

Tourism earnings grow by 640bn in a year

Tourism earnings have almost gone up by 640bn/- in a year ending April on the back of increased number of visitors. The earnings, according to the Bank of Tanzania, jumped up by over 640bn/- (\$291.8m) in the period ended April this year compared by 330bn/- (\$154.1m) registered on the corresponding period a year before.



The Erica Chang via [Wikimedia Commons](#) - Zanzibar, Tanzania

The year under review showed that total tourism earnings surged to 5.25tri/- at the end of April against 4.61tri/- of the similar period last year. The central bank attributed the growth on account of an increased number of tourist arrivals.

The BoT 'Monthly Economic Review' for May shows that the earnings from tourist arrivals accounted for 61% of the services receipts in the year under review. Similarly, earnings from transport services that contribute 30.1% of services receipts grew up by 8.6% to 209bn/- (\$95.4m) compared to 219bn/- (\$99.9m), on account of increase in the volume of transit goods to and from the neighbouring countries.

During the year under review, services account improved by 17.7% to 4.03tri/- (\$1,834.4m), driven by an increase in travel and transport receipts. Service payments increased to \$2,149.1m from \$2,079.9m in the year to April largely explained by payments grouped under other business services category.

It is worth to note that travel and transport payments, which altogether accounted for 76.4% of foreign service payments decreased by 1.3% and 10.2% to \$840.m and \$800.4m respectively. A decline in transport service payments was in tandem with the fall in goods imports.

The overall balance of payments improved to a surplus of \$909.9m in the year to April from a surplus of \$655.5m in the corresponding period a year before. The improvement was due to increase in official current transfers in the form of project funds from development partners, as well as funds from external non-

concessional loans.

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