehensive jobs programme that directly invests in and builds natural capital on the premise that spending our way out of the crisis will strip many developing economies of all of their assets, with the exception of their remaining natural capital, which will become the basis for recovery, one way or another.

But for now, nature-based tourism, which contributed $30 billion to SSA GDP in 2018,[ii] has ground to a halt with a forecast loss of millions of jobs.[iii] For many SSA nations, this means a near total decline in conservation funding while tragically, the United Nations Economic Commission for Africa (UNECA) estimates that COVID-19 may kill between 300,000 and 3.3 million people in Africa depending on the scenario.[iv]

For example, before COVID-19 brought international travel to a standstill, Tanzania's Serengeti National Park hosted throngs of wildlife enthusiasts, who travelled from as far afield as China and Argentina to get a glimpse of Africa's charismatic game species and world-famous wildebeest migration. The collapse of tourism is a lethal wound to much of Africa's iconic wildlife and to the countries that are dependent upon it.

Tanzania's northern tourist circuit, of which Serengeti is the crown jewel, receives more than a million visitors annually. Tanzania's planning favours high value/low impact visitation, so those visitors are spending handsomely for the privilege. This visitation generates significant employment and, aside from the direct benefits of tourist spending, there is substantial economic spillover into other aspects of the economy.[v]

Former President of Tanzania Benjamin Mkapa, calling on governments to provide greater support for conservation and tourism in the face of COVID-19, said "as humanity, we must start to see nature

[1] UN Development Programme lists 46 of Africa's 54 countries as "sub-Saharan", excluding Algeria, Djibouti, Egypt, Libya, Morocco, Somalia, Sudan and Tunisia.

as our insurance policy against diseases like COVID-19. The disease lays bare the consequences of neglecting nature and thinking that human health and economic development are separate from it."[vi]

We need to move decisively, at the scale of the efforts after the Second World War to rebuild war-ravaged Europe. Thus, we need a Marshall Plan for nature.

Wildlife Economies Support Conservation

Sub-Saharan African economies depend on nature-based tourism to fund conservation

A wildlife economy, according to Stellenbosch University's African Wildlife Economy Institute, understands natural capital as an economic asset, utilizing undomesticated animals and plants and the ecosystems in which they live to produce goods and services for human benefit. Reorienting our understanding of natural capital as an asset class is the first step towards incentivizing management of natural resources for resilience.

Today, among the hardest-hit components of the "wildlife economies" are fragile small and medium-sized enterprises, including community-based enterprises, that rely upon natural resources such as nature-based tourism for income. These vulnerabilities will quickly accrue to nations which depend on nature for sovereign wealth.

The impact of COVID-19 on the global economy is just beginning to become clear. On 7 April, the International Labour Organization (ILO) cited expected worldwide job losses of up to 195 million.[vii] The ILO Director General, Guy Ryder, urged that maintaining relationships between workers and their small and medium-sized enterprises to keep them in the labour market will pay dividends when it comes to the recovery. The World Travel and Tourism Council calculates that in 2019, tourism contributed $8.9 trillion to the world's GDP and accounted for one in ten jobs around the world.[viii] In Sub-Saharan Africa, international tourism receipts, a subset measure of the impact of tourism, is a key contributor to regional GDP – see Appendix II. In many countries, it is a leading contributor to GDP – see Appendix III.

From a top-down perspective, Sub-Saharan African countries are facing credit rating downgrade risks associated with COVID-19. For example, on 30 April 2020, S&P downgraded South Africa's long-term foreign currency and local currency ratings to BB- and BB respectively, because of the country's growing current account deficit and decline in capital flows, including steep declines in international tourism receipts. Sovereign credit ratings provide global public and private sector leaders an overarching view on the short-term and mid-term riskiness of a country, forecast up to about 5 years.[ix] COVID-19 is a material risk to many Sub-Saharan African countries, their economies and their policies to mitigate natural capital risk.

As shown in Table 1, for 15 countries in Sub-Saharan Africa, international tourism receipts contributed 3 percent or more to GDP. International tourism, which is a proxy for nature-based tourism, forms a key input into sovereign credit analysis in the region. In Sub-Saharan Africa, sovereign credit ratings assist countries in accessing capital markets, obtaining external financing and raising funds to support needed government programmes, including support for public health initiatives and programmes to enable nature-based tourism.

*Table 1: Top 15 Sub-Saharan African Countries by Percentage GDP from International Tourism with Credit Ratings**				
Country	2018 %Total of County's GDP	International Tourism, Receipts (2018 USD millions)	Credit Rating Firm	Credit Rating (Long-term foreign currency)
Seychelles	38%	$611	Fitch	BB
Cabo Verde	27%	$524	Fitch	B-
Sao Tome and Principe	17%	$72	N/A	N/A
Mauritius	15%	$2,161	Moody's	Baa1
Gambia	10%	$168	N/A	N/A
Madagascar	6%	$879	N/A	N/A
Rwanda	6%	$528	S&P	B+
Tunisia	6%	$2,320	N/A	N/A
Ethiopia	4%	$3,548	Fitch	B
Tanzania	4%	$2,465	N/A	N/A
Uganda	4%	$1,044	S&P	B
Botswana	3%	$575	Moody's	A2
Namibia	3%	$488	Moody's	Ba2
South Africa	3%	$9,789	S&P	BB-
Zambia	3%	$742	S&P	CCC

Note: Data not available on certain countries. Data excludes Chad, Equatorial Guinea, Eritrea, and Liberia. Some countries have partial data. Fitch Ratings, Moody's and S&P do not provide ratings for all nations.

** Repeated same data in 2018 from 2017 due to lack of data in 2018 as 19 April 2020.*

For key countries, where data is available, nature-based tourism's impact on local economies can be measured. As shown in Table 7, in 2019, hotels and related establishments ranged from 120+ in Mauritius to 4,680+ in Uganda. Many, if not most, of these institutions throughout the region are small and medium-sized enterprises that are family-owned and may lack resources to successfully weather the COVID-19 crisis. For most of the countries in Sub-Saharan Africa where data is available, the tourism sector has steadily grown between 2017 and 2019. This recent expansion of the tourism sector is shown in steady growth in hotel beds and occupancy rates. Yet it is exactly these businesses – lodges and local eco-tourism facilities – that form the backbone of local economies that are threatened by the collapse in international tourism in response to the COVID-19 crisis.

Table 2 describes the contribution of nature-based tourism to sub-Saharan African economies in Botswana, Kenya, Namibia, Rwanda, South Africa and Tanzania. In Kenya, for example, 15 conservancies form a 140,500-ha protected wildlife area bordering the northern Maasai Mara National Park. Part of a major community conservation programme, Mara Conservancies' land is leased from 14,500 Maasai landowners by 40 tourism partners.

Using conservation fees generated from guests, these tourism partners pay lease fees, create employment and provide education and health services to local communities and landowners.

Thus, without income from nature-based tourism, wildlife conservation will be compromised as no funding will be available to pay lease fees. As a result, the landowners will be incentivized to convert their land into agriculture production with significant negative results.

Table 2: Examples of Contribution of Nature-Based Tourism to Sub-Saharan African Economies		
	Annual International Tourism Receipts (see Table 4)	**Discussion**
Botswana	**$575 million (2018)**	• Tourism is the 2nd most important industry in Botswana. • 3% of GDP is from international tourism receipts (see Table 4) and 76,000 jobs – 7.6% of total employment (combined indirect and direct) from tourism overall. • Hotel and restaurant tourism industry, primarily from nature-based tourism, contributed $900 million in 2019 to Botswana's economy.[xi] • Most eco-tourism hotels are locally owned small guesthouses and individually owned lodges that cater to luxury eco-tourism and safari destinations, with arrivals intended to pay large amounts for unique nature-based tourism experiences and an exclusive customer experience. • Removal of the hunting ban in 2019/20 on elephants and other wildlife could damage conservation and ecotourism. • In Q4 2019, Air Botswana laid off half its staff due to financial struggles facing the key national airline, making it more difficult for international tourists to travel to Botswana and compounding already existing weak regional air links. • With COVID-19, Botswana ceased all air and rail transport for the month of April, shutting down all tourism. • 80% of tourists arriving in Botswana arrive from South Africa, Namibia, Zambia and Zimbabwe, generally as part of nature-based tourism extensions to other tourism trips.[xii]
Kenya	**$1.6 billion (2018)**	• International tourism receipts contribute 2% to GDP (see Table 4) and contributes significantly to employment. • Expanding low-cost regional carriers and rising incomes were growing nature-based tourism in Kenya until negative impacts from COVID-19.[xiii] • Kenya's government was focusing on expanding its all-inclusive, low-cost holiday options for European tour operators given its untapped potential until COVID-19 occurred, but now its $600 million international tourism restaurant industry is at risk.[xiv] • Kenya's estimated 1,130 hotels and establishments are forecast to decrease to at least 917 in 2020 as a result of COVID-19. Many of these are family-run safari lodges.[xv] • With relatively high hotel and food sector annual wages at $5,900 per capita in 2019, many individuals are now laid off due to COVID-19, exacerbating local economic stresses. • Meanwhile, before COVID-19, many international visitors were selecting Tanzania or South Africa over Kenya for nature-based tourism activities due to safety concerns.[xvi] At the same time, since 2016, the U.S. has overtaken the UK as the largest source market, excluding Africa, for international tourism receipts to the Kenyan market, while infrastructure has grown. In June 2018, a cruise ship terminal opened in Mombasa.

	Annual International Tourism Receipts (see Table 4)	Discussion
Namibia	**$488 million (2018)**	• 30% of GNP, primarily community based. More than 5000 jobs created from 1990 to 2016. • In February 2020, Air Namibia stopped its Luanda, Angola flights, decreasing tourism access from Angola, Namibia's top tourism source market.[xvii] • Namibia is highly vulnerable to regional economic downturns from COVID-19 as it relies on key Sub-Saharan African countries for inbound global tourism arrivals. • It is a key nature-based tourism destination for wildlife safaris dominated by small individual owned lodges.
Rwanda	**$528 million (2018)**	• According to Rwanda government officials, tourism to Rwanda has effectively stopped. • The Government of Rwanda has stated that it is very concerned that large parts of currently protected areas are at immediate risk of being converted for land use that is not wildlife friendly, such as agriculture, increasing human-wildlife conflict and habitat destruction.
South Africa	**$9.789 billion (2018)**	• International tourism receipts were 2.7% of GDP in 2018, a key source of foreign currency to support local eco-tourism businesses. • South Africa is in its worst economic downturn since World War II with about one-third of its labour force unemployed coupled with collapsing business confidence. On 30 April 2020, given South Africa's current account deficit and decline in capital flows, including from declining tourism receipts, S&P downgraded South Africa's long-term foreign-currency and local-currency rating to 'BB-' and 'BB' respectively while maintaining the country's outlook as stable for both ratings. • Moody's on 25 April forecast South Africa's growth rate for 2020 to be negative 6.5% while the IMF is forecasting the country's growth rate over the same period to be negative 5.8%. • Eskom, which produces most of South Africa's electricity, is applying rolling blackouts making output forecasts uncertain. • Now, with South Africa no longer rated investment grade, its sovereign debt is excluded from the FTSE World Government Bond Index as of 30 April 2020, significantly decreasing demand for its debt as sizable net outflows of non-resident portfolio debt occur. • The shock to South Africa's economy from COVID-19 is further weakening its tourism prospects. While South Africa is the leading economy in Sub-Saharan Africa, it is also has limited fiscal room to support higher social spending required to mitigate COVID-19 shocks. • Industry body Wildlife Ranching South Africa estimates that the Northern Cape province lost more than two-thirds of its game between 2016 and 2019 from climate change and other risks, potentially including poaching, resulting in declining visitor numbers while risks to tourists are exacerbated by terrorism threats.[xviii]

	Annual International Tourism Receipts (see Table 4)	Discussion
Tanzania	**$2.46 billion (2018)**	• 467,000 people employed directly, and more than 1 million indirectly, constituting 12% of total employment. • Tanzania offers popular destinations such as Serengeti, Zanzibar and Mount Kilimanjaro and is perceived to be a safer country than other countries in the region. • In 2019, 57% of visitors to Tanzania were not from Sub-Saharan Africa, yet now, with COVID-19, most of these international tourism receipts have stopped, threatening local economies reliant on those tourists who on average spend ten nights in Tanzania.[xix]
Africa	**$142 million in fees to protected areas in 2015**	• 80% of tourism trips to Africa are nature-based.
Global	**$600 billion annually generated from nature-based tourism**	• $10 billion spent annually on protection of protected areas.[xx]

Nature-Based Tourism Protects Natural Capital

The consumption of wildlife and destruction of natural capital in an emergency is the functional equivalent of eating one's seed corn in a nature-based tourism economy.

From a bottom-up perspective, many SSA small and medium-sized enterprises in the nature-based tourism sector risk complete closure. The UN Economic Commission for Africa (UNECA) estimates that up to 27 million people will be pushed into extreme poverty as the region's economy slows and contracts by up to 2.6 percent.

For example, Madagascar has lost upwards of $500 million in nature-based tourism revenue since COVID-19 began.[xxi] This revenue is often the only financial support that Madagascar's 144 protected areas across seven million hectares receive.[xxii] The dire story is crystal clear just looking at a single protected area in Madagascar, Ranomafana National Park, which at 41,600 hectares is a key biodiverse protected area in Madagascar. It is home to 12 lemur species - see Table 3 - many of which are endemic to the region and threatened with extinction, such as the golden bamboo lemur.[xxiii]

Madagascar had about 350,000 nature-based tourists in 2019. Without this revenue, for survival the local population may begin to engage in:

> *"Illegal and irrational land occupation and exploitation of natural resources in protected areas; hunting of wild animals; trafficking rare, endemic and protected species of flora and fauna; clearing and transforming natural habitats into crop plots; overfishing in coastal zones; illicit charcoal manufacturing; illegal mining, among others."*
>
> Minister Baomiavotse Vahinala Raharinirina
> Ministry of Environment, Ecology and Forests, Madagascar[xxiv]

Table 3: 12 Lemurs Threatened with Extinction in Ranomafana National Park, Madagascar

Common name	Latin name	IUCN Status
Golden bamboo lemur	Hapalemur aureus	Critically Endangered
Greater bamboo lemur	Prolemur simus	Critically Endangered
Sibree's dwarf lemur	Cheirogaleus sibreei	Critically Endangered
Southern black and white ruffed lemur	Southern black and white ruffed lemur	Critically Endangered
Aye-aye	Daubentonia madagascariensis	Endangered
Milne-Edwards's sifaka	Propithecus edwardsi	Endangered
Small-toothed sportive lemur	Lepilemur microdon	Endangered
Peyrieras's woolly lemur	Avahi peyrierasi	Vulnerable
Red-bellied lemur	Eulemur rubriventer	Vulnerable
Red mouse lemur	Microcebus rufus	Vulnerable
Red-fronted brown lemur	Eulemur rufifrons	Near Threatened
Furry-eared dwarf lemur	Cheirogaleus crossleyi	Data Deficient
Ranomafana bamboo lemur	Hapalemur griseus ranomafanensis	Data Deficient

According to Mongabay:

> *In "Ranomafana National Park, which protects one of the last swathes of lush lowland humid rainforests in south-eastern Madagascar... tourism revenue is down 100% since the government ordered parks closed in March"* [xxv]
>
> *"People, without the four million dollars that flowed into the Ranomafana National Park region from tourism and research, will be forced to return to cutting the forest and farming. I fear for the future of the people and wildlife in Madagascar."*
>
> Dr. Patricia Wright, Professor
> Stony Brook University, who helped establish the park in 1991.[xxvi]

As Madagascar shows us, nature-based tourism, including all forms of outdoors oriented activities, is interdependent with wildlife conservation and can be linked to sound environmental management.[xxvii, xxviii] It depends upon functioning natural capital, including high quality destinations, wildlife and ecosystem services and scenic landscapes such as montane ecosystems, tropical forests, coasts, beaches and underwater resources. The nature upon which this tourism depends can also serve as a “safety net” for rural communities during times of disruption.

For example, the Government of Rwanda has stated that it is very concerned that large parts of currently protected areas are at immediate risk of being converted for land use that is not wildlife friendly, such as agriculture, increasing human-wildlife conflict and habitat destruction. By 20 April 2020, more than 3,888 people in the tourism sector in Rwanda had been laid off.[xxix]

Thus, erosion of natural capital driven by extreme poverty can undermine the destination-value of intact ecosystems and foreclose upon recovery prospects. This produces the spectre of accelerated economic decline. There is therefore a strong economic case for intervention in stabilizing natural resources and in improving natural capital resource management in highly biodiverse developing countries that are also highly dependent upon nature-based tourism.

The Golden Hour for Natural Capital Conservation

In emergency medicine, the golden hour is the period of time during which there is a high likelihood of recovery from a traumatic injury, provided that appropriate medical intervention is given.[xxx]

The COVID-19 pandemic can be an inflection point in world history; we can take a path upwards towards sustainability and resilience or a path that takes us deeper into the world of shocks and crises. The key issue now is planning for the prospect of recovery.

We are entering the golden hour of conservation in Sub-Saharan Africa. Our global challenge is to invest in humanitarian relief in ways that will accelerate recovery and help countries to come back stronger. We do not know how long it will take for people to feel comfortable traveling again. The stranded assets of nature are, for better or worse, the only safety net for millions of Africans. We must immediately develop countermeasures to economic shock before their natural capital base is damaged to a degree that limits recovery options.

Major economic shocks to a country rich in natural capital but lacking a social safety net have the potential to erode the natural capital base. We need to manage these risks by investing in measures to improve the resilience of natural capital-based economies.

Our challenges are twofold. In the near term, we must invest in relief in ways that will accelerate recovery and help all countries to come back stronger. In countries dependent upon nature-based tourism, COVID-19 related losses may be prolonged, or even permanent, unless decisive action to conserve and protect the natural capital base is taken.

BUILDING BACK BETTER:
A Marshall Plan for Natural Capital

> *"The first rule of intelligent tinkering is to save all the pieces"*
>
> Aldo Leopold in Round River:
> From the Journals of Aldo Leopold

COVID-19 has exposed vulnerabilities in natural resource-dependent economies, but restoration to "business as usual" is not a viable option in light of the risk of further shocks down the road, especially those linked to a changing climate. Through the lens of the wildlife economy, we have discussed how the ripple effects of the COVID-19 pandemic will undermine the natural resources that constitute, with knowledge and labour, the productive capacity of a nation. Tourism is perhaps the first victim of this undermining, but it will not be the last.

Looking ahead, desperately needed measures to provide basic human needs in the near-term loom large. But if stabilization, and nothing more, is the goal, then we will have missed a critical opportunity. We must use the inevitable disruption as a pivot-point for economic and social transformation.

With foresight and investment, we can help developing countries dependent upon a wildlife economy to build back better.

A green infrastructure strategy can provide necessary skills and wages to draw down our environmental deficit, through replanting mangroves and watersheds, removing invasive species, upgrading and rewilding our conservation areas, building fire breaks and restoring areas damaged by wildfire in natural forests, restoring shorelines, rebuilding tourism infrastructure to minimize environmental impacts and installing better waste management and energy systems. Investment in recovery should help us to build a world that will make us stronger, more resilient to catastrophic events.

We propose a "work relief" programme, which provides public works jobs to the unemployed, together with training, for activities in the public interest. An early example relating to natural resources is the Civilian Conservation Corps, a volunteer public work relief programme that operated in the U.S. from 1933–1942 as a component of the recovery strategy in the aftermath of the Great Depression. This "work relief" programme provided jobs to unemployed young men in natural resources management. A work relief programme to address the COVID-19 ripple should take actions to mitigate the economic impacts of necessary preventative measures such as border closures and social distancing. It could support business continuity as well as new business start-ups to fill the gaps left by failed businesses.

Many of these steps can also be taken by investors holding a position in natural resources-based economies. These include:

- Asset owners, such as sovereign wealth funds and pension funds and asset managers who manage assets with significant exposure to Sub-Saharan African sovereign debt, engaging regional governments to discuss pathways to support small and medium-enterprises that contribute both materially to GDP and creditworthiness at the national level and are the "eyes in the forest", maintaining natural capital and mitigating biodiversity loss.

- Increasing investment in science to develop evidence-based solutions to the preservation and use of natural capital in support of local small and medium-size enterprises engaged in nature-based tourism.
- Recognizing local land-tenure and property rights, including customary rights and treating land stewards as partners in development and in business ventures.
- Using "nature-based solutions" as the avenue of first resort in managing land for social benefit – e.g., restoring and enhancing ecological functionality and employing "green engineering", rather than building infrastructure to manage watersheds.
- Investing in relationships with local business partners and stakeholders, for improved governance of resources and ensuring that benefits from economic uses of natural resources flow to the communities where the resources reside – by using local businesses, hiring local labour and developing benefit-sharing mechanisms to reward performance in environmental stewardship.
- Providing economic support for locally owned small and medium-sized enterprises, with a focus on those that support the conservation of natural capital alongside economic diversification, capacity development and access to credit and technical resources at the community level, especially to advance social equity through opportunities for women and youth.
- Developing new "green" value chains and open access to markets for sustainably produced products.

Disclaimer

Appendix I

Table 4: Sub-Saharan African Countries' International Tourism Receipts, GDP and Credit Ratings, 2018 [xxxi]

Country	International Tourism, Receipts (2018 USD millions)	% 2018 Total African International Tourism Receipts	GDP (2018 USD millions)	International Tourism % 2018 Country's GDP	Credit Rating Firm	Credit Rating (Long-term foreign currency)
South Africa	$9,789	31%	$368,289	3%	S&P	BB
Ethiopia	$3,548	11%	$84,356	4%	Fitch	B
Tanzania	$2,465	8%	$58,001	4%	N/A	N/A
Mauritius	$2,161	7%	$14,220	15%	Moody's	Baa1
Nigeria	$1,977	6%	$397,270	0%	S&P	B-
Kenya*	$1,564	5%	$87,908	2%	S&P	B+
Uganda	$1,044	3%	$27,461	4%	S&P	B
Ghana	$996	3%	$65,556	2%	S&P	B
Madagascar	$879	3%	$13,853	6%	N/A	N/A
Zambia	$742	2%	$26,720	3%	S&P	CCC
Cameroon	$633	2%	$38,675	2%	Fitch	B
Seychelles	$611	2%	$1,590	38%	Fitch	BB
Botswana	$575	2%	$18,616	3%	Moody's	A2
Angola	$557	2%	$105,751	1%	Fitch	B-
Rwanda	$528	2%	$9,509	6%	S&P	B+
Cabo Verde	$524	2%	$1,977	27%	Fitch	B-
Cote d'Ivoire*	$508	2%	$43,007	1%	Fitch	B+
Namibia	$488	2%	$14,522	3%	Moody's	Ba2
Senegal*	$468	1%	$24,130	2%	Moody's	Ba3
Mozambique	$331	1%	$14,717	2%	S&P	CCC+
Togo*	$245	1%	$5,359	5%	N/A	N/A
Mali*	$206	1%	$17,163	1%	N/A	N/A
Burkina Faso*	$172	1%	$14,125	1%	S&P	B
Gambia	$168	1%	$1,633	10%	N/A	N/A
Benin*	$160	0%	$10,355	2%	Fitch	B
Zimbabwe*	$158	0%	$31,001	1%	N/A	N/A
Niger*	$91	0%	$9,291	1%	N/A	N/A
Comoros	$77	0%	$1,178	7%	N/A	N/A
Sao Tome and Principe	$72	0%	$422	17%	N/A	N/A
Democratic Republic of the Congo	$61	0%	$47,228	0%	S&P	CCC+
Republic of Congo*	$43	0%	$11,264	0%	Fitch	CCC
Malawi	$43	0%	$7,065	1%	N/A	N/A
Sierra Leone	$39	0%	$4,085	1%	N/A	N/A

Country	International Tourism, Receipts (2018 USD millions)	% 2018 Total African International Tourism Receipts	GDP (2018 USD millions)	International Tourism % 2018 Country's GDP	Credit Rating Firm	Credit Rating (Long-term foreign currency)
Gabon*	$29	0%	$16,854	0%	Fitch	CCC
Lesotho	$24	0%	$2,739	1%	Fitch	B
Guinea-Bissau	$20	0%	$1,458	1%	N/A	N/A
Eswatini	$16	0%	N/A	N/A	N/A	N/A
South Sudan	$12	0%	N/A	N/A	N/A	N/A
Guinea	$8	0%	$10,907	0%	N/A	N/A
Mauritania	$6	0%	$5,235	0%	N/A	N/A
Burundi	$4	0%	$3,037	0%	N/A	N/A
Total	**$32,042**		**$1,616,527**	**2%**		

Note: Data not available on certain countries. Data excludes Chad, Equatorial Guinea, Eritrea, and Liberia. Some countries have partial data. Fitch Ratings, Moody's and S&P do not provide ratings for all nations.

** Repeated same data in 2018 from 2017 due to lack of data in 2018 as of 19 April 2020.*

Appendix II

Table 5:[2] Top 20 Sub-Saharan African Countries Ranked by International Tourism Receipts, 2018 [xxxii]		
Country	International Tourism, Receipts (2018 USD millions)	% 2018 Total African International Tourism Receipts
South Africa	$9,789	31%
Ethiopia	$3,548	11%
Tanzania	$2,465	8%
Mauritius	$2,161	7%
Nigeria	$1,977	6%
Kenya*	$1,564	5%
Uganda	$1,044	3%
Ghana	$996	3%
Madagascar	$879	3%
Zambia	$742	2%
Cameroon	$633	2%
Seychelles	$611	2%
Botswana	$575	2%
Angola	$557	2%
Rwanda	$528	2%
Cabo Verde	$524	2%
Cote d'Ivoire*	$508	2%
Namibia	$488	2%
Senegal*	$468	1%
Mozambique	$331	1%
Total	**$30,388**	

** Repeated same data in 2018 from 2017 due to lack of data in 2018 as 19 April 2020.*
*** Repeated same data in 2018 and 2016 from 2016 due to lack of data in 2018 and 2017 as 19 April 2020.*

[2] Note: Data not available on certain countries. Data excludes Chad, Equatorial Guinea, Eritrea, and Liberia. Some countries have partial data. Fitch Ratings, Moody's and S&P do not provide ratings for all nations. Total rounds to 97% as, in descending order, the following countries contributed 3% in aggregated measured by % 2018 Total African International Tourism Receipts: Togo*, Mali*, Burkina Faso*, The Gambia, Benin*, Zimbabwe*, Niger*, Comoros, Sao Tome and Principe, Democratic Republic of the Congo, Republic of Congo**, Malawi, Sierra Leone, Gabon**, Lesotho, Guinea-Bissau, Eswatini, South Sudan, Guinea, Mauritania and Burundi.

Appendix III

Table 6: Top 15 Sub-Saharan African Countries by Percentage GDP from International Tourism with Credit Ratings [xxxiii]				
Country	2018 %Total of County's GDP	International Tourism, Receipts (2018 USD millions)	Credit Rating Firm	Credit Rating (Long-term foreign currency)
Seychelles	38%	$611	Fitch	BB
Cabo Verde	27%	$524	Fitch	B-
Sao Tome and Principe	17%	$72	N/A	N/A
Mauritius	15%	$2,161	Moody's	Baa1
Gambia	10%	$168	N/A	N/A
Madagascar	6%	$879	N/A	N/A
Rwanda	6%	$528	S&P	B+
Tunisia	6%	$2,320	N/A	N/A
Ethiopia	4%	$3,548	Fitch	B
Tanzania	4%	$2,465	N/A	N/A
Uganda	4%	$1,044	S&P	B
Botswana	3%	$575	Moody's	A2
Namibia	3%	$488	Moody's	Ba2
South Africa	3%	$9,789	S&P	BB-
Zambia	3%	$742	S&P	CCC

Note: Data not available on certain countries. Data excludes Chad, Equatorial Guinea, Eritrea, and Liberia. Some countries have partial data. Fitch Ratings, Moody's and S&P do not provide ratings for all nations.

** Repeated same data in 2018 from 2017 due to lack of data in 2018 as of 19 April 2020.*

Appendix IV

Table 7: Tourism Industry for Key Sub-Saharan African Countries, 2019e

	Botswana	Cote d'Ivoire	Ethiopia	Kenya	Mauritius	Namibia	South Africa	Tanzania	Uganda ***	Zambia ***	Zimbabwe ***
Total arrivals '000	2,416	410	1,074	2048	1,452	1,614	10,682	1,611	1,954	1,123	2,291
International Tourism Receipts (USD billions)**	$0.76	$0.53	$3.61	$2.18	$2.15	$0.43	$10.19	$2.64	$1.04	$0.69	$0.15
Number of Hotels** ('000)**	0.54	2.14	0.54	1.13	0.12	0.73	N/A*	0.65	4.68	1.22	0.13
Total Overnight Stays ('000)	14,253	N/A*	N/A*	17,860	14,519	27,599	121,864	13,228	13,523	6,648	6,872
Hotel Rooms ('000)	11.63	43	N/A*	17,210	13.66	9.73	N/A*	100.46	76.88	34.23	5.61
Occupancy Rate (%)	50%	73%	N/A*	36%	75%	63%	59%	41%	45%	74%	55%

Source: National Sources, Fitch Solutions. Calculations: Planet Tracker.

Table 8: Change in Tourism Industry for Key Sub-Saharan African Countries, 2017–2019e

	Botswana	Cote d'Ivoire	Ethiopia	Kenya	Mauritius	Namibia	South Africa	Tanzania	Uganda ***	Zambia ***	Zimbabwe ***
Total arrivals '000	5%	9%	15%	42%	8%	8%	4%	8%	9%	5%	-11%
International Tourism Receipts (USD billions)**	9%	18%	60%	40%	7%	10%	13%	6%	5%	3%	-12%
Number of Hotels** ('000)**	0.54	2.14	0.54	1.13	0.12	0.73	N/A*	0.65	4.68	1.22	0.13
Total Overnight Stays ('000)	6%	N/A*	N/A*	11%	6%	-3%	1%	4%	10%	7%	-11%
Hotel Rooms ('000)	7%	10%	N/A*	3%	1%	12%	N/A*	1%	1%	2%	-13%
Occupancy Rate (%)	2%	0%	N/A*	16%	-3%	7%	4%	2%	0%	1%	4%

Source: National Sources, Fitch Solutions. Calculations: Planet Tracker.

** Not available*
*** Does not include tourism transport or tourism items*
**** 2018-2019 only*
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