

Tourism in transfrontier protected areas and poverty reduction

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Connecting People's Capacities

Overview of presentation

- A. Background on SNV
- B. Tourism and poverty reduction: 7 mechanisms
- C. 3 transboundary protected areas: Kavango Zambezi; Great Limpopo TP; Virunga Massif
- D. *Methods of evaluation*
- E. *Status of the tourism industry*
- F. *Impact of tourism on the local economy*
- G. What we don't know
- H. How to promote more tourism in TFCAs
- I. How to promote more impact on poverty from TFCAs
- J. Summary



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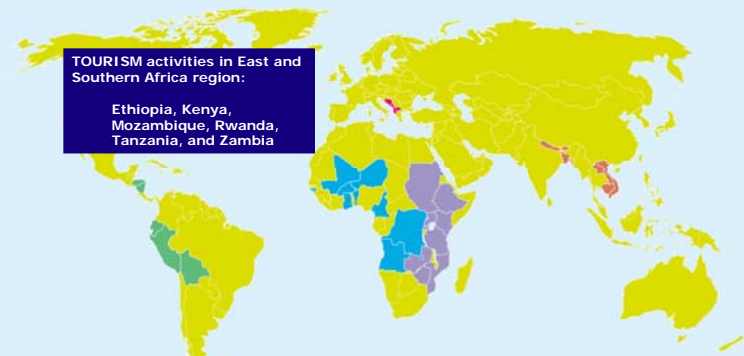
A. Background on SNV

Mission statement:

- SNV is dedicated to a society where all people enjoy the *freedom* to pursue their own *sustainable development*. We contribute to this by *strengthening* the capacity of *local organizations*
- **An advisory organization** – not a project implementing international NGO
- **Capacity strengthening** of national/local organizations is the main focus
- 2 main focus areas: **Economic development** and delivery of **Basic Services**



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Latin America	West and Central Africa	East and Southern Africa	Balkans	Asia
Honduras Nicaragua Ecuador Bolivia Peru	Mali Niger Guinea Bissau Burkina Faso Ghana	Benin Cameroon Angola DR Congo	Sudan Ethiopia Uganda Kenya Rwanda	Tanzania Zambia Mozambique Zimbabwe
			Albania FYR Macedonia B Herzegovina Montenegro	Nepal Bhutan Lao PDR Vietnam Cambodia Bangladesh



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Key questions:

How to increase the size of the 'tourism' cake?

How to increase the proportion of the 'tourism' cake for the poor?

Destination: type of tourism	Pro-poor income (PPI) as % of destination spending
Northern Tanzania: mountain climbing	28%
Ethiopia: cultural outside Addis	27%
Luang Prabang, Laos: cultural	26%
Central Vietnam: business tourism	25%
South Africa: game viewing	20%
Northern Tanzania: safari	18%
Cape Verde: beach package	17%
Namibia: protected areas	16%
Ethiopia: business in Addis	16%
The Gambia: beach package	14%
Ghana: business in Accra	10%
Cambodia: cultural	8%

Pro-poor income (PPI) as % of destination spending

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B. Tourism and poverty reduction: 7 mechanisms

1. **Employment** of the poor in tourism enterprises
2. **Supply of goods and services to tourism enterprises** by the poor or by enterprises employing the poor
3. Direct **sales of goods and services to visitors** by the poor (informal economy)
4. **Establishment and running of tourism-related enterprises** by the poor - e.g. micro, small and medium sized enterprises (MSMEs), or community based enterprises (formal economy)
5. **Tax or levy** on tourism income or profits with proceeds benefiting the poor
6. **Voluntary giving/support** by tourism enterprises and tourists
7. **Investment in infrastructure** stimulated by tourism also benefiting the poor in the locality, directly or through support to other sectors

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C. Three transboundary protected areas

- **Virunga Massif:** Rwanda, Uganda, Democratic Republic of Congo
- **Kavango – Zambezi (KAZA):** Angola, Botswana, Namibia, Zambia, Zimbabwe
- **Great Limpopo TP:** South Africa, Mozambique, Zimbabwe

OVER 120 MILLION HECTARES ENVISAGED

Map: © Peace Parks Foundation


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Kavango Zambezi (KAZA)

Map: © Conservation International

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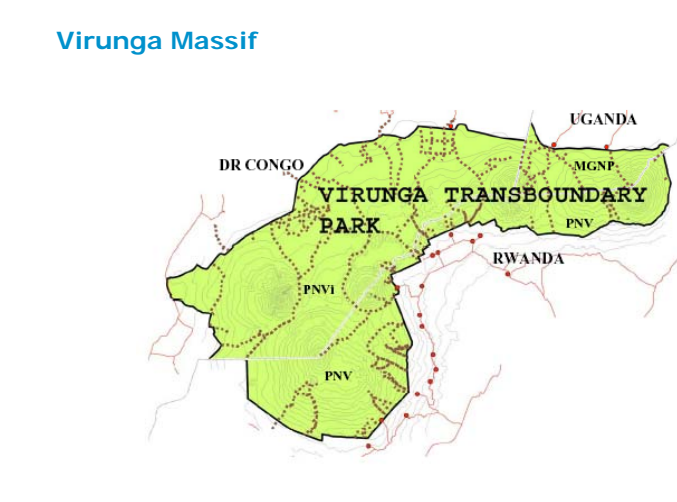
Great Limpopo Transfrontier Park (GLTP)




Map: © Peace Parks Foundation

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Virunga Massif




Map: © FSDA (Mheta and Katee)



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D. Methods of evaluation


- **KAZA:** structured interview-based survey of 102 accommodation enterprises (N=178) and 26 tour operators in 2004 (N=69) (Suich, 2008), funded by Conservation International
- **GLTFCA:** structured interview-based survey of 55 accommodation (N=250) and 21 tour operators (N=53) (Spenceley, Dzingirai & Tangawamira, 2008), based on Suich's methods, funded by IUCN SASUSG. Zimbabwe and South Africa
- **Virunga Massif:** desk research, semi-structured interviews and value chain analysis in Rwanda including with 18 accommodation (N=18) and 1 tour operator (N=1) (ODI, 2008; SNV, 2009; Mheta and Katee, 2005)



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Some basic statistics on the 3 TFCA

	Area	Number of national parks	Approx Tourists p/a
Kavango-Zambezi TFCA	400,000 km ²	67 National Parks, game reserves, CCAs, GMAs, WHSs	314,000 (2004)
Great Limpopo TFCA	100,000 km ²	5 National Parks	1.4 million (2008)
Virunga Massif TFCA	500 km ²	3 National Parks	21,000 (2009)



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E. Status of the tourism industry

	Type of enterprise	Capacity	Revenue	*Operating expenditure
Kavango-Zambezi TFCA (2004)	- Accommodation	3214 rooms with 6629 beds	US\$ 89.4 million (accommodation, tours, F&B)	US\$ 66.0 million
	- Tour operators	226 vehicles with 2926 seats	US\$ 10.4 million (tours, F&B)	US\$ 8.1 million
Great Limpopo TFCA (SA, Moz) (2008)	- Accommodation	1186 rooms with 2925 beds	US\$ 92.5 million (accommodation, tours, F&B)	US\$ 35.7 million
	- Tour operators	129 vehicles with 4892 seats	US\$ 8.1 million (tours)	US\$ 1.2 million
Virunga Massif TFCA (Rw) (2009)	- Accommodation	437 rooms with 860 beds	US\$ 6.1 million (accommodation)	Unreliable data
	- Tour operators	1 vehicle	US\$ 6000	No data



*Operating expenditure = wages, salaries, non-wage operating costs, and taxes

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F. Impact of tourism on the local economy

	Local ownership		Number of local employees	Local wages	Local expenditure
Kavango-Zambezi TFCA (2004)	49% local 21% KAZA 12% foreign 11% other 7% corporate	- Accommod.	4662 (95%) • 2843 male • 1819 female	\$ 12.6 million	\$ 19.4 million
		- Tour operators	616 (87%) • 425 male • 117 female	\$ 1.8 million	\$ 2.8 million
Great Limpopo TFCA (SA, Moz) (2008)	69% local 14% foreign 7% national	- Accommod.	5128 (62%) • 3508 male • 1620 female	\$ 24.5 million	\$ 0.5 million* (underestimate)
		- Tour operators	529 (76%) • 333 male • 166 female	\$ 609,000	\$ 444,000
Virunga Massif TFCA (Rw) (2009)	39% local 61% foreign	- Accommod.	256 (39%) • 72 male • 33 female	\$ 800,000	\$ 700,000
		- Tour operators	7 (100%) • 4 male • 3 female	\$ 8400	No data

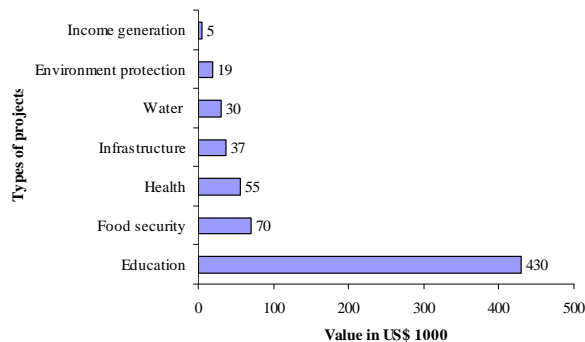


*No values given by South African enterprises

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F. Impact of tourism on poverty reduction: non-financial impacts

- KAZA/GLTFCA – Not measured. \$ impact measured, but not related to the number of poor people benefiting/who are no longer poor
- Virunga Massif (Rwanda, 2005-9):



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G. What we don't know

- How best do we measure impact on poverty?
 - Quantitative studies like KAZA/GLTFCA or quantitative + qualitative studies like Virunga Massif? (i.e. poverty is not just about \$\$)
- How do we tell if TFCAs have a synergistic impact on tourism or poverty reduction?
 - These studies don't tell us . . . does a TFCA generate greater benefits than individual protected areas?
- What if you don't have data from every country, and if studies are not done at the same time?
- Is it better to have a triple-bottom-line assessment approach?
 - Assess economic, environmental, social impacts



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A practitioner perspective

- Promoting more tourism in TFCAs, and a greater impact on poverty



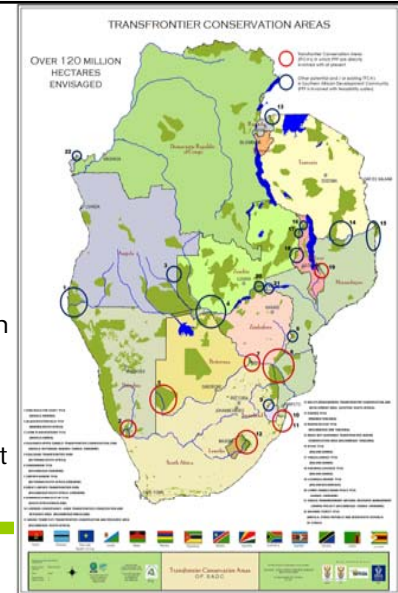
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H. Ways promote more tourism in TFCAs



- Marketing and promotion
- Access
- Joint planning
- Destination management



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Issues to promote more tourism in TFCAs

- Marketing and promotion: By destinations

www.boundlessa.com

Issues to promote more tourism in TFCAs

- Marketing and promotion: Private sector



Machampane Camp & Wilderness Trails

Machampane Camp & Wilderness Trails

Great Limpopo Transfrontier Park

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<http://www.tourismthatcares.org/tourism-services-africa/mozambique/machampane/>

Issues to promote more tourism in TFCAs

2. Access to and between countries within TFCAs

- ▶ Gates in GLTFCA between Kruger and Limpopo NPs
- ▶ No transboundary access in Virunga Massif

Map © Peace Parks Foundation

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Limpopo National Park

Issues to promote more tourism in TFCAs

3. Joint-tourism plans and programs:

- ▶ Virunga Massif plan (2005) not implemented
- ▶ GLTFCA tourism plan

Map © Mheta and Katon

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Issues to promote more tourism in TFCAs

4. Destination management

Elements of the destination
Attractions
Amenities/services
Infrastructure/accessibility
Awareness/Image
Price

The DMO - Destination Management Organisation(s)
Leading and co-ordinating

Marketing
Getting people to visit

Delivery on the ground
Exceeding expectations

Creating a suitable environment:
Policy, legislation, regulations, taxation
Infrastructure, HR, IT

Three/four levels
Different players
within destination

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1. Ways promote more impact on poverty from tourism in TFCAs

How to increase the % of the 'tourism' cake for the poor

1. Concessions processes
2. Joint venture partnerships
3. Value chain analysis and development
4. Travellers philanthropy

TRANSFRONTIER CONSERVATION AREAS

OVER 120 MILLION HECTARES ENVISAGED

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Issues to promote poverty reduction through tourism in TFCAs

1. Concession processes: e.g. South African National Parks

Empowerment proposals initiated in 2002 addressed:

- **Shareholding (Equity):** % by Historically Disadvantaged Individuals or Groups (HDI) shareholding
- **Training and promotion in employment:** Staff position; When to be filled by HDI (within 5 years); Whether to be trained internally; Nature of training
- **Business and Economic Opportunities for Local Communities:** Empowerment Initiative (e.g. purchase of food supplies, purchase of curios, laundry services, waste disposal, game drives, transport to and from lodging, maintenance, construction contract, catering, accommodation in local villages, visits to local villages etc)

Some impacts:
620 additional jobs
Guaranteed annual spend at SMMEs = US\$1.5 m

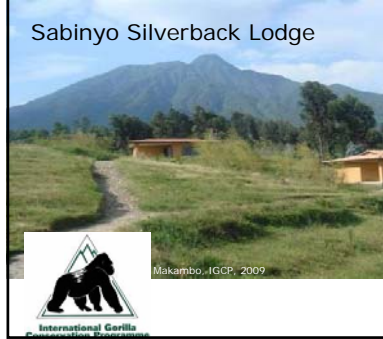
Spraggan, 2002; Varrault, 2008



Issues to promote poverty reduction through tourism in TFCAs

2. Joint-venture partnerships: e.g. Mozambique and Rwanda

- Covane Community Lodge + Machampane Camp, in Mozambique, GLTFCAs funded by World Bank
- Sabinyo Silverback Lodge + Governors Camp in Virunga Massif, Rwanda supported by IGCP



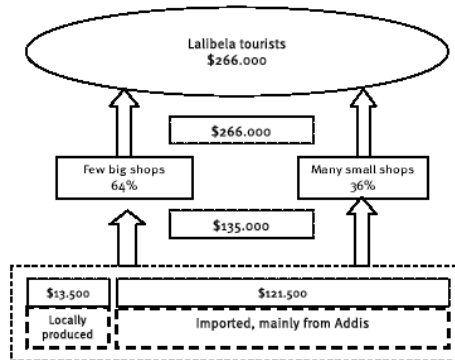
Some impacts:

- 8 rooms constructed
- 15 years lease agreement
- \$50 Community bed night fee
- \$8 bed night repayment loan
- 7.5% of net sales allocated to rent payment to the community
- US\$ 400-1000 per bed / per night
- Employs 45 local staff

Issues to promote poverty reduction through tourism in TFCAs

3. Value chain analysis and development: the supply of goods and services by the poor for accommodation, food and beverage, shopping (including craft) and excursions

Example:
Ethiopian craft value chain in Lalibela



Mitchell and Coles, 2009



Issues to promote poverty reduction through tourism in TFCAs

4. Philanthropy: Donating of money, in-kind resources or time occasioned by or facilitated by travel



Some impacts: & Beyond

US\$ 6 million raised in 16 years distributed in 7 countries

- Built 130 classrooms and 20 preschools
- University level scholarships to more than 220 students
- Collaborated with local government to build three clinics
- Implementing access-to-water projects
- Supplying over 5,000 hippo water rollers to rural families
- Funding HIV/AIDS initiatives

Goodwin, McCombes & Eckardt, 2009



J. Summary

- Compared 3 TFCAs and their financial implications
- Explored how to evaluate the relationship between TFCAs, tourism and sustainable development (incl. poverty reduction)
- Considered how to grow tourism in TFCAs, so they have a greater economic impact than individual protected areas . . .
 1. Marketing and promotion
 2. Access
 3. Joint planning
 4. Destination management
- Consider how to increase the net-benefit to the poor . . .
 1. Concessions processes
 2. Joint venture partnerships
 3. Value chain analysis and development
 4. Travellers philanthropy

Increase the size of the cake

Increase the % of the 'tourism' cake for the poor



Thank you!



*The Virunga Massif, and home of the mountain gorillas:
Rwanda, Uganda, DRC*

Makambo, IGCP, 2009

