

Executive summary

2006 was the third consecutive year of sustained growth of international tourist arrivals worldwide. The United Nations World Tourism Organisation (UNWTO) predicts a similar trend for air transport and forecasts a long term yearly growth rate of 4.1% through to 2020. The growth of international tourism receipts was also positive, but it lagged behind the growth of arrivals, which is due to a strong increase in the number of short trips as a result of attractive fares being offered by Low-Cost Carriers.

Each stakeholder in the tourism industry approaches tourism from its own perspective. However, in order to attain the desired goals of better visitor satisfaction, an improved economy, sustainable resource use and community integration, stakeholders have to understand the relationships within the tourism system, and their aims have to be balanced with each other.

Small island states are a special case when it comes to social, economic and environmental development. They are challenged by additional constraints, such as geographic isolation; great distances to major markets; associated high transportation costs; high dependence on import products; a small population; limited human resource skills; low resource availability; and the vulnerability to natural disasters. Tourism on small islands is often one of the main economic pillars and therefore significant for sustainable development. A sustainable supply of tourism services has the potential to change and improve the social, economic and environmental dimensions of future lifestyles.

The Seychelles consists of 115 small islands in the Western Indian Ocean. The population of 89'700 inhabitants is of mixed French, African, British, Indian, Chinese and Arab descent, and is concentrated on the main three islands Mahé, Praslin and La Digue. Although United Nations Development Programme (UNDP) assessed high human development in the Republic, the Seychelles faces a high level of public debt with corresponding impairment of fiscal and external flexibility. In addition, the ecological fragility makes the country highly vulnerable to external changes in the global environment.

Seychelles' economic growth is dominated by the tourism sector and the export of tuna fish. The contribution of tourism to the GDP was 19% in 2005. The proposed abolition of the tax

exemption on Seychelles' tuna exports to the EU markets in 2008 will weaken the contribution of tuna exports to economic growth, thereby indirectly increasing dependency on the tourism sector. In 2003 and 2004, years of strong world economic growth, the Seychelles lost a market share to other tourist destinations in the Indian Ocean indicated by a decrease in the number of international tourist arrivals. Although the number of arrivals picked up in the following two years, the Department of Transport and Tourism (DTT) recognized that the supply of tourism services has to be improved, and aims to address this problem according to sustainable development principles.

Tourists arrive in the Seychelles with high expectations reflecting the high prices they are required to pay for tourist services; this occasionally turns into frustration and disappointment when such expectations fail to be met. A survey was carried out on site by means of personal interviews with several stakeholders of Seychelles' tourism supply and 104 tourists, assessing the weaknesses of the service supply. The survey pointed out different services in areas of transportation, information, hospitality, attractions and banking, which did not meet visitors' expectations. It was revealed that improvements are required above all at the International Airport on Mahé; in the public bus and taxi service; in the tourist information supply; in three and four star hotels; in improving the quality of food and service; the maintenance of walking trails; the quality of guided tours; personal and traffic safety; and in the Central Bank's external communication.

The public bus service received above average complaints, and showed great potential for improvement that would contribute to sustainable development as well as customer satisfaction. A Seychelles' sustainability assessment compared the public bus with the taxi and rental car service. The indicators were derived from nine principles towards sustainable transportation, which were established by the Organisation for Economic Co-operation and Development (OECD). The assessment showed that an increased use of the public bus service, as a substitute for the use of taxi and car rental, would encourage several social economic and environmental improvements and thus enhance sustainability.

A second survey evaluated the public bus service, which is provided by the Seychelles Public Transportation Corporation (SPTC). Interviews with 79 tourists and three representatives of organisations involved in the service supply gave a broad view of the existing service gaps. The SPTC's external communication was identified as being the main problem. Missing timetables

and route maps at bus stops, the hassle of having to obtain a timetable leaflet and illegible route maps were the main reasons why tourists switched to alternative transportation options. Finally, recommendations for an improved and sustainable public bus service were set out, including action points for the Seychelles Public Transportation Corporation (SPTC), Seychelles Tourism Board (STB), Land and Transport Division (LTD) and Ministry of Environment. It has to be admitted that the recommendations are linked with additional costs and need for cooperation. However, the Seychelles would benefit from increased tourist satisfaction, gaining positive reputation abroad and enhanced sustainability.