

Is tourism the answer to Ethiopia's job creation goal?

With Ethiopia's economy growing at a rate of 10.5% and 7.71%, in 2017 and 2018 respectively, it sets the Horn of Africa up for even further growth in the next decade, and government optimistic to create 20 million jobs over this period. In addition to the growing economy, Ethiopia has been leading tourism growth rates globally.



Image source: [Gallo/Getty](#)

Could a surge in domestic and international travel be the answer Dr Ephrem Tekle, Jobs Creation Commissioner of Ethiopia, is looking for?

Guy Stehlik, CEO of hospitality group BON Hotels, weighs in on the effects of improved tourism in a region like Ethiopia...

According to a recent [Construction Report](#) by Top Hotel News, Addis Abba, Ethiopia is the city with the most hotel developments in Africa. A total of 14 projects are currently in development in the area, offering both luxury and mid-scale hospitality accommodation to travellers.

Opening the borders

An example of this is the recently launched BON Plaza Hotel Addis Ababa, which just opened its doors last month. The hotel has already shown significant promise, and further expansion in the country is in the pipeline.

International confidence in the region has also bolstered the economy, most recently with the [IMF approving a US\\$3bn programme](#) for Ethiopia to support the government's own *Homegrown Economic Reform Programme*. *Although the agreement accounts for a significant shift in the government's thinking when it comes to the economy, foreign banks and portfolio investors are still excluded from participating in the economy – for now. Ethiopia has, until recently, relied mostly on internal solutions to improve the state of its economy, which has evidently been working.*

The programme itself will be aimed at creating a vibrant financial sector and improving access to credit by the private sector. This is particularly significant in moving the country forward economically, as Ethiopia was previously a socialist state, meaning that the private sector couldn't access credit, as is done in capitalist states like America.

State of employment

The plans to eradicate unemployment may have gotten off to a rocky start in 2018, but nonetheless, the economy saw an overall improvement. At the launch for the [employment plans for 2020-2025](#), Deputy Prime Minister and National Job Creation Council Chairperson Demeke Mekonnen stated that the plan of action includes 'major areas that can improve job opportunities for the youth'.

Despite the structural problems faced previously, an impressive 600,000 jobs were created in the country in 2018. Going forward, the government will look to explore areas of employment that in the past may not have garnered much attention from authorities, including music, photography and fine arts. In addition to all of this, the obvious answer to the employment question remains tourism.

The industry grew by a massive 48+% in 2018, with no signs of slowing down in upcoming years. What could perhaps be Ethiopia's biggest drawcard is the versatility available to tourists, from the vastly untouched natural beauty of the Simien Mountains to the tribes of the Omo Valley. This will be particularly attractive to aspiring travellers globally, who value meaningful cultural experiences in areas that have not yet been over-exposed.

The survival of Africa, by Africans

Coming back to Addis Ababa being the top city in Africa in terms of hotel projects, the region will need to prepare for an influx of travellers – not only leisure, but business too. It is thus important that the infrastructure put in place for these travellers accommodates the needs of modern tourism.

With the popularity of staycations, business and leisure tourism are slowly merging into one, and traditional hotels have learned to adjust to the changing needs of travellers who demand better pricing, better service and flexibility.

To properly marry the influx of travellers and to bring the previously underdeveloped hospitality industries in Africa up to global standards, it is important for hospitality brands to enter into the market with a focused approach, tailored to each region.

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