

Tourism and development aid: an international organisation's perspective in East & Southern Africa

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Introduction

SNV, Netherlands development Organisation, provides advisory services to nearly 1800 local organisations in over 30 developing countries to support their fight against poverty.

SNV is dedicated to a society where all people enjoy the freedom to pursue their own sustainable development. Our advisors contribute to this by strengthening the capacity of local organisations. SNV's goal is to support local actors to strengthen their performance in effectively realising poverty reduction and good governance.

Poverty results from unequal access to resources and power, between different social and cultural groups and between men and women. SNV believes the basic purpose of development is to enlarge people's choices; to create an enabling environment for people to enjoy long, healthy and creative lives.

The fight against poverty needs strong organisations that serve the interests of the poor and are able to change the structures that sustain poverty. SNV works with organisations that operate at district and provincial level and function as linking pins between national policies and frameworks and the people living in towns and communities. Its clients include private, governmental and civil society organisations.

These organisations are served by locally present teams of national and international experts. SNV's added value is that its experts combine their thematic expertise with skills in organisational development, partnership building and institutional strengthening. Capacity development of local organisations is crucial for sustained poverty reduction and good governance. It must be linked to tangible impacts and must focus on key local actors, including local capacity builders. Capacity development must be embedded within national development strategies (National Poverty Reduction Strategies or other). Capacity development is not about transferring resources, but about facilitating resourcefulness. National Poverty Reduction Strategies will fail if the macro-micro divide is not bridged. Access to national level policy setting, planning and resources is critical for effective poverty reduction by local actors. Capacity Development Services offered to key actors at the intermediary level contributes to making the system work and thus to impact.

Sustainable Tourism

Sustainable Tourism is increasingly recognised by Governments and international development agencies such as The Netherlands Development Organisation, SNV, for its enormous potential for poverty reduction¹. Sustainable and Pro Poor Tourism seeks to maximise the potential of tourism for eradicating poverty by developing strategies in cooperation with key stakeholders, at local and national levels. Although revenue from tourism is the primary source exchange earnings for most of the Least Developed Countries, tourism development in these countries often favours outside investors. Profits are rarely shared with those who need it most. National and local governments often lack the knowledge and experience to involve communities in tourism planning and

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¹ SNV's Framework Letter 2005-2006

design policies that contribute to the fair distribution of wealth. Most local communities have little understanding of the tourism industry and lack the capacity for generating sustainable profits and the confidence to work with government to develop policies that are in their favour.

Benefits derived from tourism are diverse, including direct benefits such as employment and income; and indirect benefits, such as improving the pro poor access, coverage, delivery and quality of basic services (water and sanitation, energy, health and education). Other beneficiaries include producers and suppliers along the tourism market chain, such as suppliers of vegetable and fruits, small and medium enterprises, construction, agro-business and financial institutions, etc. SNV helps its partners to maximise the contribution of sustainable tourism towards poverty alleviation. SNV aims to strengthen its partners' abilities to enhance the local economic impact from tourism through policy and strategy development, community mobilisation, business training and environmental conservation.

Sustainable Tourism & SNV

From 2000 to 2006, SNV went from project implementation to capacity development, and from community-based tourism to sector wide support. SNV was working in 6 countries in 2000 and now works in 25 countries in 2006. Number of advisors increased from 8 advisors in 2000 to over 40 tourism advisors in 2006. The fastest growth happened between 2004 and 2005, moving from 10 countries to 25 countries, and from 20 advisors to 40 advisors. Ten tourism advisors are working in East & Southern Africa in November 2006: Ethiopia, Uganda, Kenya, Rwanda, Tanzania, and Mozambique.

Sustainable tourism development services are part of SNV's contribution to the worldwide fight against poverty, in particular as it relates to the Millennium Development Goals (MDGs). Sustainable and pro poor tourism is directly linked with the MDGs concerning economic benefits and natural resource management, and offers opportunities to mainstream gender equity and response to HIV/AIDS issues.

MDG	How sustainable and pro poor tourism contributes.....
1 - Eradicate extreme poverty and hunger	Spreads employment and income generating opportunities throughout a wider segment of the population and for the poor.
3 - Promote gender equality and empower women	Mainstreams gender in tourism policies and strategies (at national and regional levels) and provides equitable access to benefits for women in tourism activities, strives for female leadership and fair working conditions for women.
6 - Combat HIV/AIDS	Supports introduction of HIV/AIDS workplace policy. Provides entry points to raise awareness about HIV/AIDS transmission.
7 - Ensure environmental sustainability	Provides an economic incentive to protect the environment and promotes a sound understanding of the value and importance of natural resources and of cultural landscapes to the host population and Africa's visitors, and generally acts in favour of biodiversity conservation.
8 - Global Partnership	With national and international agencies contributing to marketing of local tourism products to increase local economic development and the national economy for poverty alleviation.

SNV supports organisations from national to local levels that are responsible for tourism by helping them to transfer their commitments to poverty reduction into sound policies

and effective practical actions. These organisations are clearly positioned to bring about enduring changes in the tourism industry from which the poor can truly benefit.

A strong vision drives SNV's East & Southern Africa tourism advisors: 'Social, environmental and economic sustainability is governing tourism development in Africa. National tourism policies and strategies include pro poor tourism principles. Governments and private sector collaborate to ensure equitable benefits flow to local economies. The pattern of tourism expenditure is changed and the amount reaching the poor is greater. Communities, vulnerable minorities, women and indigenous people are positively engaged in tourism'.

SNV's work in community mobilisation is done mainly with local governments, national parks authorities and tourism business associations. SNV supports these organisations in involving local communities in their planning processes and maximising tourism benefits for the local poor. SNV works as well with NGOs to support local communities mainly with new tourism product development. SNV improves their understanding of the tourism industry, their abilities to generate sustainable profits and to gain confidence to work with national and/or local authorities and with visitors!

Many challenges remain; mainstreaming pro poor principles in tourism development is a slow process requiring permanent effort and focus; Institutional change cannot be achieved in the short medium term; both Governments' Departments and private sector engagements are needed.

If SNV is recognised among one of the leading organisations dealing with pro poor tourism on the ground, SNV needs effective alliances for accomplishing its strategy. SNV seeks to establish strategic alliances and partnerships with like minded organisations to create synergies and complementarities of activities based on a pro poor tourism approach. UNWTO² is one of SNV's major partners.

Tourism in Africa³

The last decade, tourism in Africa has taken flight, with increasing numbers of tourists (international, regional and national) enjoying hitherto relatively unknown attractions and unspoilt natural resources. In 2006, Africa was the world's regional leader in tourism growth at 8.1%, while Sub-Saharan Africa experienced growth of over 9.4%, primarily in South Africa, Kenya, Mozambique, Swaziland and the Seychelles. (UNWTO, February 2007) Forecasts suggest demand for new tourist attractions will continue to increase in the coming years, creating real opportunities for tourism to be a major contributor to poverty reduction in Africa.

In recent years there have been improvements in economic conditions and political stability in Africa, resulting in a more positive environment for tourism. A wide range of infrastructure investment has been undertaken, particularly in accommodation, roads and airport improvements. Efforts continue on improvements to immigration procedures, which are often slow and cumbersome.

Shortages in air transport linking Sub Saharan Africa to major international and national markets have also seriously affected international and regional travel. Additional constraints include limited infrastructure and investment capital, skilled human resources, services and amenities for tourists, and a sometimes unfavourable image.

² UN World Tourism Organisation

³ SNV Africa Sustainable Tourism Framework 2007 (unpublished)

While governments and the private sector are becoming increasingly aware of Africa's tourism potential and seek to respond to demand by boosting tourism arrivals, and diversifying and marketing tourism products and services, in many countries these responses are characterized by un-checked and haphazard investment efforts. Some are successful; however, many do not meet expectations, creating frustration and resentment among local communities where the poor live. Local communities often are not informed of tourism plans, nor involved in their development, and lack the necessary training and education to qualify for jobs as guides or in hotels and restaurants. Communities must be partners in the development of tourism in their area to identify and participate in the economic opportunities that are created and to avoid exploitation.

The enabling environment particularly relating to policy and planning is improving in most countries; however, greater awareness of pro poor approaches to tourism is necessary. At almost all levels within government and the private sector, there is limited capacity for tourism development. Officials in tourism ministries require technical support to promote local economic development and sensitisation on ways to involve the poor in tourism development. Dialogue and clarity on stakeholder roles and responsibilities is necessary between provincial and local government and tourism entrepreneurs if tourism services and attractions are to be successfully created and maintained.

Market chain development, stakeholder linkages and business environment services are key issues impacting on the business environment. The booming tourism industry in Africa creates an opportunity to influence and improve the business environment.

The strength of African tourism lies in its cultural and environmental resources, and the diversity and authenticity of its products. Ancient cultures, unique natural parks and unspoiled beaches, together with a fascination of the African continent by international tourists, provide the competitive advantage of Sub-Saharan African tourism.

Tourism in Rwanda⁴

Tourism is tiny but important to Rwanda. Poverty is extreme. A big challenge is to harness tourism for poverty.

Rwanda is a small land linked country situated in Central Africa on the watershed between Africa's two largest river systems: the Nile and the Congo. Much of the country's 26,338km² is impressively mountainous, the highest peak being Karisimbi (4,507m) in the volcanic Virunga chain protected by the *Parc des Volcans*, home to the world's biggest number of endangered mountain gorillas. The largest body of water is Lake Kivu, but numerous other lakes are dotted around the country, notably Burera, Ruhondo, Muhazi and Mugesera. Also popularly known as 'the land of a thousand hills', the country lies 75 miles south of the equator in the Tropic of Capricorn, at about 880 miles west of the Indian Ocean and 1,250 miles east of the Atlantic Ocean. Rwanda is bordered by Uganda to the North, Tanzania to the East, Burundi to the South and the Democratic Republic of Congo to the West. The capital of Rwanda is Kigali.

⁴ In Verdugo, D. (2007) Analysis of Government's incentives for increasing local economic impacts of tourism in Rwanda. SNV

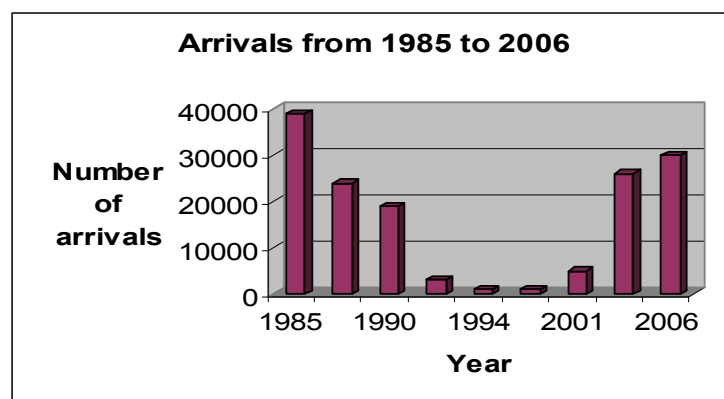
Administrative Map of Rwanda



Rwanda's economy still may be small and predominantly agricultural, but in recent years, with political stability, it has posted an impressive 9.9% GDP growth rate at the same time reducing inflation to 3.2% and currency depreciation to only 6.5% per annum. Foreign exchange controls have been liberalized and the banking system is sound and thriving⁵.

The major exports of Rwanda are coffee, tea, mining and tourism. Coffee is one of Rwanda's leading export cash crops and makes up to 50% of the total export value, while the mountain grown tea is considered to be some of the finest in the world. International Tourism Receipts counts for 8.9% of exports of goods and services in 2005⁶.

Before the period of 1990-1994, Rwanda had become an established tourism destination. Unfortunately, the dramatic events of 1994 devastated the economy and the tourism industry in Rwanda.



Constraints to the Development of Tourism in Rwanda

Source: Data from ORTPN

⁵ UNDP Rwanda Country Profile 2005

⁶ Data collected during 2006 by World Tourism Organisation (UNWTO)

The security situation has been re-established in the country and Rwanda tourism industry has experienced a revival since 2002. An international campaign launched tourism again in 2003. Rwanda is currently booming and ahead of its targets set in 2004 in both tourists' arrivals and foreign exchange earnings⁷. The number of visitors to Rwanda in the year 2005 was estimated at 26 000. This is now superior to 24 000 recorded in 1989, but not yet back to the earlier peak of 39,000 in 1984.

In that same year of 2005, international arrivals to Rwanda registered a 16% growth above the average 13% for Sub Sahara Africa⁸. It is notable that Rwanda with such high growth rate of tourism also has focused and funded government strategies directed at tourism infrastructure development and promotion⁹. The aim is to attract 70,000 international tourists in 2010. There were above 30,000 before ending 2006 (ORTPN November 2006). An annual 16 to 20% growth rate up to 2010 will match this aim.

All-year-round tourism is possible in Rwanda due to a good temperate climate with an average temperature of 19° C. Most visitors come in July and August being dry season and holiday period in Europe and America. Rwanda does not have proper statistics and data yet but an extension of this period has been noticed in 2006¹⁰. Although climatic conditions are strength for tourism, analysis of the current situation shows that in the international market, the tourist sites exploited in Rwanda are limited in comparison with their potential. Tourism to Rwanda is still highly focussed upon short visits¹¹ to the Mountain Gorillas.

As small as beautiful, Rwanda under exploits today its tourism potential.

Rwanda Tourism Products

Main product: Mountain Gorillas in the *Parc National des Volcans*
Growing products: (1) Two other national parks, specifically *Parc National de Nyungwe* in the South West of the country and *Parc National de l'Akagera* (main product up to the 80')
(2) New attractions in the *Parc National des Volcans*
(3) Cultural tourism (emerging)
(4) Kigali City Tour

Source: - ORTPN 2006

Conclusion on Pro Poor Tourism in Rwanda¹²

The three-pronged Pro Poor Tourism approach is more tourists, more spend per tourist, and more of that spend reaching the poor.

Given the extent of poverty, getting tourism going in Rwanda is vital for economic growth and poverty reduction. More arrivals and more income from tourism mean more jobs. At

⁷ On The Frontier Rwanda 2006

⁸ UNWTO (2006) Africa is this year again the world's leader in terms of growth in international tourist arrivals. Between January and August 2006, international tourist arrivals to the region increased by 9.8%. Sub-Saharan Africa (+12.6%) leads the performance so far.

www.world-tourism.org/newsroom/Releases/2006/november/barometer06.htm

⁹ The World Bank - Africa Private Sector Development, Number 16, July 2006

¹⁰ Remark by Rosette Rugamba, DG ORTPN (October 2006)

¹¹ Length of stay went from 4 days in 2004 to 4.5 days early 2006 (ORTPN 2006)

¹² In Verdugo, D. (2007) Analysis of Government's incentives for increasing local economic impacts of tourism in Rwanda. SNV

the same time, it is important to look at how much of the expenditure reaches the poor and who participates.

Local economic benefits from tourism include informal sector activities mainly in transport (on roads and lakes), handicrafts, guiding and for a lesser part but certainly growing, cultural dancing, community tours, home stays and meals. Accurate and detailed information is missing on these existing benefits. SNV undertook in 2006 a brief analysis with one of their partners¹³. A one day community trip by a group of 3 people will bring US\$80 into around 3 communities, reaching 51 people directly. The entire four-day visit to Rwanda costs this group just under US\$ 3,000.

While tourism is now being developed, and receiving significant consideration and investment in Rwanda, is an ideal time to incorporate approaches that maximise opportunities for the poor. A good chance is to create an industry that, from the start, is pro poor in its structure and becomes as a result a model in the region. There are many ways in which policies and strategies are heading in this direction. Many things are already underway. Recently, substantial public and private investments have been made in tourism. The full range of Rwanda's resources has yet to be realized, but there are clearly opportunities in the emerging tourism industry. Since the security situation is re-established in the country, Rwanda's tourism industry is experiencing a promising increase towards economic growth and poverty alleviation.

This is unquestionably a time of fast change for the Rwandan tourism sector.



Local tour guide showing basket weaving to tourist visiting communities in Northern Rwanda
© Dominique Verdugo (2006)

¹³ Presented at a Regional Tourism Workshop in Kigali in October 2006