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Abstract- Tourism is a circulation of people who travel to or stay in places outside their home country. It has being believed as a major ingredient in the economic development strategy. Ethiopia possesses numerous natural, religious, historical, non-natural and cultural tourism attractions; economic contribution and its potential are incomparable. However, various external and internal factors have been affecting the sustainable development of the tourism industry in Ethiopia. Shortage of tourist facilities, lack of skillful human resources, weak promotion, lack of integration and political will are the major negatively contributing forces. Although Ethiopia possesses massive tourism development potentials with its unique biodiversity and spectacular topographic features, its economic contribution to the country is unmatched. A solution could be the implementation of a tourism tax; these taxes can be used to fund the continuous development and improvement of its tourism markets. Thus, relieving the country of the stigma relying on foreign money to help its own industry and giving full of tourist facilities, skillful human resources, promotion, socio-cultural and political will for the tourists.

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Challenges and Prospectus of Ethiopian Tourism Industry

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Abstract- Tourism is a circulation of people who travel to or stay in places outside their home country. It has being believed as a major ingredient in the economic development strategy. Ethiopia possesses numerous natural, religious, historical, non-natural and cultural tourism attractions; economic contribution and its potential are incomparable. However, various external and internal factors have been affecting the sustainable development of the tourism industry in Ethiopia. Shortage of tourist facilities, lack of skillful human resources, weak promotion, lack of integration and political will are the major negatively contributing forces. Although Ethiopia possesses massive tourism development potentials with its unique biodiversity and spectacular topographic features, its economic contribution to the country is unmatched. A solution could be the implementation of a tourism tax; these taxes can be used to fund the continuous development and improvement of its tourism markets. Thus, relieving the country of the stigma relying on foreign money to help its own industry and giving full of tourist facilities, skillful human resources, promotion, socio-cultural and political will for the tourists.

I. Introduction

Tourism is the process where people from one place to another go for enjoyment and spend the time. It play great role for the development of a country. Through tourism demand of different commodities increasing and different cultures of the world are homogenized in one culture. On one side development occurred but on the other side different diseases are transferred from one country to another in the world. In real sense the tourism industry is link with every sector of the economy in the world. This positively and negatively affects the GDP of the country. Through tourism industry many employments were generated which play great role in poverty reduction and socioeconomic improvement of the world.

According to Chris (1990) tourism is one of the best ever rising industries that provide services and facilities for visitors who came from outside to the destination area for a period of more than 24 hours and less than one year and also it is strategically important industry that is directly and indirectly linked to the long term prosperity of a country.

Tourism is a social phenomenon that promotes the movement of visitors to a destination with certain natural or artificial features aimed at leisure, business, education, and vacation objectives (Gonzalez Fonseca, 2012). Currently, tourism is the world's largest industry and is valued at somewhere between USD$3 to $3.5 trillion, and it accounts for more than 10% of total employment, and 11% of global GDP (WWF International, 2001). Similarly, the direct contribution of travel and tourism to Ethiopian GDP was 4.1% of the total GDP and accounts for 8.4% of the total employment (creating 2,326,500 jobs), and 2.9% in the total investment of the country in 2015 (WWTC, 2017). However, the rapid growth of tourism and how to manage it sustainably is a Challenge for many destinations (Weber, et al. 2017).

According to Tekabe (2016) the tourism industry in Ethiopia has a number of challenges and opportunities. He distinguished that lack of promotion, lack of physical infrastructure, misperceptions the images of Ethiopia and shortage of trained human power as major challenges of tourism industry in Ethiopia. Vellas (2011) stated that it is newly emerging industries and became an increasingly important source of income, employment and wealth in many countries. On the other hand, various factors have been affecting sustainable development of the tourism industry worldwide. According to Philip (2017) factors affecting tourism industry development may be either internal or external. External factors like weather, safety, access to amenities, peace, and security may affect the development of the tourism industry (Becken, 2010). Likewise, internal factors like inadequate infrastructures, weak human resources, low marketing and promotion strategies (Mekonen, 2016; Selemon and Chiranjib, 2018), and weak linkage with international organizations can hinder the development of tourism industry in a given place (Tadesse, 2015; Yimer, 2016).

UNWTO forecasts international arrivals to increase by 4% to 4.5% in 2014, again above its long-term forecast of +3.8% per year between 2010 and 2020. The UNWTO Confidence Index, based on the feedback from over 300 experts worldwide, confirms this outlook with prospects for 2014 higher than in previous years. “The positive results of 2013, and the expected global economic improvement in 2014, set the scene for another positive year for international tourism. Against this backdrop, UNWTO calls upon national governments to increasingly set up national strategies that support the sector and to deliver on their commitment to fair and sustainable growth”, added Mr. Rifai. 2014 regional prospects are strongest for Asia and the Pacific (+5% to

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+6%) and Africa (+4% to +6%), followed by Europe and the Americas (both +3% to +4%). In the Middle East (0% to +5%) prospects are positive yet volatile.

Though noted for its tourism potential, Africa's underdeveloped tourism sector is attracting only little number as a service sector, tourism services are playing special importance's in boosting up the image of a nation and also in facilitating the economic growth and development of a nation (Mckercher, R,1995).

Ethiopia is one of the gifted countries in the world with tremendous tourism potentials as it stands at the top position in Africa with nine world heritages sites and three intangible heritages registered in UNESCO as world heritage. Regarding tourism potentials the country is able to compete with other countries of the world, while from the point of using this potential for the benefit of the community as well as the country is not well development (MoCT, 2016).

Ethiopia's tourism sector is booming in tandem with its fast economic growth. It is also basking under stable peace and security as compared with other African countries. And that is why Ethiopia enjoyed the limelight as this year's ' Top Destination In The World For Tourists' by the European Council on Tourism and Trade (ECTT) because Observably in most developed countries, the smokeless industry has the lion's share in the overall economic growth and development of a country.

Addis Ababa, December 12/2018 – "13 Months of Sunshine." This was the inspiring slogan that defined Ethiopia for the past 50 years. In 2016, a new tagline – "Land of Origins" – was introduced by the Ethiopian Tourism Organization (ETO), recently re-flagged as Tourism Ethiopia, to revitalize the nation's struggling tourism industry.

Ethiopia welcomed over 933,000 travelers in 2017, a slight increase on the 870,000 recorded in 2016. Data from the Ministry of Culture and Tourism shows that in 2017. on a positive note, there has been a visible increase in the number of tourists in Addis Ababa after PM Abiy Ahmed's rapid reforms following years of unrest throughout the country. But these increments are not sufficient to fuel Ethiopia's ambition to become a powerhouse tourist destination in Africa.

Ethiopia deserves to be higher on the list of key African markets due to its nine UNESCO World Heritage sites. Addis Ababa is the diplomatic capital of Africa and Bole International Airport recently overtook Dubai as the major transit hub to Africa, thanks to Ethiopian Airlines – the continent's leading airliner. Unfortunately, Ethiopia is still a relatively unknown tourist destination to the traveling public and it needs to create a sense of place on travelers' minds.

II. Challenges of Ethiopian Tourism Industry

For Ethiopia, there are many challenges that need to be addressed. Some of them include the lack of effective marketing, limited access to financing, and the inadequate development and implementation of strategies. Some stakeholders have gone as far as criticizing the failures and limitations of Tourism Ethiopia (formerly ETO) for its inability to create any significant change.

Plagued by operational inefficiencies, lackluster bureaucracy, internal conflicts, and non-existent leadership, the organization has struggled to make progress on its goal of making Ethiopia a premier destination in Africa, despite having many of the tools within its arsenal.

Now a day, Tourism sector is getting attention by developing countries since it is becoming a backup for their economy stability with the fact that their economic background mainly depends on exporting Agricultural products which has little contribution for earning hard currency (Usman A. Raheem, 2008).

Teshale Biazen 2010, also support that the above problems and based on his research political uncertainty or disruption of infrastructure has a major influence of the tourism sector of Ethiopia. Essential wages in the tourism sector tend to be low in comparison to others sectors (although agriculture in many cases is an exceptional). This mostly happen as this sector income is seasonal and lost confidence of many professional experts with high salary. In return such kind of insecurity may discourage people to join this institution or to stay in for long period of time. (Bull, 1995) or employment problem is one of the bottleneck of Ethiopian tourism. According to (Gezachew Andarege, 2013), on his finding of the study mentioned that lack infrastructure, problems of securities, lack of museum, lack of service and facilities, lack of preservation and protections of heritage, financial constraints are the major challenges of tourism development in Ethiopia.

In 2016, ETO released a marketing strategy that was meant to act as a blueprint for the development of the national tourism industry. One section prioritized the development of the meetings industry (MICE) and observes the potential of transit tourism. To date little has come to fruition, besides the easing of visa restrictions for travelers and introduction of several ET-Holiday packages.

In regards to MICE, the sector continues to be led by stakeholders in the private industry. To exacerbate this, the idea of creating a much-needed convention bureau for Ethiopia was completely overlooked by ETO during a meeting organized by the

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Addis Ababa Hotel Owners Association in September 2018. This event was attended by key local stakeholders, such as, Ethiopian Airlines and the Ethiopian Events & Exhibition Organizers Association.

Another noteworthy concern is the limited access to finance. Ethiopia has the potential to support a growing tourism sector, but if the capital is not available to invest in improving both tangible and intangible assets, little progress will be made. For example, a tangible asset would be the development of tourist centers and facilities at popular sites. Intangible assets would be the effective marketing mediums and promotions to connect with travelers.

Ethiopia's government has long supported the development of hospitality assets going as far as providing tax incentives and duty-free privileges for new hotels. However, given the unappealing financing market, it has been difficult for most of these properties to open their doors. Some of the challenges facing developers are expensive borrowing rates and access to hard currency.

Furthermore, there isn't a concrete budget for developing and preserving tourist sites throughout the country. The federal government and regional states seem to rely on international financing instead of using their own budgets for these projects. For example, the government does not have the adequate funds for the restoration of the Lalibela churches. This unfortunately applies to the national parks, museums, and heritage sites.

A short-term solution to improving tourism would be to target domestic tourists and the diaspora. With targeted marketing efforts and promotions, unique destinations in Bale, Simien, Omo, and Danakil can be experienced by locals. Without properly incentivizing people on what is available, it will be impossible to show them what they are missing. Domestic tourism can be developed as a complement to the international one and offer a well-rounded tourism economy.

As it is known, the slogan of directives to be set by the government is to supervise, consult and regulate the tourism market, thereby boosting up trends in the growth of tourism services and ensuring the realization of the national economic growth and development policy set by the existing government. As cited by World Bank (2006), ups and downs in licensing of tourism service operators, inconsistent and weak supervision of such organizations by the government, little awareness as to the benefits of tourism services by the local communities, shortages of reservation software indicating tourism sites to visitors and number of registered local and foreign visitors, who got the services and image of the nation by itself are among some of the key factors that not only determine the growth and trends of the tourism sector in Ethiopia but also make the tourism sector to be at its early stage, there by further limiting the demand of local and foreign tourists towards the Ethiopian tourism sector. One reason why the study about tourism services is important is that the government cannot ensure consistent economic growth and development only from the manufacturing sector. Another reason is that currently, the government is pursuing free economic system there by allowing local privately owned organizations to take part in the delivery of tourism services in the Ethiopian tourism industry. The third reason is that provision of tourism services be it directly or indirectly are expected to contribute a lot towards the increment in the gross national product, economic growth, economic development and other policies, or objectives set by the government. The last reason is that, delivery of tourism services has its own contribution in building and sustaining the good image of a nation.

III. Recommendation

On the top of this issue, in fastest growing countries like Ethiopia, where the tourism sector is at its early stage and tourism tour operators are not plenty to meet the demand of their customers, it has become mandatory for government of a nation is to pay special attention for such sector–including thorough and periodic analysis over the trends in the growth of this sector, supplying this sector with the required skilled man power, furnishing this sector with the required infrastructure, and allocating financial resources, and also setting and practicing policies on how to deliver services in the tourism sector. (Nabil dabour, 2003). As indicated in the stock of literatures, though the tourism sector is one of the sectors contributing a lot towards the growth of the per capital income and cash inflow of a nation, provision of tourism services in Ethiopia is facing many constraints, and hence its trends become unattractive for those who want to run and offer tourism services to the local community and foreigners as well. For instance the official website of the Ethiopian culture and tourism minister provided the statics on the tourism service tour operators to various group of tourists' ratio in Ethiopia to be low, there by indicating the fact that much has to be done in the Ethiopian tourism sector. The official website of the Ethiopian culture and tourism minister exist one state owned organization, and currently there are privately owned organizations which are delivering services in the Ethiopian tourism sector.

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