



ORGANISATION MONDIALE DU TOURISME  
WORLD TOURISM ORGANIZATION  
ORGANIZACION MUNDIAL DEL TURISMO  
ВСЕМИРНАЯ ТУРИСТСКАЯ ОРГАНИЗАЦИЯ  
منظمة السياحة العالمية

**SPECIAL PROGRAMME OF ACTIVITIES TO PROMOTE TOURISM  
DEVELOPMENT IN SUB-SAHARAN AFRICA**

**Seminar on Sustainable Tourism Development and  
Poverty Alleviation**

**Arusha, Tanzania, 7 – 9 September 2004**



**Final Report**

This seminar was one of a series of initiatives by the World Tourism Organization, relating to its twin priorities of special assistance to Africa and the pursuit of poverty alleviation through tourism. The seminar was organised in collaboration with the Ministry of Tourism of Tanzania. It focussed on the East Africa sub-region; a parallel conference for West Africa was held in Benin in May 2004.

The seminar spanned three days, with the middle day devoted to a field trip to the Ngorongoro Conservation Area.

One hundred and fifty-seven people attended the seminar, from 12 countries, together with representatives of the WTO.

This report sets out the proceedings and conclusions of the seminar.

Tuesday, September 7

**Opening ceremony**

**Dr Dawid de Villiers**, Deputy Secretary-General of the WTO, welcomed delegates on behalf of WTO and thanked the Minister of Tourism and the Government of Tanzania for their collaboration. He described tourism as one of the world's pace-setting activities, with a very positive future and a tendency to bounce back with vigour after a crisis. This dynamism means that it can, and should, be managed in

such a way that it addresses the most challenging problems of our time, foremost of which is the reduction of poverty. Dr de Villiers outlined some of the actions that WTO is taking in this field, notably the ST-EP (Sustainable Tourism - Eradication of Poverty) programme, which has received a initial input of resources from the Republic of Korea. He also underlined the special relevance of tourism to poverty alleviation. The way forward is to strengthen linkages within local economies and to take practical steps, such as the facilitation of micro-credit.

**Mr Salmon Odunga**, Permanent Secretary, Ministry of Natural Resources and Tourism, welcomed delegates on behalf of the Government of the United Republic of Tanzania. He emphasised the importance of tourism to Tanzania, accounting for 16% of GDP and 25% of foreign exchange earnings. The subject of the seminar is very timely for Tanzania, which is putting the final touches to its Poverty Reduction Strategy. Mr Odunga identified some of the practical initiatives in Tanzania that link tourism to community involvement in the sustainable use of natural and cultural resources. These include the utilisation of a proportion of revenues to game reserves and protected areas to support community projects. In addition, the Cultural Tourism programme has established a network of 20 community-based tourism modules, from which a third of the income goes into Village Development Funds. A challenge is to empower District Authorities to share in the concerns and become effective promoters of tourism projects that will address poverty reduction.

### **First working session: Tourism trends in Africa and the relevance of tourism to poverty alleviation**

**Mr Ousmane Ndiaye**, Regional Representative for Africa, WTO, identified some of the challenges of tourism in Africa and WTO's aims for the region. He said that Africa was receiving too small a share of world tourism, partly owing to lack of finance, poor infrastructure and a weak image. Countries in Africa need support in defining their tourism policies, involving banks and investors, developing know-how and utilising information technology. A challenge is to create more local jobs. Mr Ndiaye went on to give a comprehensive statistical overview of tourism in Africa, pointing to a relatively strong recent performance compared to some other parts of the world, and good future prospects. It is important to take note of some recent trends in world markets such as do-it-yourself holidays and late bookings.

**Dr Richard Denman**, WTO Expert, looked at the comparative incidence of tourism and poverty and the response to this around the world. He pointed out that poverty was partly about quality of life and the availability of choices, not only a monetary measure of income per head. Encouragingly, in the last decade the growth in tourism arrivals has been significantly higher in low income countries than in high income ones, but the former still account for only 4% of tourism receipts. Tourism is the principle export for one in three of all developing countries. There are many reasons why tourism can be particularly relevant to poverty alleviation, notably because of its potential in rural areas where three quarters of the world's poor are to be found. This needs to be reflected in national government policies, including ensuring that tourism is fully recognised in Poverty Reduction Strategy Papers, and in action programmes at a destination level. In addition, there are many good examples of where the private sector of tourism has woken up to its social responsibility towards poor communities: this needs to be fostered.

The subsequent **discussion** centred on issues relating to tourism knowledge and information. There was concern about the accuracy and application of statistics, and about the need to define poverty lines at a local level. Many delegates commented

on the damaging effect of foreign countries' insensitive travel advice to their citizens. Other issues discussed were the role of government versus the private sector, the need for partnership, and the relative priority that could realistically be given to tourism as against other pressing social problems such as HIV/AIDS.

## **Second working session: Mechanisms for maximising benefits for the poor from tourism**

**Dr Richard Denman**, WTO Expert, outlined seven different methods of channelling tourism spending more directly towards the poor. This seven point model is described in the recent WTO publication *Tourism and Poverty Alleviation – Recommendations for Action*, which had been provided in electronic form to all delegates and is available from the WTO. In each case, he outlined the advantages of the approach, the challenges to address, and the actions to take. The seven methods were divided into three groups, and after presenting each group an interactive discussion was held with delegates.

- 1) Employment of the poor in tourism enterprises  
Supply of goods and services to tourism enterprises by the poor

This covers issues such as working conditions, contracts, flexible job opportunities and the way vacancies are advertised. It is also about strengthening the local supply chain, addressing issues such as auditing of sources, quality and reliability. Points raised in discussion included international competition for jobs, the seasonality of tourism employment, the need to identify poor people, and the need for training.

- 2) Direct sales of goods and services to visitors by the poor (informal economy)  
Establishment of tourism enterprises by the poor (formal economy)

This covers issues of trading conditions, licensing, quality improvements amongst street traders, etc. The fundamental preconditions for success with micro or community-based businesses were presented, together with the various types of enterprise support. Discussion centred on the vital importance of marketing assistance, networking between enterprises, avoiding institutional dependency, and the need for local empowerment.

- 3) Tax or levy on tourism income with proceeds benefiting the poor  
Voluntary giving by enterprises and tourists  
Investment in infrastructure, stimulated by tourism, also benefiting the poor

This covers issues such as consumer willingness to pay, hypothecation of taxes, donation processes and selection of beneficiary projects. It is also about the careful planning of infrastructure development, involving local communities. Discussion covered the use of taxation as an incentive to enterprises, and community participation processes.

## Examples and individual cases

**Mr David Erickson**, Project Director, Cullman and Hunt Community Wildlife Project, **Tanzania**, presented the work of his organisation in generating sustainable benefits for communities through hunting tourism in Tanzania. Hunting tourists are high spend (average USD 5,250 per head). Hunting companies are required by law to undertake community development activities. Recently the company has placed greater responsibility on the village communities to determine themselves what projects they wish to support through this assistance, backed up by capacity building activity. Clients are charged a 20% surcharge to support the community initiatives. Some give additional donations. Local village game scouts have been appointed to assist with anti-poaching work. In future, there is a need for greater harmonisation and clarity in policies, laws and regulations affecting hunting, conservation and community benefit.

**Mr Davis Barasa**, Tourist Officer, Ministry of Tourism and Wildlife, **Kenya**, presented a paper on behalf of Mr Kipkorir Lagat, Director of Tourism. He gave a comprehensive overview of tourism in Kenya and the relevance of the sustainable development of tourism, and especially ecotourism, to this. A case study of the Porini Ecotourism Project illustrated a successful partnership arrangement between the local indigenous community and a private investor. The project is one of the most successful of its kind in Kenya. Around 50,000 US dollars per year are generated for the local community and 37 local people are directly employed. Critically important to the success has been the commitment and knowledge of the initiator and his ability to link the project to markets. Although these sorts of arrangement can work well in Kenya, there is a clear need for capacity building and financial empowerment within communities to enable them to reap fully the benefits of ecotourism.

**Mr Lawrence Williams**, from the Makasutu project and representing the **Gambia** Tourism Authority, told the story of the development of a reserve and tourist lodges in the Gambia and how this had benefited local people. The investors had lived on the site for seven years and become immersed in local culture before starting the project. Makasutu provides an alternative product to Gambia's beach based tourism. A very strong emphasis has been placed on using local materials and local people in the construction and operation of the facility. A range of skills training has been provided, in guiding, craft manufacture etc. The Makasutu project is also helping local people establish their own community lodges, which will benefit from their co-location with the existing tourism business. As a result of the success demonstrated, the Ministry of Tourism, local government and tribal chiefs are all supporting the initiative. A Community Development Foundation is being established to receive donations from visitors to support projects relating to local quality of life, conservation and poverty alleviation.

**Ms Helen Lobowa**, Director of the **Uganda** Community Tourism Association (UCOTA), presented a paper on the development and operation of the association and one of the individual projects marketed through it. UCOTA is an umbrella membership organisation, offering capacity building, marketing and monitoring of quality standards. They press for the recognition of community tourism and played an important role in the development of the Uganda tourism policy. The Buhoma Community Rest Camp Development Association (a member of UCOTA) has been able to secure tangible benefits for the local community from visitors coming to observe gorillas in the Bwindi Impenetrable National Park. However, community based tourism faces many challenges including: the need to continuously educate

local people on the importance of conservation; the involvement of women in decision taking; the tendency for communities to divert funds and hence the value of grants in kind; and difficulties with maintaining consistency of quality standards, requiring close supervision.

The subsequent **discussion** centred on issues of community engagement in tourism projects. A lot of emphasis was placed on the relative merits of different types of ownership. There was general agreement on the advantages of collaboration between private entrepreneurs and communities. Other issues debated were the role of women and the disbursement of benefits to communities. There were also many comments on the somewhat disassociated issue of the merits and problems of hunting-based tourism.

### Wednesday 8<sup>th</sup> September

A field trip was conducted to the **Ngorongoro Conservation Area**.

The focal point of the visit was a meeting with representatives of the Massai community at a specially constructed traditional village (boma), which is used as a place where they demonstrate their culture to tourists. The Massai explained about the level of income they obtain from visitors and how this is shared on an equitable basis throughout the community. Different village communities are given the opportunity to spend time in, and benefit from, the 'cultural boma' on a rotation basis. Some of the revenue obtained is used to give a small personal income to the individuals involved. The rest goes into a bank for use on community projects, which have included food, medical facilities, veterinary services, and local schools. Visitor interest encourages them to maintain their traditional customs.

The study visit also exposed some of the issues connected with the management of nature and culture based tourism. This included the impact of the new road linking Arusha to the edge of the protected area, which has vastly improved access to tourist markets but had raised some questions over environmental impact. Visits to the historic heritage site of Olduvai and the Ngorongoro Crater, demonstrated the importance of such places as tourists magnets, but also underlined the need for high quality visitor management and concerns over carrying capacity, all of which have a bearing on the amount of tourism spending which is available for poverty work amongst the local community. Another important topic, which arose during the visit, was the need to strike a balance between the community desire to pursue agriculture, with its consequences for conservation, and the ability of tourism to provide an alternative income stream.

A **discussion** amongst delegates (held on the day following the visit) about what they had experienced, raised a number of points. There was concern about the real level of benefits seen by the Massai, and whether this is being put into projects that genuinely help the community. Some reassurance was given about this, but clearly there is a need for vigilance and transparency. The legal obligation on the Ngorongoro Conservation Area Authority towards the wellbeing of the indigenous population was emphasised. A management plan review will look at a number of issues and local people will be fully involved in this. The value of the new road, not only for Ngorongoro but also as an access route to the west of Tanzania, was emphasised, as was the number of studies undertaken before its construction.

Thursday 9 September

### **Third working session: Policies and responsibilities**

**Mr Eugenio Yunis**, Chief, Sustainable Development of Tourism, WTO, presented some basic considerations about the sustainable development of tourism, which form the context for initiatives on poverty alleviation. The forecasted sizeable growth in tourism movements by 2020 presents significant challenges if tourism is to effectively contribute to sustainable development. The key issues in the social, economic and environmental spheres are poverty eradication, changing unsustainable patterns of production and consumption, and the sustainable management of natural resources for development. Without the protection of its cultural and natural assets, no country could expect tourism to contribute to poverty alleviation with a long term perspective. Mr Yunis reminded delegates of international declarations and policy statements that had underlined the importance of tourism for poverty alleviation, such as the results of the World Summit on Sustainable Development. He outlined the relevant work of the WTO, including the ST-EP programme, and drew attention to various studies and publications produced by WTO that can help in planning and taking action.

**Dr Richard Denman**, WTO Expert, outlined the role of different stakeholders in alleviating poverty through tourism. International Development Agencies need to pay more attention to tourism, and work together to share knowledge and avoid duplication. Governments must ensure close integration between tourism and poverty reduction policies, and can use a range of instruments to influence action, such as planning controls, legislation, enterprise support, and marketing. Intra-regional bodies can help countries work together on this important shared aim. NGOs have a valuable role to play in representing poor communities, building capacity, supporting community based initiatives and identifying beneficiary social projects and distribution mechanisms. Destination management organisations, such as local authorities, are often well placed to build local networks, strengthen supply chains and control the informal trading sector. Finally, private enterprises can have a strong influence on poverty through their employment practices, choice of suppliers and information given to tourists.

The ensuing **discussion** raised some of the issues that policies and public bodies should be concerned about, such as visitor security. It was also felt that all kinds of projects could alleviate poverty and one should not be too prescriptive in this regard. A number of points were made about the important role of NGOs and the need to differentiate those that are genuinely community-based and recognise their own financial needs.

### **Examples and individual cases**

**Ms Dinah Mangope**, District Tourism Licensing Officer, Ministry of Tourism, Environment and Culture, **Lesotho**, presented the case of the Menkhoaneng Cultural Village and Heritage Site. This is a project concept, based on developing rural and cultural tourism in the birthplace of the founder of the Basotho nation. Ms Mangope explained how closely the aims of the project are aligned to a number of the country's policies and strategies, including the national Cultural Policy Framework, The National Environment Act, and the Poverty Reduction Strategy, as well as the National Tourism Policy, which calls for effective community involvement. This inclusive approach is also being reflected in the structures that are being established

to develop and run the project, which involves a number of agencies, the community and the private sector working together.

**Mr Giles Davis**, Conservation Capital project, SNV, **Kenya**, presented a tool for looking at the viability of community-based ecotourism, based on a study in north Kenya and an examination of evidence from the rest of the world. The key message, embraced in the tool, is that ecotourism projects must be demand led and based on sound business principles if they are to be economically sustainable. Projects need to demonstrate demand not only in the form of potential markets but also in terms of required conservation and community gains from the project. Much of the tool is about identifying whether conditions for a viable enterprise are in place, including natural resources, access, security, etc., before going on to consider ways of developing viability through marketing and management processes.

**Ms Ine Schaekers**, Sawadee Reizen, **The Netherlands**, presented the experiences of a small specialist tour operator, based in Europe and active in promoting responsible travel experiences in Africa. She pointed to a growing interest in community based tourism, especially where a programme can combine the highlights of a country with an experience of village life. Tour operators such as Sawadee can bring positive benefits to poverty alleviation through their purchasing policies, information to clients before and during tours, and working as partners with local projects, giving feedback on market needs. Their experience is that it is important to stress quality rather than sustainability in initial marketing messages, but when people arrive in African countries they often become very interested in poverty issues and want to help. Challenges include lack of quality at the local level, for example in restaurants, and insufficient transparency about how money received is used. Tour operators could work more closely with development agencies and local communities in the development of projects.

The **discussion** that followed paid particular attention to the balance between a market and a product led approach to development. There was general agreement that all projects need to be based on sound economic and market assessment, but some can be initiated by a product opportunity or a community need. The opportunity to work more closely with tour operators was widely accepted.

#### **Fourth working session: ST-EP Pilot Project**

**Mr Argaw Berga**, Head, SNNPRS Tourism and Transport Bureau, **Ethiopia**, spoke as a representative of one of the regions in Ethiopia where WTO has been looking at opportunities for piloting work on poverty alleviation through tourism as part of the ST-EP programme. He outlined the tourism assets and poverty situation in the Southern Region, which is one of the poorest parts of Africa but very rich in visitor interest. He explained how this region is making a significant commitment to poverty alleviation through tourism, and described the strategy to be pursued. A wide variety of integrated actions are being considered.

**Dr Richard Denman**, WTO Expert, presented the results of a recent mission he had conducted in Ethiopia. This is a country with 30m people below the poverty line but which is beginning to see significant market growth in tourism. 15 possible projects were identified during the mission. Some of these are in Lalibela, which contains a stunning historic site comprising twelve rock-hewn churches, in an area of extreme poverty. Possible projects there include a new water supply, a creative visitor centre, a coordinated visitor contribution scheme, a rural community initiative and support for handicraft production. Projects identified in the Southern Region include a

community-based ethno-cultural tourism project, and work with existing cooperatives and a new national park management body. Other possible projects include work on the supply chain to hotels in Addis Ababa and a generic project on strengthening the way handicraft production relates to tourism markets and delivers benefits to the poor. To create the context for success, greater recognition of tourism is needed at a national level, together with capacity building regionally and locally, and fostering the already active and interested private sector.

## **Conclusions and final recommendations for action**

A summary of the main points made during the discussions was presented to delegates. This was approved as an accurate account. A further discussion followed, elaborating on some of the points previously made and adding new ones. A final summary, which includes the points from this concluding discussion, is presented below.

### ***The background conditions for success in tourism***

- Trade negotiations and unfair terms of trade could damage all that we do, unless they are very carefully handled.
- Tourism statistics are still very weak in most African countries and prevent sound planning.
- We need to be realistic when putting the case for tourism support and the priority we can expect governments to give to this, as against HIV/AIDs etc.
- Influences on the international market at source are critically important – especially travel advisories, which need to be more accurate, specific, detailed and up to date.
- WTO, recipient governments and source governments all have a role in influencing travel advisories. The spin put on them by media can be critical.
- Security measures and guidelines about security are important for the overall performance of tourism and the success of projects.

### ***Selecting tourism as an option for poverty alleviation***

- Tourism is well placed to influence poverty and tourism jobs can be very valuable in giving poor people self-esteem.
- We need to avoid being overly optimistic. Visions are important but we must not raise false hopes.
- Tourism can be good as a way of addressing poverty through enterprise formation, but entry barriers are not always low. Establishment costs can be high for some types of business.
- Seasonality may be a problem in terms of returns from tourism, but can enable tourism to be fitted in alongside other livelihood activities.

### ***Who should be engaged in the process, and how can their participation be strengthened?***

- Governments have a leading role to play, not in running enterprises, but in coordination, planning, support, etc.
- We must be aware of financial constraints, for example on Tourist Boards.
- Communities can benefit from the anchor provided by private investors.
- Good contracts between local communities and private sector enterprises are very important. Detailed advice may be needed here. Local communities must get what is their right.

- Communities must really participate, take their own decisions and if necessary learn by their mistakes, rather than becoming dependent on institutions.
- Communities should be given user rights.
- It can be hard to identify “the community”. NGOs can help here.
- We may never succeed unless we tackle the ownership and empowerment issues of poor communities. This is essential for long term benefit.
- People with drive and genuine commitment tend to be a key to success.
- Visitors will respond and support local causes enthusiastically.
- Strengthening resources for relevant NGOs is important. However, one should distinguish between community-based NGOs and others. We need to understand where they are coming from and their funding cycles.
- Tour operators can play a very positive role, not only in marketing but also in working with communities and development organisations in informing product development.

### ***Developing approaches and actions***

- When deciding on approaches, we should identify who the poor are and then make interventions that are relevant to them.
- We need to be quite detailed in identifying poverty – e.g. setting poverty lines at a district level.
- We need to ask “what are the problems and needs of your community?” – and women must be listened to.
- We must avoid thinking only about national parks but also include rural tourism outside parks.
- Poverty alleviation measures through tourism must take account of the need for sustainable land use policies.
- When considering possible minimum wage levels one must take account of what is needed by people to sustain a livelihood.
- We need to be careful about limits to tourism development, which may be environmental, social and economic limits.
- Projects should not be simply product driven and especially not simply government driven. There must be a clear understanding of the market from the beginning, but projects may have a product opportunity as an initial motivator.

### ***Support required***

- Small community projects can’t stand alone – the need for marketing support is essential.
- Ecotourism projects must be based on sound business planning.
- When involving the poor in tourism employment one must not compromise on standards. Basic customer care training is required.
- Grass roots communities need support in strengthening information and communications, including use of new technology.
- Help is needed on pricing issues, including for handicrafts.
- Access to affordable credit is very important.
- Perhaps tax incentives can be used more to influence private sector investors to take on board poverty alleviation measures.

### ***Ensuring benefits go to the right people***

- We need to set targets and monitor whether tourism is really doing something about poverty.
- We need to be watchful about where money from tourism goes to in the recipient communities. Benefits in kind can be more certain to meet needs.
- It is important to have transparent auditing of how money from tourism is being distributed to, and used within, communities.
- Women tend to be poorer than men. There was a specific request from Tanzania to WTO for help with a project to develop the involvement of women in tourism.

In concluding this session of the seminar, Mr Eugenio Yunis, Chief, Sustainable Development of Tourism, WTO, drew the delegates attention to three key points which he believed were crucial to the process of poverty alleviation through tourism:

1. Examining the supply chain to tourism enterprises and seeking changes that will bring more benefits to the poor.
2. Involving the whole of government in the task, and especially including tourism in Poverty Reduction Strategy Papers.
3. Mounting an information campaign directed at tourists themselves, which suggests ways in which they can help.

### **Closing ceremony**

**Mr Saleh Pamba**, Director, Tourism Division, Ministry of Natural Resources and Tourism, Tanzania, and **Mr Ousmane Ndiaye**, Regional Representative for Africa, WTO, performed the closing ceremony. They thanked all those involved in making this seminar a success. All delegates were presented with certificates of attendance, and were praised for the high level of interest and interaction that they had demonstrated throughout the proceedings.