Tourism and Poverty

Best practices for a small island at policy, market and civil society level

07-08-09 OCTOBER 2008
ZANZIBAR
The International Conference on Tourism and poverty: best practises for a small island at policies, market and civil society level was held on the 7th - 9th of October 2008 in Zanzibar.

The event was organized by ACRA and AITR – Italian Association for Responsible Tourism – within the framework of the Pro Poor Tourism in Zanzibar project, co-financed by the EU and Fondazione Cariplo, and implemented by ACRA together with Hands Across Borders and Labayka Development Fund.

The project, started in 2006 with a duration of 3 years, aims to unlock opportunities, within the tourism development of Nungwi and Jambiani areas, to generate economic, social, environmental and cultural benefits for the rural poor communities. The target groups are rural poor men women, boys and girls, local schools, women’s groups, fishermen and small businesses.

The project utilises a sustainable livelihood approach to build on existing strengths in the community and provide:

- Development and delivery of community based training in tourism related skills and SMEs programme for the respective target groups to enable greater economic opportunities within the local tourism industry,
- Increased understanding of sustainable use of the natural resource bases through an environmental education programme and campaign in local schools and the wider community.
- Enhanced participation and pro-poor partnerships between the local community and the tourism sector and government through establishing a tourism association network and building capacity of the local partner.

The project, now in its third and final year, obtained several positive results by training 500 students in Hotel and hospitality, supported 36 SMEs and 9 Environmental Clubs in schools and released 6 clean-up campaigns in the villages and promoted various meeting with relevant stakeholders with the community of Nungwi.

The publication is divided in two parts.

The first aims to offer a general overview on Tourism and Tourists. Starting with the impacts generated by tourism development on the whole economy, the analysis proposes a summary of the multiple possible effects the activity can cause on society, culture and environment. The concluding remarks focus on the role that Governments – supported by international players and followed by both private sector and tourists – should play in order to achieve real sustainable and pro-poor tourism.

Tourism and Poverty – the second part, the heart and the reason of this book – assembles the interventions presented during the Conference. In this section the reader will find accounts of the experiences of different stakeholders involved in the development of the sector. The focus is on Zanzibar but the reflection looks at the whole market. The perspectives offered take into account both the offer and the demand of tourism.
Tourism and Poverty

The publication of this book coincides with the end of the project Pro Poor Tourism in Zanzibar. The experience of these three years, in terms of lessons learnt, are described in the book; the acquired know-how as well as new ideas, reflections, or simple impressions we hope will be part of future projects in Zanzibar or wherever our job and our lives will take us.

Hoping you will enjoy… we are pleased to offer you this *invitation au voyage*. 
Acknowledgment

It is a great honor to introduce this publication of the outcomes of the International Conference on “Tourism and poverty: best practice for a small island at policies, market and civil society level” held at the Zanzibar Beach resort on the 7th, 8th and 9th of October 2008.

The conference has been the most important and complex event realized by the Pro Poor Tourism project implemented by ACRA. After two and a half years of implementation of the project’s activities in the villages of Nungwi and Jambiani, there was a need to share experiences between all the stakeholders involved, from both Zanzibar and abroad.

By working at village level we gained a lot of experience in the dynamics of the tourism sector on the island, and we have realized that without the full collaboration of the stakeholders at all levels, no improvement could be made to reduce poverty and realize an effective pro poor action.

A crucial element of the conference was the strong collaboration with AITR – the biggest European organization of Responsible Tourism, who helped in designing the list of participants and the philosophy of the conference. We would like thank Mr. Somoza for the support, and the President of AIRT Mr. Davolio for the presence at the conference and the ideas and energy he transmitted.

Special thanks to Mr. Clarke and Mr. Woringer from the EC Delegation in Dar es Salaam who came to represent the EC, for sharing experiences with us, and for the encouragement and support during the whole project’s duration.

A sincere thanks to Dr. Ahmada, Executive Secretary of the Commission for Tourism, for supremely acting as a chairman of the conference.

Big thanks also to the Revolutionary Government of Zanzibar, represented by Hon. Ali Juma Shamuhuna, Deputy Chief Minister, who opened the conference. Thanks also to Hon. Samia Suluhu Hassan, Minister of Industry, Trade, Tourism and Investment for the support not only during the conference, but for the entire duration of the project.

We would like to thank Mr. Bolivar Troncoso for bringing the experience of the Dominican Republic to Zanzibar, also for his sympathy and friendship.

The whole conference would not have been a success without the speakers, all the guests – who actively and tirelessly participated in the different sessions – and the donors: European Commission, Fondazione Cariplo, Zanair and other private donors.

A very special thanks to everybody who helped in the realization of the event, specifically the partner organizations - Labayka Development Fund and Hands Across Border Society - and the project staff: Mohammed Jabir Makame, Vuai Abdu Haji, Mrisho Vuai Haji, Hassan Ussi Ali, Haji Khamis Haji, Mustafa Yahya Mara, Mwanze Mbinga Mwanze, Silvia Poggioli, Alessia Lombardo.
Last but not the least, a sincere thanks to Michele Carboni who worked hard to plan the conference and realize this publication.

To conclude, special personal thanks to Piera Freccero, who started the PPT project, Mama Pat and Ali Baba (Patricia Elias and Alistair) for the constant love and support.

Simone Di Vicenz
PPT Project Manager

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Tourism and Tourists

*In traveling, a man must carry knowledge with him, if he would bring home knowledge.*

*Samuel Johnson*
1. The biggest industry in the world?

Though there are some disagreeable things in Venice there is nothing so disagreeable as the visitors.

Henry James

The Travel & Tourism industry is said to be the largest business sector in the world economy: «If tourism were a country, it would have the largest economy, surpassed only by U.S.»1. Obviously, it is only ‘the largest world industry’ if related activities are brought together; nevertheless the business created by tourism and tourism related activities, is enormous. The United Nations World Tourism Organization2 (UNWTO) estimated that tourism accounts for around 35% of exports of services, and over 8% of exports of goods. It is responsible for over 200 million jobs – equivalent to about 8% of global employment3 – and 10.4% of the global gross domestic product.4

International tourist arrivals increased from 25 million in 1950 to more than 900 million in 2007 (Table 1). This increase represents over 50 million more arrivals than 2006 (up 6.6%).

### TABLE 1: 2007 – International Tourist Arrivals

<table>
<thead>
<tr>
<th>DESTINATIONS</th>
<th>Tourist Arrivals (mn)</th>
<th>Market share %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>484</td>
<td>54</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td>184</td>
<td>20</td>
</tr>
<tr>
<td>Americas</td>
<td>142</td>
<td>16</td>
</tr>
<tr>
<td>Middle East</td>
<td>48</td>
<td>5</td>
</tr>
<tr>
<td>Africa</td>
<td>44</td>
<td>5</td>
</tr>
<tr>
<td>TOTAL</td>
<td>902</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: World Tourism Organization (UNWTO)

International tourism spend increased to 625 billion euro, up from 591 billion in 2006 – corresponding to an increase in real terms of 5.6% on 2006).5 UNWTO's Tourism 2020 Vision forecasts that the number of international travellers alone will reach nearly 1.6 billion by the year 2020.6 Despite an irregular trend in the last few years in terms of arrivals, UNTWO keeps its long-term forecast. «The underlying structural trends of the forecast are believed not to have significantly changed. Experience shows that in the short term, periods of faster growth (1995, 1996, 2000, 2004 to 2007) alternate with periods of slow growth (2001 to 2003)»7. While the pace of growth till 2000 actually exceeded the Tourism 2020 Vision forecast, it is generally expected that the current slowdown will be compensated in the medium to long term. By 2020 the top receiving region will still be Europe (717 million tourists), followed by...
East Asia and the Pacific (397 million), and the Americas (282 million). Even though the Old Continent will remain the most visited destination, its share will drop from 60% in 1995 to 46% in 2020.

**TABLE 2: Forecast of Inbound Tourism, World by Regions**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>20.2</td>
<td>47.0</td>
<td>77.3</td>
<td>5.5</td>
<td>3.6</td>
<td>5.0</td>
</tr>
<tr>
<td>Americas</td>
<td>108.9</td>
<td>190.4</td>
<td>282.3</td>
<td>3.9</td>
<td>19.3</td>
<td>18.1</td>
</tr>
<tr>
<td>East Asia / Pacific</td>
<td>81.4</td>
<td>195.2</td>
<td>397.2</td>
<td>6.5</td>
<td>14.4</td>
<td>25.4</td>
</tr>
<tr>
<td>Europe</td>
<td>338.4</td>
<td>527.3</td>
<td>717.0</td>
<td>3.0</td>
<td>59.8</td>
<td>45.9</td>
</tr>
<tr>
<td>Middle East</td>
<td>12.4</td>
<td>35.9</td>
<td>68.5</td>
<td>7.1</td>
<td>2.2</td>
<td>4.4</td>
</tr>
<tr>
<td>South Asia</td>
<td>4.2</td>
<td>10.6</td>
<td>18.8</td>
<td>6.2</td>
<td>0.7</td>
<td>1.2</td>
</tr>
<tr>
<td>WORLD</td>
<td>565.4</td>
<td>1006.4</td>
<td>1561.1</td>
<td>4.1</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Source: World Tourism Organization (UNWTO)**

Regarding the top 10 destinations, France will lose its current first position. Traditional destinations in Europe will rise at a rate lower than the global average. Europe will keep its strong appeal for international travellers, but Eastern and Central European countries will lead the rise of the sector. China will become the most visited country in the world.

**TABLE 3: Forecast of principal Tourism Destinations by 2020.**

<table>
<thead>
<tr>
<th>Countries</th>
<th>Arrivals(mn)</th>
<th>Market share %</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>137.1</td>
<td>8.6</td>
</tr>
<tr>
<td>US</td>
<td>102.4</td>
<td>6.4</td>
</tr>
<tr>
<td>France</td>
<td>93.3</td>
<td>5.8</td>
</tr>
<tr>
<td>Spain</td>
<td>71</td>
<td>4.4</td>
</tr>
<tr>
<td>China – Hong Kong</td>
<td>59.3</td>
<td>3.7</td>
</tr>
<tr>
<td>Italy</td>
<td>52.9</td>
<td>3.3</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>52.8</td>
<td>3.3</td>
</tr>
<tr>
<td>Mexico</td>
<td>48.9</td>
<td>3.1</td>
</tr>
<tr>
<td>Russia</td>
<td>47.1</td>
<td>2.9</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>44</td>
<td>2.7</td>
</tr>
<tr>
<td>TOTAL</td>
<td>708.8</td>
<td>44.2</td>
</tr>
</tbody>
</table>

**Source: World Tourism Organization (UNWTO)**

By 2020 China will be the fourth generating market of tourists. The number of Chinese tourists will increase considerably, dramatically changing the marketing tourism strategies all over the world. A general “hunt” for Asian tourists will be – and already is – one of the future trends within tourism strategies.

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8 Tables 2 and 3: the source is UNWTO. This data was presented in October 1997 during the UNWTO General Assembly.
In many countries, the tourism industry is shifting its attention from the traditional western markets to the Asian market. Attracting Asian tourists – particularly from China, Japan and South Korea – is becoming a crucial issue.

As more countries join the tourism flow, the competition will become more global. Of the worldwide arrivals in 2020, 1.2 billion will be intra-regional and 378 million will be long-haul travellers.\(^9\) Once in another continent, tourists want to visit more than just one country. In this context, a stronger cooperation between neighbour countries will be necessary to catch the important flow of international tourists coming in from other continents. The competitors will no longer be single countries; the competition will involve whole regions. Not just Tunisia versus Egypt, or France versus Spain, but Mediterranean versus Caribbean.

It is necessary to plan and support the creation of tourist circuits that include more than just one country. This aspect will be crucial in one of the fastest growing tourism segment: cruise tourism.

There will be a polarization in the tourists’ demands: on one side, tour operators will be asked to provide comfort, on the other side, a growing number of travellers will look for pure “adventure”. Travel to remote places, off the beaten tourist path, will be more demanded and sought after.

An increasing number of tourists are asking – and will continue to ask – for genuine experiences: contact with the local population, an immersion in to the real life of the hosting country, and the possibility to learn about other cultures. The sensitiveness of an important number of tourists is changing.

This change in tourists’ behaviours has been encouraged by several campaigns organized by NGOs and consumer associations. The role of these kinds of events, as well as the weight of the public opinion, is expected to grow.

Ethics, sustainability, and respect for local communities – their environment, culture and society – will play an important role in influencing the choices of tourists.

Tourists will soon play a bigger role in the success of a destination. The engagement of different stakeholders in improving the sustainability of tourism development as well as transparency in managing the benefits generated by the sector, will influence the decisions of a considerable number of tourists.

The image of a destination will become more and more important, but besides pure marketing operations, tour operators – as well as governments and the private sector – are asked to really make an effort to respond to these new standards.

In order to keep a high level of attractiveness, it will be crucial to invest in the diversification of the product, focusing on the uniqueness of its own offer. The increase in value of the local culture, the protection of the environment, the participation of locals in the management of the activity: these aspects – among others – will receive more attention and have to be taken into special consideration by decision makers and tour operators.\(^{10}\)

2. The Economic dimension

If tourism development has been encouraged in so many countries, it is due to its undeniable potential as source of economic opportunities.

An important impact – the most intuitional – is on the demand of the workforce. As already stated, tourism development generates large numbers of jobs – equivalent to around 2–6% of jobs in Africa, depending on definitions\(^{11}\) – and is labour-intensive.

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\(^9\) Tourism 2020 Vision UNWTO
\(^{11}\) Mitchell and Ashley 2007
As the tourism sector develops, total employment increases. Furthermore, tourism usually has a high percentage of jobs available for relatively unskilled people: mainly in developing countries – where the availability of the workforce and the percentage of unskilled people are high – the impact of tourism on employability can be great. If political authorities invest in education – or push investors to do so – locals could also aspire to have access to skilled positions.

When investors can not find local people to be employed in skilled positions, they hire western people; locals get employed in unskilled positions only. The exploitation is not so rare. According to research conducted by ILO, the average salary in the tourist sector is 20% lower compared to other sectors.12

Political authorities have a key role to play. In Tunisia, for example, «Hospitality employment is also nearly all local (some exceptions among chefs and managers) as the workforce benefits from decades of educational investment, complemented by a strong tourism training programme for all types of workers (all hotels pay a training tax or can opt to provide their own training)»13.

The effects of tourism on employment are not solely limited to the sector itself. Tourism development can also benefit the non-tourism sectors that supply the industry. «One job in the direct tourism industry induces roughly one-and-a-half additional (indirect) jobs in the tourism-related economy»14.

A large variety of products and services can be provided directly by – for instance – local small and medium enterprises (SMEs).

«Hoteliers estimate that around 90% of their food and beverage (F&B) supplies are made in Tunisia, and much of their furnishings, fittings and consumables. The F&B expenditure alone from 3, 4, and 5 star hotels is likely to be around US$140 million per year”15. Obviously, this is possible in a relatively good environment: «The supply chain to Tunisian hotels is local because Tunisia has relatively well developed economy with agriculture and light manufacturing, plus an array of import restrictions»16.

Unfortunately, SMEs in developing countries are often not able to supply tourism demand and attain western standards. The type of constraints SMEs present are enormous: lack of entrepreneurial skills; weak information on tourist tastes; absence of cooperation with international tour operators; lack of credit culture etc.

### SMEs in Zanzibar17

Indeed, most of the SMEs in developing countries belong to the informal economy. Hence, they rarely have access to resource institutions, such as banks, training and education organizations, marketing and consultancy firms, and they therefore lack in funds and skills; (SIDA) all these various obstacles create an overall context that would barely allow them to be competitive in the “western based” tourism market.

For instance, in a study conducted by ACRA in 2008, 77% of Zanzibar SMEs in rural areas have been found to belong to the informal economy. Therefore most of them face the problems mentioned above and, as a consequence, they are far from being competitive on the tourism market and far from being a source of poverty reduction for the people they employ.

Out of those 26 SMEs, 23 of them (88%) specifically mentioned insufficient capital as their major obstacle to invest in resources, either human or material (tools, etc.).
infrastructure, technologies, furniture etc.). Access to credit (through banks, micro credit schemes, NGOs grants etc.) has been mentioned as the major constraint. The reasons listed are as follows: high interest rates required by credit institutes compared to provision of scarce services; spatial inequalities, with the city well supplied by banks and the villages totally out of the banking circuit; widespread people's mistrust and hesitancy towards financial institutions due to corruption and unfair policies.

However, “the reason why the informal sector is so large in developing countries is that the benefits of formality are dwarfed by its costs. The more complex and unfavourable the institutional framework is, the greater becomes the incentive to remain informal” (SIDA, 2004:51). And this informality keeps most of the SMEs in a condition where they cannot enter the tourism market and compete within it.

Supporting local SMEs to strengthen and consolidate their position and to benefit from tourism development is an issue governments should take charge of, with the participation of international players such as NGOs or development agencies. The presence of foreign investors can be very helpful in improving the economic environment by providing high level training, introducing international standards, and spreading technologies.

Due to the conditions of many developing countries (and for small islands it is even more difficult), launching tourism development by relying on one's own resources can be sometimes just impracticable. In some cases, foreign investments are needed when not indispensable. The opportunities brought about by the launch of tourism can improve the businesses already present and stimulate the creation of new activities. These effects can offer innovative opportunities and unlock unexpressed potentialities.

By changing the productive structure, through an injection of new inputs, tourism can really create dynamic effects on the whole economy. Once again, the outcomes can be both positive and negative: it depends on how the sector is managed, monitored and ruled.

The social effects of tourism's economic impact will be more specifically analyzed ahead. What has to be noted at this stage is that the positive impact of tourism on the economy is undeniable, both in developed and developing countries. UNWTO has determined that tourism is a primary source of foreign exchange earnings in 46 out of 50 of the world’s Least Developed Countries. Nonetheless, it must also be acknowledged that an economic overdependence on tourism is definitely risky and should be avoided, or at least limited: the sector presents an unavoidable margin of uncertainty and instability.

«One important aspect of any industry is its vulnerability to fluctuations, including seasonal outside events (war or weather), or changes in the composition of demand. Tourism is seen as particularly sensitive».

The factors of instability are many: some of them are foreseeable and inexorably related to the present configuration of the industry; however, in a certain measure, they can be limited, if not avoided. Others are completely out of control: September 11th, for instance. The terrorist attempts that have affected countries like Egypt (but also Tunisia, Turkey, England, Bali, Spain) have shown tourism is strongly tied to the perception tourists have about the level of security of a destination. The perceptions are not necessarily based on a deep knowledge of the reality; there is an irrational component. Accurate and timely information, as well as an appropriate management of the communication, can mitigate the negative consequences of irrational behaviours.

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18 UNWTO 2007
19 Page 1999
For example, Zanzibar has been positively endorsed in 2008 due to the civil war in Kenya that occurred between December 2007 and January 2008. One of the reasons that has ensured a high level of tourists in Zanzibar, whose first destination was Kenya, has been the delay of western embassies to relieve the alert status on the country. Apart from these dramatic, unpredictable events, the tourism trend is influenced by other dynamics, the first being the trend of western economies.

«Tourism demand depends above all strongly on the economic conditions in major generating markets. When economies grow, levels of disposable income will usually also rise». This dependence is manifested: the tourism top spenders are mostly from western countries (table 3).

A result of this dependence is a marked seasonality in arrivals: the concentration of travel in precise periods of the year. Traditionally, the summer season in the northern hemisphere is the busiest period of international arrivals because it coincides with western holidays. The same happens during the Christmas period.

While the demand continues to come mainly from western countries, seasonality will be difficult to avoid. That is the reason why it is important, on one side, to invest also in other economic sectors – minimising the dependence on tourism – and, on the other side, to attract domestic and regional tourists. Domestic tourism is too often neglected. Particularly in developing countries, tourism marketing focuses on westerners, even when they are not the majority in terms of number of visitors.

This can be linked to the fact that «Domestic and regional tourists spend less per person, and are often less visible because they stay with friends and family rather than in hotels. Due to this, they are often ignored in tourism statistics and hence priorities. However, they may spend plenty of time and money in the local economy. As in the South African domestic tourism strategy, encouraging more residents to become domestic holiday-makers is a good way to increase tourism expenditure while stimulating demand across the wider industry, particularly in low season»²⁰.

Domestic and regional tourism can mitigate the effects of seasonality; it can be accompanied by a special price regime and ad hoc promotional campaigns. These kinds of tourists are also more likely to stay in simple accommodations rather than in isolated tourist areas: they tend to eat local food, they are more aware of the social and cultural environment and – potentially – their impact is not a source of contrasts or social breakdown.

### TABLE 4: International tourism top spender

<table>
<thead>
<tr>
<th>RANK</th>
<th>EXPENDITURE 2007 ($ billion)</th>
<th>EXPENDITURE 2006 ($ billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>GERMANY</td>
<td>82.9</td>
</tr>
<tr>
<td>2</td>
<td>UNITED STATES</td>
<td>76.2</td>
</tr>
<tr>
<td>3</td>
<td>UNITED KINGDOM</td>
<td>72.3</td>
</tr>
<tr>
<td>4</td>
<td>FRANCE</td>
<td>36.7</td>
</tr>
<tr>
<td>5</td>
<td>CHINA</td>
<td>29.8</td>
</tr>
<tr>
<td>6</td>
<td>ITALY</td>
<td>27.3</td>
</tr>
<tr>
<td>7</td>
<td>JAPAN</td>
<td>26.5</td>
</tr>
<tr>
<td>8</td>
<td>CANADA</td>
<td>24.8</td>
</tr>
<tr>
<td>9</td>
<td>RUSSIA</td>
<td>22.3</td>
</tr>
<tr>
<td>10</td>
<td>SOUTH KOREA</td>
<td>20.9</td>
</tr>
</tbody>
</table>

*Source: World Tourism Organization (UNWTO)*²¹

²⁰ Ashley 2006
²¹ UNWTO 2008 – UNWTO 2007
3. Social disruption and Political apathy

The economic impact of tourism often has deep consequences on society. There is a vast range of possible social negative consequences. Focusing again on employment, an «ILO report estimates that some nine million workers in the global hotel and tourism economy may have lost their jobs in the wake of September 11 and the economic downturn in 2001-2002. [...] After the events of 11 September, [...] worldwide travel suffered a sudden drop of more than 10% and up to 30% in some countries. Employment in the sector dropped accordingly».

This is just an example of how volatile the sector can be. Social sustainability is not so easy to reach and maintain.

The abandonment of traditional activities is one of the first consequences of tourism development. Particularly in developing countries, traditional jobs lose relevance and become less attractive. They start to be associated with the general condition of poverty: in a sense, they start to be considered one of the causes of underdevelopment. Tourism is particularly appealing for young people. Rather than follow in their parents’ footsteps, they take their chances within the tourism industry. In tourism, they see a way to change their living conditions, a way to work towards western standards.

The illusion does not last very long. As already mentioned, the exploitation of workers is dramatically common: the average salary is 20% lower compared to other sectors.

Around the world it is estimated that between 13 and 19 million people under 18 years of age work in an occupation tied to tourism. «Children/minors work as barmen, "fast food" employees, domestics, cooks’ assistants, gardeners, laundry workers, informal tour guides, shellfish divers, roving beach vendors and souvenir makers». Worker exploitation is not geographically restricted or limited to the poorest areas of the world; a short list of countries where cases have been signalled and denounced include: China, Caribbean, Egypt, Mexico, Morocco, Nepal, Peru, Spain, South Africa, Tanzania, Thailand. Half of the workers are 25 years of age or under, and women constitute 70% of the workforce in the sector.

Another dramatic phenomenon is child sex tourism: «More than one million children are sexually abused by tourists every year within the global child sex tourism industry. Although there are a number of organisations working on this issue, the numbers involved in child sex tourism are increasing».

In terms of social stability, Tourism development can worsen locals’ lives, causing a deep and lasting destabilization.

Children and adolescents involvement in the tourism industry often cause school abandonment in countries where education is a critical priority: there is no sustainable development – there is no development at all – without education.

The economic effects caused by tourism, distress host communities in its everyday life: even the diet can be affected.

A typical example is fish: tourism development makes it more expensive. Fish is needed for resorts and big hotels – the demand and the prices rise, and as a result, fish becomes inaccessible for locals.

The similar dynamic – a considerable rise of prices – normally involves real estate and land.

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22 ILO
23 Mastny 2002
24 www.tourismconcern.org.uk
25 ILO
26 www.tourismconcern.org.uk
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Locals risk to be marginalized by tourism development, particularly in coastal areas, when not obliged to leave. If a big resort is built by the sea, they often cannot keep fishing which means they have to find other means of subsistence away from their local community. Locals can also be obligated to abandon their homes, if the government decides to sell or rent their land to investors. It happens with tourism as it happens with concessions for oil extraction. The process is the same: if a resource can easily be a source of profit, some governments do not hesitate in “selling” the country to rich investors. Tourism also reflects global trends, disparity, inequality, and an imbalanced international system. The tourism industry is indeed dominated by western multinational companies. In developing countries the local communities rarely benefit from the traditional tourism economy. 80% of money for all-inclusive package tours goes to companies based in developed countries.27

Zanzibar case study

TABLE 5: Distribution of income28

<table>
<thead>
<tr>
<th>Distribution of income</th>
<th>All-inclusive, ‘club’</th>
<th>Large-scale, up-market</th>
<th>Small-scale, up-market</th>
<th>Mid-range</th>
<th>Budget</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zanzibari beneficiaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local communities, rural tourism</td>
<td>472</td>
<td>1,301</td>
<td>804</td>
<td>533</td>
<td>12,523</td>
<td>15,633</td>
</tr>
<tr>
<td>Local communities, urban tourism</td>
<td>847</td>
<td>1,238</td>
<td>754</td>
<td>1,388</td>
<td>4,044</td>
<td>8,270</td>
</tr>
<tr>
<td>Zanzibaris outside local communities*</td>
<td>2,534</td>
<td>3,745</td>
<td>2,614</td>
<td>3,067</td>
<td>3,250</td>
<td>15,211</td>
</tr>
<tr>
<td>Zanzibari government</td>
<td>5,567</td>
<td>5,677</td>
<td>1,449</td>
<td>1,171</td>
<td>3,631</td>
<td>17,495</td>
</tr>
<tr>
<td>Subtotal, Zanzibaris</td>
<td>9,420</td>
<td>11,961</td>
<td>5,621</td>
<td>6,158</td>
<td>23,448</td>
<td>56,609</td>
</tr>
<tr>
<td>Non-Zanzibaris</td>
<td>21,235</td>
<td>31,054</td>
<td>6,313</td>
<td>1,632</td>
<td>2,793</td>
<td>63,028</td>
</tr>
<tr>
<td>Total</td>
<td>30,655</td>
<td>43,015</td>
<td>11,934</td>
<td>7,790</td>
<td>26,242</td>
<td>119,636</td>
</tr>
<tr>
<td>Zanzibari share of total income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Zanzibaris</td>
<td>31%</td>
<td>28%</td>
<td>47%</td>
<td>79%</td>
<td>89%</td>
<td>47%</td>
</tr>
<tr>
<td>Local communities</td>
<td>4%</td>
<td>6%</td>
<td>13%</td>
<td>25%</td>
<td>63%</td>
<td>20%</td>
</tr>
</tbody>
</table>

- **All-inclusive package tourism**: large, foreign-owned hotels. Target: mainly European tourists with a mid-range budget. Little or no interaction with local communities. Environmental awareness is not a priority. Average per capita spending is $123/day.
- **Large-scale, up-market tourism**: large hotels, mostly foreign owned, serving mostly high-end travellers, both package and independent; average per capita spending is $173/day. Their impact on the local economy and environment is mixed.
- **Small-scale, up-market tourism**: small, mostly foreign owned hotels, including a few eco-lodges targets the high-end tourists who spend the most money; average per capita spending is $225/day. Great environmental awareness. Long term partnership with local communities. Investments in improving local education, water and health, and other aspects of community life.

27 Honey, M.  
28 Lange 2009
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- **Mid-range tourism**: package and independent tourists with a mid-range budget; average per capita spending $118/day. Often locally owned. Great share of benefits to the local community.

- **Budget tourism**: independent travellers staying in low-cost hotels, usually owned by local. Most of their staff comes from local communities, or from town. Average per capita spending is $77/day.²⁹

This is the reason why tourism in these countries is often seen as «an extension of former colonial conditions»³⁰. Business conduct and investments that in western countries would be problematic – in terms of reactions of public opinion and respect – in developing countries find the “consensus” – or the support – of governments and political authorities. The gap between mere speculation and business is often filled by resorting to corruption. It needs to be highlighted that corruption is a mechanism that always involve two parties; it is a pièce always played by two actors: corrupter and corrupted. If investors can act in a certain way it is because they have received carte blanche from political authorities. Investors bribe governments to be free of speculation, ignoring any kind of regulation and law (if present), as well as the environmental, economic, social, and cultural damage originated by their work. Both investors and politicians turn a blind eye to locals’ rights. The local population is ignored even if the “good” being sold actually belongs to them. Locals pay the price of speculations.

This kind of conduct is not the preferred choice for western investors. The case of Myanmar is – in this sense – emblematic.

The cruel dictatorship that guides the country is investing – with growing success – in tourism. In 2006, 600 thousand international tourists – according to the national Ministry of Tourism – visited the country.

The opposition to the regime – among them, Aung San Suu Kyi, the Nobel Peace Prize recipient 1991 – is asking tourists to stop visiting Myanmar because the management of tourism profits are benefiting just the politicians and worsening locals’ lives. Moreover, the regime is accused of exploiting people – minors included – in order to build resorts and tourism infrastructure. Entire communities have been forcibly removed from their homes in order to create space for the establishment of tourist areas.

Rough Guide – the popular publisher of tourist guides – ceased publishing the volume about Myanmar, as a sign of contestation and disagreement towards the regime.

The Lonely Planet guide to Myanmar begins with a section entitled “Should I go or not?”, explaining how to minimize the amount of money that – inevitably – will end up in the government’s “pockets”.³¹

4. Tourism apartheid, Cultural misunderstanding, missed opportunities and the market of stereotypes

*You perceive I generalize with intrepidity from single instances. It is the tourist's custom.*

*Mark Twain*

Governments and political authorities have identified the fact that tourism could have – and normally has – multiple and transversal impacts. That is why, particularly in many developing countries, governments have invested in tourism development, trying to keep the local population far from tourists – western tourists.

²⁹ Lange 2009
³⁰ Pleumarom, A.
³¹ Strada 2007
This so-called *tourism apartheid* has characterised the sector development of many destinations.

Due to its proximity to the United States, **Cuba** has long been an important tourism destination since the beginning of the 20th century. After the 1959 Revolution, the American embargo and the general deterioration of the relations between Cuba and the U.S., tourism started declining. The travel ban imposed on U.S. citizens visiting Cuba signed the collapse of the sector. In the 1990’s, President Castro decided to invest once again in tourism but insisted on a strict segregation between tourists and Cubans. He aimed to avoid the spread of capitalism values and lifestyle, as well as preserving the Revolution’s values.

«But the official policy did not succeed in immunizing society from the “evils” of international tourism. By 1990, while it was still illegal for Cuban citizens to hold foreign currency, there existed a de facto dollarization of the Cuban economy, crime had increased, and prostitutes (*jineteras*), were rampant in the streets of Havana»³².

**Greece** and **Portugal** opened themselves to international tourism only after the change in regime during the 1970s, with the end of their respective dictatorships. Until that time the positions of the political hierarchies of the two countries were based on a self-sufficiency strategy, a precise political decision: the autarchic.

The arrival of foreigners was considered a danger to the national identity and the stability of the regime.

**Spain**’s Franco regime did not obstruct the development of the sector, but tourism was developed in specific areas, mainly for package holiday tourists. These tourist *enclaves* – such as Costa Brava – were designed to avoid contact and communication between visitors and locals.

**Libya** and **Algeria** for a long time have refused – mainly for political and ideological reasons – to open themselves to tourism, despite their huge potential in terms of tourist attractiveness.

This closure has contributed to the development of the sector in **Tunisia**, which today is one of Africa’s main tourist destinations. The success of the tourism industry in the small Mediterranean country can be attributed to other factors; however the lack of competition has played an important role.

The refusal of tourism or the creation of tourist ghettos can be motivated by political and ideological reasons, as well as concerns related to social disorder provoked by tourists’ arrival. Different countries have experienced the consequences of the so called *demonstration effect*: a change in the behaviours and in the lifestyles (in terms of values, conducts, perception of life…) induced by the observation of tourists.³³

Segregation – particularly in a time of globalization – is not a way to minimize the potential damages that tourism can cause, as a perfect separation is not actually achievable. On the contrary, the authoritarian imposition of a rigid division can exacerbate the conflict between tourists and locals.

The segregation has been both a foundation and a consequence of the development of the so called "sun and sand" tourism, the traditional tourism that monopolised the market until the 1980s.

By building exclusive artificial oasis’ for western travellers, this kind of tourism created a deeper gap between visitors and locals and made relationships between them more difficult and problematic.

These misunderstandings are at risk to develop into pure hostility. Tourists miss out on the possibility of discovering the reality of the hosting country; and the local perception of tourists belong to a simple stereotype. There is no exchange without contact; no cohabitation without understanding.

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³² Espino 2000
The use of drugs and alcohol – particularly in countries where this kind of behaviour is socially condemned – become part of the idea locals associate with western “culture”. The lack of interaction – the real possibility to know more about each other – influences and shapes the locals perception of tourists. A practise such as the consumption of alcohol is considered a shamed excess: drunken behaviour becomes the symbol of the whole western culture.

Concern about the fact that tourism can threaten tradition and culture is particularly evident in the case of Bali.

The evolution of tourism in Bali offers many ideas to reflect about themes as culture, society, identity and their relations with tourism. The development of mass tourism on the island presents emblematic characteristics: on one side, there has been a mythical representation spread among Westerners about the island; on the other side is the internal effort to plan and manage the development of the sector.

The concern that tourism may develop in an anachric and chaotic way – bringing about negative, unsuitable and irreversible consequences – pushed the Indonesian government to adopt a Development Plan in the 1970s. The aim was to promote sustainable development, by creating isolated tourist areas. By limiting and regulating the contacts between tourists and locals, decision makers aimed to preserve the uniqueness of Balinese traditional culture.

The Plan was completed just at the beginning of the 90’s thanks to the Indonesian economic “boom”, but the outcomes were not as expected. The pursuit of cultural segregation was not just an economic segregation, and it has not prevented the island from suffering partial degradation of the environment.

The separation between tourists and locals did not work, due to the rise of independent travellers. Locals, excluded by the increase in the sector, took it upon themselves to build small hosting structures, in order to catch part of the tourist flow. This local entrepreneurship was supported by an increase in the number of travellers who had started avoiding the tourist areas, and who were looking for real contact with local life.

The impact of tourism on Balinese culture is a much talked about issue. For some analysts, tourism has had a positive impact, contributing in the revitalization of the local culture. By becoming a tourist attraction – a core product – tradition has found a new “reason”, a new space, and in a sense, a new market.

Obviously, in order to be offered to tourists, local culture has been adapted to a public of neophytes. The evolution of a tradition is always problematic – not only when the engine of the change is tourism. What some observers have criticized in this process is that this “adaptation” has meant oversimplification, a pure commercialization, a marketing operation.

Whatever the point of view, it is evident that tourism has not eliminated Balinese traditional culture. Local authorities have realized how attractive the local culture is for tourists, and they have intensified the quality controls. Ad hoc institutions have been created in order to monitor the level of the artistic production/products.

Culture is actually an indisputable part of the tourism experience in Bali: the diversification of the product has been achieved as well as – even in a contestable way – the preservation of the tradition.

The potential of tourism as a tool of preservation is becoming more and more recognized. A well managed tourism development can incisively support the protection of the environment.

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34 The question/issue of the socio-cultural impacts of tourism emerged also during the International Week of Tourism held in Washington in 1974, organized by World Bank and UNESCO. During the event, Bali was often mentioned.

35 Master Plan for the Development of tourism in Bali, commissioned in 1969 to a French Consulting society (Sceto) and published in ’71; accepted and adopted in ’72 by Indonesian authorities.
5. Ecotourism: over the myth, pure marketing and rhetoric

Why would we believe that small groups of active, educated and inquisitive tourists in unique (at time fragile) environmental situations would be less impactful than hosting larger numbers of tourists in specially prepared and managed environments?

David G Simmons

Negative impacts on the environment, as a result of tourism, have been the first to be highlighted and studied compared to other types of impacts. Pollution and damages created by tourism on the environment have often been more evident (but not necessarily the most grave and deep) to human sight. Many of them are irreversible. Often, governments and private enterprises prefer to maintain their tourist economies rather than preserve their ecosystems. It is obviously a short term strategy or better, a lack of strategy. If ecosystems are compromised, tourism loses its raison d’être: the resources it is based on, the possibility of future development and, above all, locals inevitably see their habitat spoiled. This crucial point – the fact that locals are not supposed to abandon their home place – has often been ignored and submitted to the logic of power that does not recognize the rights of poor people.

As already mentioned, after the 80s, the diversification of tourism products has become a priority, led also by a deep change in the demand. New and unprecedented trends have appeared from the expansion of tourism: the so called ecotourism is one of these. What is it?

It has to be said that «today there are a plethora of definitions of eco-tourism, and this is seen most keenly in the variety of eco-tourism “products” offered to tourists. While there is a common focus on nature conservation values there is no core definition of eco-tourism»36.

Nevertheless, the more common definitions evoke roughly the same peculiarities: «eco-tourism is a symbiotic relationship between tourism and conservation»37. The Quebec Declaration on Ecotourism states that ecotourism «embraces the principles of sustainable tourism [...] and the following principles which distinguish it from the wider concept of sustainable tourism:

• Contributes actively to the conservation of natural and cultural heritage;
• Includes local and indigenous communities in its planning, development and operation, contributing to their well-being;
• Interprets the natural and cultural heritage of the destination to visitors;
• Lends itself better to independent travellers, as well as to organized tours for small size groups.»38.

Combining these different peculiarities, the International Ecotourism Society39 (TIES) defines ecotourism as «responsible travel to natural areas that conserves the environment and improves the well-being of local people».

Despite the problems in defining it, eco-tourism is often reported as being the fastest growing business sector worldwide. According to this version, since the 1990s ecotourism has been growing on average 20 - 35% per year, 2 - 3 times faster than the tourism industry as a whole. While traditional

36 Simmons 1999
37 Ibidem
38 What is Ecotourism?, UNEP –http://www.unep.fr/scp/tourism/topics/ecotourism/
39 Founded in 1990, TIES (The International Ecotourism Society) is the largest and oldest ecotourism organization in the world dedicated to promoting and disseminating information about ecotourism and sustainable tourism.
tourism has now “matured as a market”, ecotourism is among the sectors expected to grow most quickly over the next two decades. An international debate about Ecotourism started in the 1990s as part of the reflection around sustainable development. In 1998 the ECOSOC proposed to members of the UN General Assembly to designate 2002 as the International Year of Ecotourism (IYE). Recognizing the growing importance of ecotourism, the UN General Assembly accepted the proposal in December 1998. The IYE served to focus on the need to make the whole tourism industry, including the mass tourism segment, more sustainable. The link between “nature and community based” tourism and sustainability principles is correct; however, a distinction must be maintained between ecotourism and sustainable tourism. Is ecotourism synonymous with sustainable tourism?

«A clear distinction should be made between the concepts of ecotourism and sustainable tourism: the term ecotourism itself refers to a segment within the tourism sector, while the sustainability principles should apply to all types of tourism activities, operations, establishments and projects, including conventional and alternative forms»40. Ecotourism refers to a specific range of activities; sustainability is an approach, the goal, the horizon.

To be truly sustainable, ecotourism – as well as every kind of human activity – must take into account three dimensions: not just the environment but also economics and society. These three pillars are clearly expressed in the report by the United Nation’s Brundtland Commission, also known as “Our Common Future”, published in 1987. The report coined the term “sustainable development” which thrust ‘sustainability’ into the spotlight as an important issue.

Equitable and fair, from an economic point of view, a sustainable activity takes into account the need of redistribution, works for minimising the economic marginalisation of the poorest segments of the populations, and for the creation of economic opportunities, with a particular attention for the “weakest” (women in primis).

Economic fairness has to be accompanied by social and political equity: there is no sustainable development without social inclusion. The local participation in decision making processes must be as wide as possible. The development process should encourage transparency, good governance and a general rise in freedom and civil-political rights.

Given the “limits to growth”, a sustainable activity has to focus on the conservation of the environmental resource bases on which it vitally depends. It implies the adoption of a long-term strategy: «Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs»41. It also means that «when an activity raises threats of harm to the environment or human health, precautionary measures should be taken even if some cause-and-effect relationships are not fully established scientifically»42.

Besides environment, society and economy, a new dimension that has to be taken into consideration is the cultural aspect, as globalization is reducing cultural diversity and so depleting the human heritage. As already mentioned, this concern is particularly true for tourism: the homogenization of tourism destinations can jeopardize the cultural environment, inducing a westernization of customs and habits. Tourism is then a vehicle of globalization. By strengthening the connections between western and developing countries, tourism often ignores diversities, reduces differences and imposes the “only truth”: the Western way of Life.

40 THE GLOBAL DEVELOPMENT RESEARCH CENTER; http://www.gdrc.org/
In order to be sustainable, tourism must be accepted, and above all, wanted by hosting local populations. They must agree with the choice to develop the sector, to be involved in the planning phase and to be protagonists in the management of the activity.

Tourism can be sustainable only if managed in a proper way and if designed following sustainability principles. It does not mean that tourism can be successfully implemented wherever. «In some systems a very small occurrence can produce unpredictable and sometimes drastic results by triggering a series of increasingly significant events» 43. This is one of the most problematic points that should be approached with a more clear and courageous “position”. Especially if the “desired object” is a natural attraction: there are many places where the presence of tourists – no matter the number – should be completely avoided. In the same way, there are societies and communities that do not have the tools to contain the impacts of tourism or the competencies and the know-how needed to manage the evolution of the sector.

Sustainability is not a perfect science and it does not provide rigid standards. The achievement of sustainability requires different strategies for different contexts. This is particularly relevant for ecotourism: a simple ‘nature based tourism’ cannot be considered sustainable tout-court.

Nevertheless, the potential of ecotourism is enormous and this is one of the reasons why it attracts so many interests. As recently remarked by Yunis 44, «When sustainably planned, managed and monitored, tourism in natural areas can bring benefits to many stakeholders:
- Firstly, to the authorities of these areas, if they are protected, through entrance fees.
- Secondly, to visitors. […] Practising ecotourism can offer visitors a unique opportunity to learn the importance of such environments for maintaining the balance of ecosystems, preserving biodiversity and eventually understand better the Earth’s essential ecological processes.
- Thirdly, benefits to the local populations, since tourism activities contribute to social and economic development by creating direct and indirect jobs, develop entrepreneurial abilities, and arrest the rural-urban migration process that generates further poverty in large cities» 45.

Moreover, focussing on rural areas, ecotourism can become an important tool for poverty reduction. It is in the rural areas that the concentration of poverty and lack of opportunities are higher. 46

UNWTO has identified different poverty reduction benefits through tourism; among others:
- Employment of the poor in tourism enterprises
- Supply of goods and services to tourism enterprises by the poor or by enterprises employing the poor
- Direct sales of goods and services to visitors by the poor.
- Establishment and running of tourism enterprises by the poor
- Tax or levy on tourism income or profits with proceeds benefiting the poor.
- Investment in infrastructure stimulated by tourism also benefiting the poor. 47

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43 Clayton and Radcliffe 1996
44 Eugenio Yunis – Director for Programme and Coordination, and Head of the Sustainable Development of Tourism Department World Tourism Organization
45 Yunis 2007
46 75 per cent of the 2 billion people living with less than a dollar a day live in rural areas (Yunis 2007)
47 Ibidem
Some of these issues have been already mentioned when talking about tourism in general terms. Concerning ecotourism, what has to be highlighted is that its proper development could offer a variety of opportunities to improve living conditions in the poorest areas of the world.

New jobs can be created and human resources will be needed to guide the tourists, deliver information and promote attractions. The effects tourism can have on employability have already been analysed. Traditional activities can find a new market and new clients which could improve their efficiency. New infrastructure benefits both tourism related activities and non tourism activities; it can also ease the costs of the delivery of some public services. By developing tourism, rural areas also have the opportunity to diversify their economy.

The economic emancipation of rural communities can – and should – be a source of empowerment. It should generate a virtuous cycle: locals become more conscious about the role, tasks and responsibilities of the central government. It could indeed promote transparency and accountability.

The range of opportunities brought about by well managed tourism development is vast. Particularly in developing countries – where other priorities often relegate environmental concerns at the bottom of the political agenda – governments are failing to realize the importance of their role in terms of regulating this development.

«For ecotourism to be properly implemented, local and international stakeholders are dependent on government to develop policies that will protect and manage natural areas»48. Environment legislation is the most intuitive initiative that governments are asked to adopt and implement and indeed their role has to be broader. «The need for a regulated, controlled development becomes ever more important to ensure its long term sustainability»49.

Concluding remarks: Together is better

«The biggest industry in the world isn’t just about where’s best to eat or get a tan. There are plenty of fresh news, business and consumer stories waiting there»50

Tourism is said to be the world's largest industry. It plays a crucial role in world economics and has significant impacts on many people's lives. These impacts can be both positive – employment expansion, creation of new opportunities, cultural revitalization and social improvements – and negative: unregulated developments often devastate environments, degrade cultures and destroy traditional livelihoods. Many developing countries are heavily dependent on tourism; an over-dependence should be avoided in light of a certain unpredictability of the sector.

Particularly in developing countries – even with some exception – the development of the sector has been negatively influenced by some dynamics such as:

- lack of a consolidated tourism tradition – which means low know-how, lack of experience and skills in management of tourism related impacts;
- lack of domestic tourism – which indeed should be encouraged for many reasons: to test the robustness of the adopted strategies; to avoid a risky overdependence on western economies; to untie its own economy to the turbulences of an instable market;
- dominance of foreign investments and investors – that often, with the connivance of the local authorities, favour speculation rather than long term and sustainable investments;

48 The Components of Successful Ecotourism, UNEP.
49 Yunis 2007
50 DFID, Department for International Development.
• problematic relations (when not hostility) between tourists and locals – often caused by a strict segregation.\textsuperscript{51}

From the 1990s, the diversification of the sector and the need to minimise the negative impacts of an unregulated tourism industry have become a priority, encouraged by a change in the demand.

After decades dominated by the “sun and sand” tourism, new products and new approaches are changing the scenario.

Ecotourism development is playing an important role in promoting environmental conservation and improvement, building a culture of sustainability and inducing a revival of interests in the opportunities offered by the environment. Ecotourism is becoming a way to support the development of other sectors, by expanding economic opportunities in rural areas.

Similarly, the promotion of cultural tourism is inducing a revitalization of knowledge on local customs and traditions.

Neglected and subject to other sectors’ priorities for too long, tourism is now a catalyst for an increase in more concrete attention. A global consensus will hopefully encourage a change.

Useful support can be provided by players other than governments or the private sector. The already mention IYE – International Year of Ecotourism – represents a significant case.

Indeed, it has been an important encouragement for intensified cooperative efforts by Governments and international and regional organizations, as well as NGOs. International cooperation is needed to provide technical advice and support to the ecotourism enterprises; to facilitate market access to existing and new ecotourism players; and to reach a universal commonly agreed understanding of what type of activities can be qualified as ecotourism. «And most of all, cooperation is needed to involve local communities and especially the poor in the ecotourism businesses, as main actors in the development of opportunities, in the marketing of products, in the management of daily operations, and in the sharing of economic benefits\textsuperscript{52}.

Governments are realizing that their role does not solely consist of establishing tourism ministries – too often even with poor material and human resources. «Government cannot and should not try to do everything\textsuperscript{53} above all because Tourism is a private-sector activity. Nonetheless, particularly in developing countries, if they really want to enlarge the benefits of tourism, they must find their role. It is a key challenge: «influencing the sector without trying to run it\textsuperscript{54}».

Many states have changed their position on tourism. Libya and Algeria – two cases previously mentioned – are abandoning their isolationism. Other countries are actively investing in the diversification of their products. Many of them have stopped with old style conducts.

Certain choices, made during the authoritarian tourism apartheid, have demonstrated to be inefficient and deeply erroneous – if not immoral. The ban on Cubans staying in hotels at tropical beach resorts, for instance, has been abolished in 2008 by the new President Raul Castro.\textsuperscript{55}

Many governments are trying to make tourism a tool of poverty reduction: Pro Poor Tourism (PPT) products are more and more “trendy”. What is it?

\textsuperscript{51} Mangano 2001, Canestrini 2003
\textsuperscript{52} Yunis 2007
\textsuperscript{53} Ashley 2006
\textsuperscript{54} Ibidem
\textsuperscript{55} Cubans allowed to stay at tourist hotels, Sydney Morning Herald - March 31, 2008
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«Pro-poor tourism is about increasing the positive impacts of tourism on poor people», it is a growth that enables the poor to actively participate in and significantly benefit from economic activity. As sustainable tourism, «PPT is not a specific product but an approach to the industry. It is an approach that seeks to increase participation of poor people at many points in the sector, and that aims to increase their economic and social benefits from tourism while reducing the negative impacts on the poor»56.

Everyone has a role to play and every single stakeholder has its own responsibilities. Tourism impacts on poverty surely depend on the conducts of private investors and tourists; meanwhile, both tourists and private sector need political authorities to design, fix and implement a clear legislative and operational frame. The State is asked to shape the configuration of the sector «through its policies, regulations, public investment, expectations, and actions, not only in tourism but in other sectors too»57.

Governments – particularly in developing countries – have to do more. Tourism has the potential to lift people out of poverty through all the opportunities it provides. Moreover, it can support and strengthen a culture of sustainability, reduce social and economical marginalization, promote social inclusion, and spread environmental sensibility. According to various analysts, the simple arrival of tourists from western countries can have a positive impact in terms of spread of social, civil and political rights. However, it has to be kept in mind that tourism – like every human activity – offers only opportunities: the gap between a potential and a concrete result have to be filled by precise determination and serious engagement.

Sustainable, Ethic, Responsible or Pro-Poor: the adjectives attributed to its own tourism products are often nothing more than words, slogans. These words are not a brand but goals, approaches, and results of long term strategies; designed transparently to really benefit locals and preserve local cultures, traditions, and ecosystems. «What matters is not the type or size of tourism, but how the tourism economy is structured, how supply chains work, how far linkages extend into different parts of the local economy, and how tourists spend their money when they arrive. In other words, there is a great deal that government can do to influence flows to the poor, whatever type of tourism they have»58.

56 www.propoortourism.org.uk
57 www.propoortourism.org.uk
58 Ashley 2006
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"Would you tell me, please, which way I ought to go from here?"
"That depends a good deal on where you want to get to"

Alice’s Adventures in Wonderland
1. Objective of the Conference

The International Conference on **Tourism and poverty: best practises for a small island at policies, market and civil society level** aimed at offering the opportunity of sharing experiences among players from different areas and positions, in terms of role and perspectives on the tourism market.

- Experiences of other small islands (Zanzibar and Dominican Republic) in terms of tourism historical trends and consequent development of policies and donors support;

- Experiences of players from the private sector (traditional and non traditional tour operators, local SME operating in sectors of the economy related with tourism) and the local civil society, particularly focusing on strategies and instruments developed to cope with stresses in market, culture and environment.

Following frontal speeches, thematic workgroups, involving both Zanzibar and international players, were asked to extract best practises which could be / should be replicated in Zanzibar, moving from the experiences reported during the first day. The contribution of the participants to the workshops helped in identifying priorities, strategies and modalities of poverty reduction through tourism.

2. The contents

The impacts of tourism are numerous and involve a large spectrum of stakeholders. The motivation of bringing together personalities with different roles and backgrounds has characterised the choice of the speakers. The desire was to cover different sectors, offer different perspectives and represent the largest audience possible.

Indeed the promotion of a culture of sustainability – and more generally our common future – requires the involvement of different actors. The engagement has to be collective and cooperative, and the responsibilities have to be shared.

ACRA experience shows how an NGO – and so an expression of the civil society – can play its role. The motivations, the principles, the strategies that have characterised ACRA’s 40 years are illustrated by Marta Marson – ACRA desk officer for East Africa – whilst Simone Di Vicenz – PPT project manager – explains the contents, the results, the limits and the lessons learnt of the Pro Poor Tourism in Zanzibar Project. The PPT project is described also by Maulidi Machano Hadibu and Hassan Ali Kombo. M. M. Hadibu reports the experience of the Nungwi Advisory Committee whilst H. A. Kombo summarises the outlines of a baseline survey conducted throughout the Nungwi and Jambiani communities.

Their observations offer the opportunity to better understand – from the point of view of the beneficiaries and the workers in the field – the dynamics of a development project. A Development Partner’s View on how Tourism can actively work on poverty reduction is offered by Frederic Woringer from the Delegation of the European Commission.

The case study presented by Patricia Elias about the Jambiani Training and Tourism Institute – built and administered by the NGO Hands Across Borders Society – focuses on the development of a rural tourism training program for the international market. Employment and employability in tourism sector in Zanzibar is the issue analysed by Ameir Ali Ameir, from the Labour Commission.
Another aspect of tourism’s impact on the economy is presented by Fadhil O. Mussa – from the Ministry of Tourism, Trade and Investments. In his speech, he describes the situation of the SMEs in terms of constraints and opportunities. He also focuses on the relationship between SMEs and Tourism, and SMEs and economic growth, without forgetting the role played by the Government in supporting SMEs.

The engagements, the concerns, the commitments that characterised the actions and the vision of the Revolutionary Government of Zanzibar are also reported in the article of Ashura M. Haji and Hassan K. Burhan from the Zanzibar Commission of Tourism.

The interests of all tourism investors in Zanzibar are represented by Julia Bishop from ZATI – the Zanzibar Association of Tourism Investors. She offers a detailed analysis of the real side of Tourism in Zanzibar, presenting the government’s strategy and suggesting some additional measures that should be adopted in order to achieve and support sustainability of the sector’s development.

The relationship between tourism development and the private sector is also presented in the contribution of Johan Wallin: the case of Kanga Kabisa reflects on tourism and the economic possibilities that the sector can unlock, promote and encourage.

The change in tourists’ behaviour and the growing attention that the western society is putting on the negative consequences of an unregulated tourism industry, are incisively described in the article of Maurizio Davolio.

Maurizio Davolio introduces the experience of AITR and the long path towards a real sustainable tourism, with an interesting VADEMECUM – a code of conduct – that every single tourist should follow in order to minimise their impact.

The contribution of Bolivar Troncoso Morales focuses on the Dominican Republic, in a global and regional outline. He describes the origin and evolution of Dominican tourism; mentions the policies adopted in order to support the current tourism development and analyses the positive and negative impacts of this process.

The experience of Chumbe Island Coral Park exposed by Frida Lanshammar – Eco-Tourism can Help Preserving Threatened Eco-Systems for the Future – looks at the role Eco-Tourism can play as a tool of preservation of natural unique resources and habitats.
I. ACRA experiences and views about Tourism

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1. Background – who we are and what we do

ACRA is an Italian Association recognized as an NGO by the Italian Ministry of Foreign Affairs. Founded in 1968 by a group of people who had volunteered around the world and particularly in Chad, ACRA – an Italian acronym, which in English translates to Association for Rural Cooperation in Africa and Latin America – this year is celebrating its 40th anniversary.

Moving from the consideration of the inter-dependency between populations, our NGO promotes inclusion of local communities and facilitates processes of sustainable and participatory development.

ACRA works for the recognition of cultures’ value and for the strengthening of community capacities, with a particular focus on rural areas.

During its 40 years of activity, ACRA has been mainly operating in Central and Western Africa and in Central and Southern America, while it has been working in Tanzania mainland since 2005 and in Zanzibar since 2006.

In order to promote sustainable and participatory development processes, ACRA focuses on local social environments, with the aim to work “hand in hand” with local partners. The goal is to strengthen their capacities. For this reason, ACRA does not adopt a strategy of territorial expansion, but in contrast it runs projects in a limited number of countries where partnerships are strong and consolidated, the understanding of local dynamics is deep, and its know how fits with local needs.

ACRA developed a specific know how in rural development, particularly in five fields of intervention, which represent today the primary focuses:

- food
- environment
- water
- health
- education

Tourism is actually not a primary focus in ACRA’s experience, however, projects in this field have been carried out and many are currently running, as they came from participatory needs assessments in beneficiaries’ areas.

2. ACRA and Tourism

General considerations about tourism need to be pointed out before introducing some of ACRA’s projects – one of which, the Pro Poor Tourism in Zanzibar, will be presented in this conference by our Project Manager, Simone Di Vicenz.

Tourism is known to be a tricky sector for local economies and societies. On one hand, it has great potential in terms of attracting foreign currencies, while on the other hand, it is demonstrated that, in hosting countries, its growth does not necessarily improve local living standards.
Tourism and Poverty

The Pro Poor approach is moved by the desire to defeat this disparity aiming at reverting this trend. One of the reasons behind tourism earnings' unfair re-distribution might be found in the over dimensions of tourism services and related businesses value chain.

ACRA, by working in the field with rural producers, has developed a preference for short value chains. In these contexts, physical and social proximity between producers and customers allows producers to have greater control over the whole production process, which helps with strengthening their position and reducing their vulnerability. This is not the case in tourism, where the presence of commercial intermediaries, at different levels, is somehow a precondition for supply and demand to meet. This is the reality of tourism flows in developing countries, even if there are some minor, but very promising, exceptions such as sustainable tourism initiatives and the growing numbers of independent travellers. Furthermore, opportunities might exist to bring commercial intermediaries closer to local communities. Finally, if compared with similar chains, like goods’ export, tourism has the peculiarity to take customers into production areas. This creates additional challenges at cultural and environmental levels.

By focusing on cultural challenges, I want to highlight that ACRA considers it crucial to sensitize people living in the North of the world about the needs of the South and about our common future as well as the creation of opportunities for cultural exchange. It indeed carries out Education for Development initiatives in Europe. For the above mentioned reasons, ACRA joined the AITR network, with the intention to cooperate with organizations working on the tourism sector's demand side, by promoting the culture of responsibility introduced by Mr Davolio in this Conference.

3. Projects

In order to explain to this audience the common features that qualify the ACRA approach in the field of tourism, I introduce to you some projects realized.

- **BURKINA FASO**

*Local development, participatory management of natural resources and biodiversity based economy, in the departments of Botou, Diapaga, Tansarga and Logobou.*

**ACRA - Africa70 - RC**

- **Donors**: Italian Ministry of Foreign Affairs
- **Duration**: 3 years, in progress;
- **Amount**: approx. 1,000,000 €;
- **Beneficiaries**: 52 000 rural people;
- **Intervention area**: buffer zone of the Parc W – Tapoa Province;
- **Local partners**: Local level: Comités Villageoise de Gestion de la Faune, des Terroirs and Communes Rurales; Regional level: Comité de Gestion de la Réserve Transfrontalière de la Biosphère du Parc W; National level: Direction Générale Protection de la Nature (Department of the Environment)

**Objectives:**

- Local level planning and decentralization processes;
- Tourism services benefiting local population;
- Local population sensitized about environmental issues;
• Improved agricultural and livestock production in the buffer zone.

• NICARAGUA

**Strengthening sustainable tourism in Nicaragua**

**ACRA - MOVIMONDO**

- **Donors**: Step Programme (WTO) with support of the Italian Ministry of Foreign Affairs
- **Duration**: 1 year, in progress;
- **Amount**: approx. 150,000 €
- **Beneficiaries**: 1 050 people + 12 453
- **Intervention area**: Solentiname Archipelago and Laguna de Apoyo
- **Local partner**: RENITURAL (Red Nicaragüense Turismo Rural);
- **Other partners**: MUSAS (Museo del Archipiélago de Solentiname) and INTUR (Instituto Nicaragüense de Turismo).

**Objectives:**
- Strengthening RENITURAL network (Red Nicaragüense Turismo Rural);
- Improvement of rural tourism services;
- Study about tourism impacts on poverty reduction.

• SENEGAL

**Poverty reduction through local development initiatives based on sustainable tourism in Ziguinchor Region, Coubalan.**

**ACRA – AITR - Comitato Pavia-Senegal - Trekking Italia**

- **Donors**: Italian Ministry of Foreign Affairs / Regione Lombardia;
- **Duration**: 2 years, concluded;
- **Amount**: approx. 200,000 €
- **Beneficiaries**: population of 13 villages, 2500 persons;
- **Intervention area**: Rural Community of Coubalan, in Ziguinchor Region;
- **Local partners**: - Rural Community of Coubalan; Regional Council of Ziguinchor; Koubalan Django Simakounda Committee

**Achievements:**
- Development of *Integrated Tourism* in the Rural Community of Coubalan;
- Creation of infrastructures and small enterprises managing responsible tourism activities;
- Environment preservation programmes.

• BRASIL

**Integrated programme for eco-compatible development of responsible tourism and productive activities to diversify and improve incomes of Medio Amazonas and Sateré-Mawé indigenous people**

**ACRA - ICEI**

- **Main Donor**: European Commission;
Tourism and Poverty

- **Duration**: 3 years, concluded;
- **Amount**: approx. 750,000 €
- **Beneficiaries**: 50 000 people
- **Intervention area**: Silves Municipality; Micro-Region of the Medio Rio Amazonas; Andirá Marau indigenous land of the Medio Rio Amazonas.
- **Local partners**: ASPAC (Silves Association for the Environmental and Cultural Preservation); CGTSM (General Council of the Sateré Mawé Tribe)

**Achievements:**
- Strengthening management capacities of local communities;
- Diversification and promotion of productive activities and environmentally friendly services;
- Vocational training and people sensitization on Amazonian natural resources;
- Creation and improvement of eco-sustainable tourism processes.

**DOMINICAN REPUBLIC**

*Development of sustainable and eco-compatible tourism in the area of Las Galeras, Rincón, Las Franceses*

**ACRA – ICEI**

- **Donors**: Italian Ministry of Foreign Affairs / C.T.S;
- **Duration**: 3 years, concluded;
- **Amount**: approx. 1,000,000 €
- **Beneficiaries**: 7 000 persons
- **Intervention area**: Samaná Province, in particular Las Galeras, Rincón and Las Franceses areas.
- **Local partners**: Asociación San Benedeto al Puerto of Las Galera;
- **Others**: Samaná Province; Samaná Provincial Health Service; Institute of Tourism and Hospitality (Infotec)

**Achievements:**
- Vocational training for local operators in planning, management and promotion of responsible tourism activities;
- Creation and improvement of environmentally friendly tourism infrastructures;
- Promotion of the Dominican environmental heritage;
- Creation of local cooperatives offering sustainable tourism services.

**NICARAGUA**

*Lakes and volcanoes road – Solentiname*

**ACRA- MOVIMONDO**

- **Donors**: Step Programme (WTO) with support of the Italian Ministry of Foreign Affairs
- **Duration**: 1 year, concluded
- **Amount**: approx. 75,000 €
- **Beneficiaries**: 1 000 persons
- **Intervention area**: Solentiname Archipelago
- **Local partners**: MUSAS (Foundation of the Solentiname Archipelago Museum); INTUR (Instituto Nicaragüense de Turismo)
Achievements:
- Improvement of the Solentiname Archipelago Museum (MUSAS);
- Empowerment of local tourism services of the Solentiname Archipelago;
- Strengthening local operators’ marketing skills.

4. Conclusions

Having introduced ACRA’s projects on tourism, we can now identify some common features which qualify ACRA’s approach, by answering the following:
- Where?
- What?
- With whom?

Where: Most of the projects are carried out on islands or around protected areas. These areas represent par excellence a tourism attraction; however their additional features should be taken into account.
Islands, small ones in particular, are characterized by limited resources which means that the viable development of many economic sectors is constrained.
In protected areas, the access to natural resources for local communities is limited by law - typically natural parks and their buffer zones, thus undermining the development of other economic sectors.
Indeed we could say that ACRA’s experience has taught us that tourism is an option of sustainable development in places where there is a scarcity of other opportunities.

What: Two components are shared by most of the projects presented:
- Natural Resources Management
- SMEs

Natural Resources Management: Natural Resources are the traded goods in the tourism market, from two points of view. On one hand, they motivate tourists to come, so that the long term sustainability of the sector is based on their conservation. On the other hand, they are somehow “consumed”, also due to tourists’ living standards impact and consumption patterns. NRM is a priority focus for ACRA which, moving from the consideration of the dependency of rural communities on their environment, has gained strong experience in NRM participatory plans and environmental awareness raising, always looking for fair balances between the social wellbeing of communities and the conservation of Natural Resources.

SMEs: among all the projects considered, there is a component of SMEs support. In fact, by strengthening the economic environment at a local level, this support tries to maximize the return on households in terms of benefits.
It should also be noted that the SMEs supported are not necessarily engaged in hospitality, but also in other economic sectors (such as food production, handicraft, constructions etc.) which are relevant both for locals and tourists. This choice reflects the will to contrast an over-dependency on a sector (tourism) which is characterised by unpredictable trends and fluctuations. It also reflects the importance to strengthen the sustainability of local economies.

With whom: ACRA works with local willing to play an active role in tourism development.
These might be government or civil society organizations, involved as local counterparts or as stakeholders. They are all able to:
- Express local communities views and requests, advocating tourism towards decision makers;
Tourism and Poverty

- Implement local initiatives by working on existing resources and stakeholders.

In light of what has been mentioned, ACRA also organized this Conference, which I hope will be an opportunity to start a fruitful networking among all of the actors participating.
The PPT project is now towards its end, being in the second semester of the third year.

The overall evaluation of the project is positive, firstly because it is the first project of ACRA in Zanzibar, and secondly because it has adapted very well to the tourism sector of the island which is constantly evolving and changing; so many activities had to be constantly adapted to the new local situation. For example, since the project was presented for funding in 2004, a new school of Hotel and Hospitality has been built, and a new tarmac road has been constructed in Jambiani. Also, many new hotels have been constructed and more tourists are visiting Zanzibar (in 2004 the tourist numbers were 90,000 and in 2008 they are 150,00059).

According to the project document, the following are some results and findings for each activity:

<table>
<thead>
<tr>
<th>RESULT 1:</th>
<th>ACTIVITY 1:</th>
</tr>
</thead>
<tbody>
<tr>
<td>500 local rural people, trained by specific courses delivered by the project, find jobs in the tourism industry of Nungwi and Jambiani communities.</td>
<td>Community based training Programme in tourism and hospitality skills: - 6 six-months courses in Nungwi and 3 in Jambiani for about 700 trainees.</td>
</tr>
</tbody>
</table>

Result of this activity of the PPT project:
- 8 H&H Courses delivered (5 in Nungwi & 3 in Jambiani);
- 680 beneficiaries have been trained in H&H;
- 10 beneficiaries of Nungwi obtained the scholarship for Zanzibar Hotel and Tourism Development Institute.

- **The main findings of Activity 1 are:**
  
  1. Overall positive response from students, teachers and hoteliers to the trainings delivered by the project; there are still around 150 people in Nungwi on a waiting list to receive the H&H trainings
  2. Need more focus on English skills to improve the employability of the trainees; this is the most important skill that hoteliers request of a new employee. So this is a primary skill to be strengthened
  3. Strengthening of trainings on front desk and accounting. It is important to strengthen the access of Zanzibaris to higher positions within the tourism sector; positions which are more remunerable and have skills that can be used in other sectors and broaden the possibility of employment as a whole;
  4. Need of advanced courses in order to open possibility for higher work positions

59 Data from the Commission for Tourism of Zanzibar
5. Strengthening the link with private sector and Dep. Of Labour to increase employment. This is a crucial issue. As there is no office in Zanzibar which facilitates employment (i.e. employment agency), the linkage between hotels and human resources is made by personal initiatives. This results in a gap in demand and supply, with little control on working conditions and preparation of employees.

6. More practical teaching. There is a strong need to include more practical exercises in the basic training we are delivering. This will facilitate the fast inclusion in the workers team.

- The limits of the Activity 1 have been:

A. Difficulty in monitoring employment rates due to:

1. Seasonality of the type of job. The work the hotels offer is often connected to the seasons of the tourists, and the trainees can find themselves working occasionally for short periods;

2. Beneficiaries tend to avoid reporting of their status. Once the certificate has been received, trainees tend not to come to the office to report their status.

B. Difficulty of access to employment for beneficiaries due to:

1. Seasonality of the type of job. The jobs are often available only during certain periods of the year, and their low level of education together with the high competition does not allow privileged access to employment.

2. Low salaries. Many hotels are offering low salaries (even below the minimum wage) for many hours of work per day (10-12 hours/day). Some students do not apply for jobs because they can earn more by working as a mason or by selling items on the beach.

3. No contracts. This aspect is very crucial. Even if there is a Labour Law, very often the type of job offered is occasional and with no contract. This is a big problem because the trainee has no rights, and can be exploited very easily.

4. Low English knowledge. The low level of education, especially knowledge of the English language, reduces access to more job opportunities.

5. High competition. There is very high competition in the tourism sector. The number of jobs is limited, and there are many immigrants from the mainland and Kenya who get most of the jobs as a result of having received a higher education, including a good level of English.

<table>
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<tr>
<th>RESULT 2:</th>
<th>ACTIVITY 2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creation and support to 30 new and existing SMEs and local group businesses in different fields (handicraft, hotel supply market, tourism tours)</td>
<td>Community enterprises and SME development training programme: 6 six-months courses in Nungwi and 3 in Jambiani for about 250 trainees</td>
</tr>
</tbody>
</table>

Result of this activity of the PPT project:

✔️ 45 SMEs supported with training (both Nungwi and Jambiani)
✔️ 4 IYBS training delivered, ESL trainings and 20 technical training delivered
✔️ 15 SMEs supported with grants
✔️ 14 fishermen groups supported with equipment for marine tours
The main findings of Activity 2 are:

1) Overall improvement of their businesses. The SMEs have improved their management (in terms of accounting and group management) and their technical skills.
2) Low level of record keeping. The instrument for the proper management of record keeping is still new, with difficulties in being fully accepted.
3) Difficulty of designing a business plan. There are still problems in forecasting the development of their activities.
4) Need to improve quality control.
5) Lack of entrepreneurial attitude. There is a limitation in focusing on market approach and the opportunities offered.
6) Inability to shift from informal to formal sector (registration). The SMEs in the target villages are small and their income is still not regular throughout the year. This limits their ability to strengthen and register.
7) Lack of capital and weak saving schemes. There is a big limitation on the access to credit (due also to their status of informality and ability to pay back debts) and almost absent systems to save income.
8) Nungwi market more dynamic. In two years in Nungwi 10 new SMEs have been created and only 1 in Jambiani. The new road in Jambiani will certainly increase the tourist investments and consequently new SMEs will hopefully start.

The limits of the Activity 2 have been:

1. Lack of access to credit schemes. Few credit schemes are present on the island and they have a high interest rate that the SMEs are not guaranteed to be able to pay back.
2. Lack of access to tourist market due to:
   A. Scarce quality of products.
   B. Difficulties of identifying efficient marketing strategies.
   C. Low productivity
   D. Scarce English knowledge. English will enable the SMEs to sell their products to tourists and increase their market.
3. Middle men reduce income to SMEs. Most of the products might be sold in the market in Stone Town, but the village SMEs are not organized for transport and lack contacts in town. This allows middlemen to purchase at low prices in the villages and then on sell at higher prices in town. Overcoming the middlemen will allow higher income to the groups.

RESULT 3:

<table>
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<tr>
<th>The Nungwi and Jambiani communities increased environmental awareness and sustainable use of resources through the following main outcomes:</th>
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<tbody>
<tr>
<td>9 environmental clubs in the schools</td>
</tr>
<tr>
<td>9 tree nurseries producing 36 000 seedling/year</td>
</tr>
<tr>
<td>waste collection in 6 villages</td>
</tr>
<tr>
<td>Environmental awareness and sustainable use of resources campaign: environmental education and tree nursery in 9 schools, waste management, tree and reef festival days.</td>
</tr>
</tbody>
</table>

Result of this activity of the PPT project:

- 9 Environmental Clubs in schools supported (trainings and didactic material)
- 9 tree nurseries supported
✓ 9 schools started composting
✓ 9 school & Village Environment Committees trained on waste management
✓ 4 villages supported on waste management
✓ 7 Clean up Festivals realized

The main findings of Activity 3 are:
1) Students participate actively to the Club activities. Being an after school activity, the participation of the students remained very high throughout the program.
2) Tree nurseries started producing seedlings and vegetables. The target villages are traditionally fishermen areas, so introducing agriculture was a big challenge and will require more time to be completely sustainable
3) Increase of awareness from communities and students towards environmental protection. The communities are now more aware of the importance of keeping the environment clean and protected, in particular for the negative effects on health and on their main source of income.
4) Increased participation of communities in the cleaning of their villages. During the implementation of the campaign, more and more people started to participate to these activities. In particular the participation to the “clean up campaign” has shown an increased interest in the activity and high participation.

The limits of the Activity 3 have been:
1. Strengthening the Clubs activities. Most of the Clubs are newly established and need more work to properly organize and realize their educational and awareness activities.
2. Building stronger linkage between schools, communities, local government and the private sector. The protection of the environment needs a strong collaboration between all stakeholders.
3. Scarcity of water. In many of the target villages there is scarce or even an absent supply of water. This is a major problem, for health and social aspects.
4. Increased pressure on natural resources due to the tourist sector and human activities. The environmental situation on the island is in constant degradation. There needs to be a strong and coordinated action to face the problem.
5. Lack of a waste management plan for the island. Without a main plan all the local initiative will never be able to change the current trend.

RESULT 4: ACTIVITY 4:
Establishment of tourism network association in order to increase community participation and involvement in the development of pro-poor tourism policies, processes and partnerships with the decision makers, the private sector and investors.

Development of community tourism network association by: capacity building, participatory research and mass media communication

Result of this activity of the PPT project:
✓ Advisory Committee of Nungwi established and trained
✓ Regular monthly meetings with the AC
✓ Meetings between government bodies and the AC
✓ 2 participatory research on the impact of tourism on local communities
✓ 1 Open Dialogue day focused on village Culture
✓ Capacity Building of LDF & HABS
✓ Mass Media campaign
✓ International Conference
The main findings of Activity 4 are:

1. The AC contributes to the activities of the PPT project. The contribution of the committee has been very helpful in constantly monitoring the activities and the perception of the communities. The project could continuously adapt the methodology in order to better address the needs of the beneficiaries.

2. Increased awareness in the communities about their status within the tourism sector. Before the project the communities did not know much about “tourism” even though the sector has been developing around them for the past 15 years. The project had to run specific workshops to explain the dynamics, the stakeholders and the potential of the pro poor approach.

3. Increased the ability of local communities on the modalities to promote and preserve the local culture. The various workshops and research made the communities able to focus on certain topics (culture, employment, environment etc.) which will help them to protect and promote their local resources (i.e. A cultural festival has been organized in Bwejuu for November 2008)

4. LDF manages parts of the project. At the beginning of the project LDF was a small NGO managed by volunteers. By working together, the staff gained skills in management and improved their performances. Now LDF managers directly oversee almost half of the project activities implemented in Nungwi (H&H trainings, Env. campaign)

5. Increased participation of communities to the PPT activities and on the environment protection. The continuous involvement of the communities in all environmental activities has paid off. Today the communities are aware of the project activities and goals, its partners, and are supporting community activities in a very active way (i.e. clean up campaigns)

6. Tourist sector Stakeholders met at the Conference. The contribution to the conference has been successful and very active. The level of intervention has been very high and the questions interesting and pertinent. The effort in the workshops has been positive. The most important part has been that different stakeholders of the tourism sector have met and shared problems and ideas

The limits of the Activity 4 have been:

1. Strengthening the activities of the AC to act autonomously. There needs to be constant motivation to continue meetings after the end of the project and find resources to directly implement some activities.

2. Finding resources to develop communities programs and ideas.

3. Enhancing the participation of government bodies in the discussion of village issues. There is a strong request from the communities to be informed and participate in the development of the tourism sector and their villages.

4. Sustainability of the tourism sector network

<table>
<thead>
<tr>
<th>SPECIFIC OBJECTIVE:</th>
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<tbody>
<tr>
<td>To unlock opportunities, within the tourism development of Nungwi and Jambiani areas, to generate economic, social, environmental and cultural benefits for the rural poor communities.</td>
</tr>
</tbody>
</table>

So far the project was able to deliver:
Tourism and Poverty

- Changing the view of communities towards the tourism sector
- Increased access to employment
- Increased SME business and diversification
- Increased environment awareness in the communities
- Strengthened liaisons with NGOs involved
- The PPT project is well known in the island

- The limits of the specific objective are:
  1. There is still a need to work to strengthen the communities. In particular there is a need to strengthen the awareness of the communities on national policies (tourism, labour, environment etc.) and increase the discussion of development issues involving the beneficiary communities.
  2. Need of stronger linkage between training schools, hoteliers and government to increase local employment.
  3. Need of increase access to the market and credit for SMEs
  4. Need of planning and resources to face the problem of endangered environment.
III. AITR strategies towards responsible tourism

Maurizio Davolio

PRESIDENT OF AITR AND REFERENCE PERSON FOR TOURISM AT LEGA COOP (UMBRELLA ORGANIZATION OF ITALIAN COOPERATIVES)

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ABSTRACT: AITR, Italian Association for Responsible Tourism, was founded in 1998 after a preparatory period which lasted some years. In the definition of responsible tourism adopted by AITR, it is strongly highlighted that the local population has to be the protagonist of its own tourism development; it has to benefit from the economic, social, entrepreneurial and occupational benefits related to tourism; it has the right to see territory, natural and monumental heritage, culture, traditions and lifestyle respected and promoted by tourists and visitors.

On the basis of these values, 12 NGOs associated to AITR, 6 tour operators and 10 association members have developed their tourism projects and products. Nonetheless, AITR itself addresses tourists (through, for instance, the Vademecum), students (through University Agreements), on-training tour operators, public institutions and the traditional tourism industry with the objective of promoting and including – even if partially and gradually – best practises inspired by principles of responsible tourism.

This approach can be adopted in the context of Zanzibar, where issues like environmental protection, local community involvement, training courses for tour operators, support to small enterprises through micro credit initiatives, are major priorities and need concrete and practical solutions. These solutions have to be adopted even in the context of international collaborations and creation of local networks with international perspectives.

1. AITR and responsible tourism

In the mid 90’s, a vast movement criticising tourism emerged in Europe and other parts of the world. Intellectuals, researchers and economists gradually realized that tourism, as it was practiced (particularly in the South of the world), did not address expectations and hopes that had engendered it.

Tourism was – and still is – presented as a considerable development opportunity for poorer countries that have areas of natural beauty or a significant monumental and artistic heritage. Tourism has become a phenomenon in steady and continuous growth and it is fast becoming a major world industry. The perception of tourism itself has changed from one of luxury to a basic necessity. The increase in the tourists’ flow is not even halted by catastrophes such as wars, terrorism, epidemics, economic crises or natural calamities; it may have faltered after 9/11 or the devastating 2004 tsunami, but it soon picked up. The term that best describes this formidable capacity of tourism to react is resilience.

Because of this constant growth (with a permanent research of new destinations), tourism development has increasingly become a highly attractive opportunity for many governments. However, this choice has been frequently followed by disappointments; investors are mostly from abroad, and tour operators, travel agents, airlines and hotel chains are often run by foreigners. Even basic items such as foodstuffs, equipment and furniture are often purchased from overseas. The income leakage reaches, and frequently exceeds, 80% of the prices of the touristic package.
In return, the host country is left with crumbs; locals are usually employed in unskilled positions, and there is often an increase in illegal touting activities. In addition, the territory is ravaged; traditional crafts and trades are miserably abandoned; the cost of living rises; water becomes less available for domestic and agricultural uses; local traditional lifestyle is upset and lost; petty crime and prostitution - including that of juveniles - spreads. All these factors lead to the emergence of hostile relations between the local population and tourists - it is not always so extreme but, unfortunately, it is a pattern that frequently happens.

Criticism of the tourism industry was also evident in Italy. After a period of reflection and discussion, AITR was set up in 1998 with the objective of contributing to a “better” tourism; by reaffirming the host communities’ central role and its best interests. For instance, a communities’ right to plan territory development; and the right to benefit from financial, social, economic and employment improvements originated by tourism within a framework of sustainable development that respects the local environment, artistic heritage and local culture.

Essential to this idea of responsible tourism is the concept of the host communities’ interests playing a central role. It should be the tourist who adapts to the local culture, traditions and practices – and not the other way around. There should be: family run hotels; local traditional cuisine in restaurants; opportunities for cultural exchange with the local community; opportunities for purchasing authentic craftwork; accessibility to local festivals, events and performances that have not been trivialised and adapted to suit tourists’ taste; and visits to co-operative and development aid projects. Tourists’ behaviour must be encouraged to be appropriate and respectful.

By adopting practises aimed at purchasing local products and services it has been calculated that the leakage reduces on average from 80% to around 60% - it is difficult to lessen it further given the high quota of flight costs in the package.

In 1998 AITR was set up by 11 founding members. Today, ten years later, there are 90 members which are associations, non-governmental organisations, co-operatives and small private companies. The members all differ in size, type of activity, and cultural and political background. Among those involved are some of the most important Italian environmentalist organisations, numerous co-operatives, small tour operators specialising in responsible tourism, some Catholic tourism organisations, and other associations involved in voluntary work and fair trade. There are also 9 members from South America and Africa, a publishing house, ECPAT (End Child Prostitution, Pornography And Trafficking) and 13 Italian NGOs involved in tourism projects.

What do these members have in common? The desire to contribute to changing the tourism industry - by establishing and spreading best practices for economic and employability development; learning from one another; developing a stable and mutual co-operation; overcoming prejudices; and promoting conviviality in relations.

AITR has 7 main areas of activity:

- Co-ordinating travel organisations (tour operators and associations), representing them and providing support for promotion and sales;
- Co-ordinating and representing co-operatives as well as other small businesses which offer responsible tourism initiatives in Italy;
- Representing and co-ordinating NGOs especially in their relations with the Ministry of Foreign Affairs and UNWTO with particular reference to the ST-EP projects;
• Initiatives aimed at influencing the main tourism industry’s relations with associations of tour operators and travel agents to ensure that – even in a gradual or partial way – responsible tourism’s principles are applied in planned packages;
• Relations with Universities, Masters’ Directors, specialised high schools and training colleges, in order to educate future business people and operators in tourism;
• Relations with local administrations at different levels so as to ensure the inclusion of responsible tourism’s principles in their financial programmes;
• Initiatives aimed at sensitizing future tourists, such as an English version of the Vademecum, which has been written together with Mondial Assistance.

For any of these areas there is an equivalent responsible in the management structure (the Directive Council).

AITR is funded by membership fees, forms of co-financing and partnerships, and support from the co-operative movement (which is sensitive to themes of economic development aimed at and compatible with goals that are of social and solidarity interest). Good financial resource management such as resources’ optimisation coming from co-operative projects, combined with constant personal and voluntary commitment by the members, makes it possible to provide a sound variety of activities allowing AITR and responsible tourism to acquire visibility.

Today, AITR is the largest national network and has been instrumental in the setting up of a European network called EARTH, which will be formally established on 16 October in Brussels, as an international non-profit organisation under Belgian law.

EARTH will remain a European association, but among its objectives is the desire to assist the set up of similar networks in other continents and countries.

After the formal creation of EARTH, AITR will take part in FITS (International Forum on Fair and Responsible Tourism) in Bamako, Mali, where we will have the opportunity to establish and strengthen relations with the world of responsible and community based tourism in Africa, particularly in French speaking countries.

We also hope to be able to set up similar initiatives with Eastern African as well as with Asia, Latin America and the Mediterranean countries.

AITR has significant experience in development cooperation that has merged into the formulation of good practices which are considerable assets.

The cooperation between NGOs and tour operators has become productive even though not exhaustive. In practice, the possibility of sending tourists on a completed cooperation project would be evidence of the projects success.

But it is possible to do more.

Tour operators could also provide clear indications of the projects during their planning stage; they have the necessary experience to give precise information about the minimum lodging standard, hygiene conditions etc.

It would also be possible to ask tourists to donate an extra fee for contributing to further projects to be implemented in the areas visited by them. By doing so, they would also have the opportunity to personally see where and how their contribution has being used.

Moreover, collaboration between NGOs and tour operators could be extended to professional trainings, researches and studies, media coverage, and equipment supply. These opportunities already exist within AITR and in its network of external relations.

Our strategy is, therefore, based on the concept of an integrated approach among members, working together and contributing with their own competences and know-how.

It is with great satisfaction that we celebrate this year our first decade of activity and on December 12th and 13th we will hold our annual meeting: the annual Forum. The event is open to the public and includes a workshop aimed at increasing reciprocal relations.
amongst members, thus creating the conditions for developing cooperation on projects, activities and specific actions.

I hope I have been able to give a satisfactory picture of our association; above all I hope that this Conference is not an isolated event but will mark the beginning of a long and mutually beneficial relationship for the future.

2. VADEMECUM

**Before the trip**

- Get as much information as you can about the country you are going to visit: its history, culture, economy, environment, religion, cuisine… and perhaps even learn a few phrases in the local language.
- If you can, choose tour operators, airlines and hotels that benefit the host community and respect the environment.

**During the trip**

- Remember that your holiday is also a time in which you will most likely come across a different culture. Try to adapt to local practises and customs without imposing your own habits and lifestyle.
- Even if you have paid for your holiday try to keep to local rules: do not insist on demanding special treatment or exceptions; do not act offensively or arrogantly. Find out about local practises of tipping and begging.
- Wear appropriate clothes that are not too ostentatious especially at religious sites. Do not show off wealth and luxury that may dramatically contrast with local conditions.
- Help sustain local cultural events and craftwork; in this way you will take home “real” souvenirs and, at the same time, help the host community. Make sure you know about how and when to haggle over prices.
- The world’s wealth consists in its variety – do your best to act cordially, with respect and without prejudice in your dealings with local people but without, of course, abandoning caution.
- Use services provided by the local population particularly for transport and hospitality. This will help you to better know the country and its people while also contributing to the local economy.
- Leave only your footprints behind but not the trace of your passage – no rubbish, no graffiti. Do not take “keepsakes” from the environment or archaeological sites. Do not purchase products made from plants or animals threatened with extinction (e.g. ivory, skins, shells etc.).
- When you are outdoors and particularly in protected areas, keep to paths, do not disturb plants, animals and their environment. Visit protected areas only in small groups and with expert guides, better if locals.
- By turning off air conditioning and lights in your hotel when you go out, you will help save water and energy – precious resources for the entire planet.
- People are not part of the landscape – ask for permission before taking their photos.
- Have fun tasting local foods – you have got the rest of the year for your home cooking or international cuisine.
- Remember that: no populations are anthropologically predisposed to prostitution; consent from minors is totally irrelevant; collusion of families, hoteliers or the police is
not an alibi. The legislation of many countries condemns sexual crimes committed abroad by their citizens.

**After the trip**

- When you get home, take time to reflect on what you have seen and the people you have met. If you made promises to anyone – to send a postcard, photos or to do a small favour – do your best to keep your word.
- If you witnessed any serious or intolerable situations, get in touch with your travel agent or tour operator and inform AITR (info@aitr.org).
IV. Eco-Tourism can Help Preserving Threatened Eco-Systems for the Future Chumbe Island Coral Park

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Abstract

If well managed, eco-tourism can provide a sustainable income for conservation and management of threatened ecosystems. One example is Chumbe Island Coral Park Ltd. (CHICOP), established in 1991 for the conservation of Chumbe Island – a small, uninhabited coral island of 22 ha, located 8 miles southwest of Zanzibar town, Tanzania. The island is covered by a semi-arid so called “coral rag” forest and bordered on its western shore by a fringing coral reef of exceptional biodiversity and beauty.

In the early nineties, Chumbe Island offered ideal conditions for a small protected and privately managed Marine Protected Area (MPA), as it was uninhabited, and its western reef was traditionally closed for fishing. Chumbe Island Coral Park was the first declared marine protected area (MPA) in Tanzania and the first privately established and managed one in the world.

The main obstacle to the successful management of tropical Marine Protected Areas is that despite the local and global benefits generated by them, governments assign them low priority and insufficient financial resources to pay for the infrastructure, training, education, and other management costs involved. This has led to a large number of so called 'paper parks', i.e. parks that only exist in the books, but where no active management is present, especially in developing countries.

In June 1998, CHICOP was officially opened for ecotourism. Since then, the island and the fringing coral reef, which were gazetted as a park in 1994 by the Government of Zanzibar, have become a major attraction for visitors who are eager to see marine nature at its finest. All developments on Chumbe Island are based on state-of-the-art eco-technology that uses renewable low-impact water and energy management (such as rainwater catchments, composting toilets, vegetative grey-water filtration beds, and solar energy).

On the 12th June 2008, the Hon. Minister of Tourism Trade and Investments in Zanzibar, Ms. Samia Suhulu Hassan, officially visited Chumbe Island to commemorate the 10th anniversary of Chumbe Island as an eco-tourist destination. In her speech she emphasised the importance of Chumbe’s Environmental Education programme, and how the organisation has been a role model for increasing the awareness about conservation and environmental issues both amongst the Zanzibar communities and private investors. Since the project started, more than 3000 students and 500 teachers have been taken to the island for educational daytrips, and the annual occupancy rate for visitors to the island has reached over 86%.

Ecotourism on Chumbe Island supports the conservation efforts for the marine and terrestrial ecosystems, park management and the Environmental Education program. While operations follow commercial principles, the project objectives remain non-commercial and since 2000, the running costs of MPA management are fully covered by the revenue generated from tourism operations on the Island.
1. Introduction

Coral reefs are an extremely important natural resource, supplying food and income for millions of people in the tropics (Moberg & Folke, 1999). It is estimated that around 25% of all fish species in the world are somehow dependent on the coral reef ecosystem for their survival, either as a food source, as spawning/nursing ground or shelter (Lindén & Sporrong, 1999). Economically, one of the most important resources humans extract from the marine environment is fish, but the interest in coral reefs from the pharmaceutical industry is also constantly increasing. Another industry with increasing importance in many tropical countries is tourism (Brink, 2001), which in many coastal areas is supported only by a healthy marine environment. Coral reefs can also provide a number of non-extractive services to the local community, like protection against coastal erosion, natural harbors, sites for aquaculture, biological support for important pelagic species and much more (Nyström, mimeograph, Feb. 2003).

The human impact on coastal ecosystems is steadily increasing and the coral reefs in the East African region are no exception from the trends in the rest of the world. They are subject to a number of threats, like the large-scale bleaching event caused by high water temperatures in 1997-98 (Obura et al., 2000), increased coastal populations leading to higher sewage loads, dynamite fishing, uncontrolled coastal tourism, coral mining and increased fishing (Lindén & Sporrong, 1999; Mbije et al., 2002). The pressure on the marine environment to continue providing goods and services to the people in the region and in other parts of the world is also continuously growing (Moberg & Folke, 1999).

However, fishing is not the only economically important activity related to coral reefs in the area. Tourism related to the marine environment is also increasing, giving substantial income and employment opportunities to the people of Zanzibar (Muhando, 1999). Both fishing and tourism activities contribute to reef habitat degradation in the area and marine reserves are gaining popularity as a tool for conserving coral reef habitat and fish stocks (Obura et al., 2000). Marine Protected Areas, MPAs, can not directly protect the ecosystem from many natural or more diffuse anthropogenic threats like Crown-of-Thorn outbreaks, increased sedimentation load or sea water temperature rises, like the El Niño bleaching event of 1997-98 (Obura et al., 2000). However, a healthy ecosystem with high species diversity and all functional groups intact, can cope better with all these types of disturbances (Nyström & Folke, 2001; Pauly et al., 2002). As MPAs help preserve the natural ecosystem resilience (Hughes et al., 2003), reserve management is a powerful tool when trying to preserve the ability of coral reefs to generate resources also in the future.

1.1 Marine Protected Areas, MPAs

There are a number of studies showing that MPAs are an easy and effective way to manage fish stocks in many different regions (Mosquera et al., 2000; Halpern & Warner, 2002), including some that show the same applicability for the area of Eastern Africa (McClanahan et al., 1999; McClanahan & Kaunda-Arara, 1996; McClanahan, 1999). One of the main goals of marine reserves is to maintain biodiversity in the long term (Cabeza & Moilanen, 2001) and the reason for that is usually to manage the goods and services that we can extract from the marine environment (Agardy, 1994). However, the effectiveness of a reserve can vary in many factors, such as the basic design, management plans and the collaboration with local communities. If a reserve is managed properly, the density and biomass of large, predatory coral reef fish is likely to increase.

Along the East African coast, the number of marine reserves has increased lately and the regional interest and support for coral reef conservation is constantly growing (Obura et al., 2000). There is, however, a major issue regarding legal enforcement. The Tanzanian government has had great difficulties implementing no-take reserves, and has more or
less abandoned the idea of such areas, in favor of less restricted extraction rules with community-integrated management (McClanahan, 1999; Obura et al., 2000).

2. The Chumbe Island Coral Park Project

The project initiator, Ms. Sibylle Riedmiller, was working in Tanzania as manager and consultant for donor aid projects from the early eighties and fell in love with the tropical sea and became an enthusiastic sailor, diver and amateur marine biologist. In 1990, after concluding a consultancy on environmental education in Zanzibar, she developed a proposal for a small marine park that would help conserve a pristine coral reef, offer environmental education for both foreign visitors and the local population, and generate management funds through genuine ecotourism. Disillusioned with the failure of most aid projects implemented through government institutions in the country, she felt that the future for nature conservation in Tanzania was in the hands of the private sector. CHICOP became the first privately managed MPA in the world and the first MPA in Tanzania which was properly managed.

2.1 The island

Chumbe is situated 8 miles southwest of Stonetown on the west coast of Zanzibar. It is 1.3 km long and 300 meters wide and consists of fossilised coral reef which came up above sea level during the last ice age. Due to the porous structure of the coralline rock there are no fresh water resources available on the island, except for seasonal rain. The island is fringed on its western side by a shallow coral reef of exceptional biodiversity. The coral reef has over 400 species of fish and more than 200 species of scleractinian coral, at least 90% of all recorded in East Africa (Veron, pers. com. 1997). Due to the shallow nature of the reef it is always easily accessible for people who want to snorkel and observe the marine life. Fishing was traditionally not allowed on the western side, as small boats would have obstructed vessels plying the shipping channel to Dar es Salaam, the main port on mainland Tanzania. Previously, the island had only been inhabited by the former lighthouse keeper who was stationed on the island to look after and maintain the lighthouse which was built by the British in 1904. However, at the time of Sibylle’s search for an ideal place for the MPA, the island was totally deserted. As no traditional users were to be displaced, conditions appeared ideal for the creation of a marine park that depended on co-operation with local fishermen, not government enforcement.

2.2 CHICOP

In 1991 Sibylle started campaigning for the protection of the island, and presented a business plan that would establish Chumbe Island as a privately managed marine park financed through ecotourism. When the Government of Zanzibar approved this in 1993, she registered Chumbe Island Coral Park Ltd. (CHICOP) for the management of the reserve. After lengthy negotiations with several Government departments, CHICOP leased a small plot on the island for development and signed management agreements for the Chumbe Reef Sanctuary and the Chumbe Forest Reserve that had been declared protected areas in 1994 and 1995.

From the very beginning, CHICOP employed and trained former fishermen from adjacent villages as park rangers, and stationed them on the island. Up to the present, their main tasks are to patrol the reef and the island, keep daily monitoring records on any observations, assist researchers, and guide foreign and local visitors over the marine and terrestrial nature trails. Between 1992 and 2008, more than 60 volunteer marine biologists,
zoologists, botanists and educators from several countries joined CHICOP for periods between one month and three years. They have conducted baseline surveys on the ecology of Chumbe Island, trained the rangers on the different aspects of their work and helped manage the increasingly complex and challenging project.

2.3 The eco-lodge

The construction of the eco-lodge started in 1994. Due to the nature of the island and to minimise the impact on the surrounding environment it was decided to use only state of the art eco-architecture. With the help of architects of the Technical University Braunschweig (Germany) and other specialists, the Visitors' Centre and seven 'eco-bungalows' were constructed over a period of four years. All buildings were designed to catch sea breezes for ventilation in order to eliminate the need for air-conditioning. Technologies for energy and water supply and waste disposal on Chumbe Island were selected to comply with the highest environmental standards. Solar panels and rainwater catchments were used to provide renewable energy and water. Waste and sewage disposal is particularly important in sensitive coral areas where nutrients and sedimentation from sewage and beach erosion suffocate corals and encourage algal growth. On Chumbe, the installation of composting toilets instead of flush toilets not only reduces the water consumption, but also avoids any sewage run-off into the sea. Grey water from the showers and kitchen is disposed of through sand filters and garden irrigation. A new artificial wetland system was installed to treat the grey water from the main kitchen in May 2008.

Prior to the completion of the lodge, some European experts came to Chumbe to assist with the elimination of the rats (*rattus rattus*) so that by the time the first guests set foot on the island in 1998, the rats had been completely eradicated.

2.4 CHICOP Activities

In the constitution of CHICOP, the purpose of the company is: “To manage for conservation purposes, the Chumbe Island Reef Sanctuary and the Chumbe Island Forest Reserve. This includes educational and commercial activities related to the non-consumptive use of the above mentioned natural resources and the doing of all such other things as are incidental or conducive to the attainment of the above object.” Thereby, the objectives of CHICOP are non-commercial, while operations follow commercial principles. In fact, the overall aim of CHICOP is nothing less than to create a model of sustainable conservation area management, where ecotourism supports conservation and education. Profits from the tourism operations are to be re-invested in conservation area management and free island excursions for local schoolchildren.

- **Conservation Programme**

On Chumbe Island, conservation work is pro-active. Rangers patrol the island to ensure that the laws prohibiting fishing and anchoring on the protected reef and guarding of the closed coral-rag forest habitat are met. Since 1992, these rangers have monitored any event or infringement, and their reports provide daily data on the type, number and names of vessels involved, nature of the intended activity and the fishers' reaction to the rangers' intervention. They also record observations on any major change in the coral reef, such as storm damage or coral bleaching.

Other conservation work done on Chumbe includes a Crown-of-Thorn (COTS) starfish removal programme which was initiated inside the marine sanctuary in 2004. In just 4 years, more than 3,500 COTS have been removed and this has significantly contributed to
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the reef recovery after a bleaching event in 1998 (Lanshammar & Muhando, 2008). A specific coral reef monitoring programme was designed by Dr. Lizzie Tyler in early 2006 and since then, has been implemented by the island based park rangers (Tyler, 2007). Since September 2006 Chumbe has also participated in a global Seagrass monitoring programme called SeagrassNet (www.seagrassnet.org), collecting data 4 times per year on health and distribution of this important eco system.

The forest covering the island is one of the last pristine 'coral rag' forests in Zanzibar (Beentje, 1990) and since 1997, has become a sanctuary for the highly endangered Ader’s duiker (Cephalophus adersi) the rarest antelope in the world (Kingdon 1997). The Sanctuary was established in co-operation with the Commission of Natural Resources of Zanzibar, the Zoo Munich-Hellabrunn, Flora and Fauna International (UK), the WWF-Tanzania, and the Chicago Zoological Society. A camera monitoring project was installed for the antelopes in 2008 with funding from the Zoo Munich-Hellabrunn.

Furthermore, the island has probably the world’s largest population of the rare Coconut crab (Birgus latro) recorded as ‘data deficient’ in the IUCN Red data book (Richard Hartnoll, pers. comm.). Attracted by the abundant fish in the reef sanctuary, the rare Roseate terns (Sterna dougalli) bred on Chumbe Island in 1994 (Iles 1995) and in 2006 (Peters, 2006). A tagging project of this endangered seabird was undertaken together with the Department of Forestry during the last breeding event in July/August 2006. Particularly after the successful eradication of rats (Rattus rattus) in 1997, Chumbe Island is also a safe haven for yet unknown flora and fauna typical of inter tidal reef flats and coral rag forests that are little researched and rapidly diminishing elsewhere in Zanzibar and Tanzania. CHICOP is also trying to control the population of the aggressive Indian House crow (Corvus splendens) by using a variety of methods such as food traps, nest destruction and even shooting.

• **Environmental Education Programme**

There is an urgent need to increase public awareness about sustainable management of marine resources in Tanzania and in Zanzibar. Chumbe’s environmental education programme provides an excellent opportunity for hands-on learning for students and teachers as well as other important groups in the society from Zanzibar and other parts of the world. CHICOP has, since 1999, conducted school excursions for secondary students and their teachers to Chumbe Island. From the start of the programme until February 2008, more than 3,000 students and 700 teachers have visited Chumbe Island. The excursions were in co-operation with more than 35 secondary schools in Zanzibar, as well as primary schools, local and overseas universities. The excursions consisted of a one-day school trip to Chumbe Island where informal, hands on environmental education for schoolchildren was provided, and at the same time gave accompanying teachers an insight in how to teach practical field based environmental education (Collier, 2007).

Guided by park rangers on the coral reef and along nature trails created in the coral rag forest, the participating children have benefited greatly from the insight they gained from lectures and practical experience in marine biology, forest ecology and environmental protection. Most of the school trips have been conducted during spring tides to give students and teachers an opportunity to visit the “Intertidal trails” and learn more about the reef and its inhabitants by walking on foot on the exposed and dry littoral zone at low tide. Once the tide comes in, the students are also given the chance to snorkel on the reef and be guided by the trained education rangers to see the diversity of coral, fish and other marine life on the Chumbe reef. An important part of the excursions has also involved an introductory talk about the coral reef ecosystem and threats to their existence.

The teaching materials that are used have been carefully put together to suit the appropriate level of knowledge. Students and teachers have provided feedback to the park
rangers and CHICOP EE team by participating in the activities and then filling out the worksheets provided as well as participating in the specially organised evaluation seminars. The worksheet has shown to be a great tool for the students as well as the teachers in order to continue their coral reef ecology learning in the classroom. Students have also been encouraged to submit artwork relating to the coral reef ecology theme, which are then displayed in the CHICOP education centre. The CHICOP EE team has evolved even further, when in March 2007 they developed a tool-kit for continued environmental education in the local environment for students to use after returning from the excursions to Chumbe. By following the material in the tool-kit, schools can participate in “the Chumbe Challenge Environment Award” which has now moved into its second year.

The Environmental Programme on Chumbe has also highlighted the need for educational materials related to Conservation and Sustainability to be incorporated into the Teacher Training curriculum. Working with the Ministry of Education, CHICOP is developing modules following the initial format of "The Coral Reef Module" for subjects ranging from "Eco-tourism" to "Biodiversity," "Eco-technology," and "Conservation". These modules are to be put together to form a teaching resource, available for all Secondary School teachers in Zanzibar, to advise and provide information about field based education with the ultimate aim to produce a Course Manual of exemplary teaching modules. This will give teachers and students a concrete model on how to make classroom teaching more relevant to the environment, and create awareness on coral reefs and coral island ecology that is so desperately needed in Zanzibar.

Along with the Education Programme for schools, CHICOP has been actively involved with other projects to increase public awareness about the need for sustainable management of precious marine resources. CHICOP is also building a reputation for having great knowledge in marine environment, and in the last few years Chumbe has been involved in training of Local Government Officials, groups of fishermen from all over Zanzibar, local NGO’s, and other groups interested in marine environment and education.

- **Eco-Tourism**

The eco-tourism activities on Chumbe Island are celebrating their 10 year anniversary in 2008. The anniversary season was officially opened by the Honourable Minister of Tourism, Trade, and Investment, Samia Suluhu Hassan on the 12th of June. In her speech given on the opening day, she mentioned how important Chumbe is as a case of truly sustainable tourism in Zanzibar and how much the company has contributed through its education programme over the years.

One important aspect of the eco-tourism concept is that the employment of local people is encouraged at all times. With 42 staff and only 7 rooms, CHICOP employs 300% more staff per room than the international average for Eco-lodges (International Finance Corporation, 2004). The company also tries to encourage good employment ethics, and pay salaries much higher than the minimum wage in Zanzibar (Com. of Labour, 2008). A sign of successful personnel management is that almost 20% of the staff has been employed by the company for more than 10 years.

In order to minimize any negative impact the eco-lodge might have on the surrounding environment, a daily limit of visitors to the island has been imposed. The seven two-bed Eco-bungalows offer accommodation for up to 14 guests. In addition, day trips are offered for up to a total of 16 visitors. Groups of schoolchildren are invited for day excursions and their numbers do not exceed 15, which includes teachers. Overnight capacity does not exceed around 4,500 bed-nights per year and no further construction of overnight facilities is planned (Carter et. al., 2006).
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Kitchen refuse is either composted and then used in the composting toilets, or removed from the island. As around 90% of all kitchen supplies are bought fresh from the local market, very few tins or plastic containers reach the island in the first place. Therefore, as non-biodegradable materials are minimized and removed and others fully recycled, it can be said that the Chumbe Island Coral Park project generates close to zero pollution, both liquid and solid!

Last but not least, all visitors to the island are offered a wide range of nature experiences, such as guided snorkelling along marine trails in the forest sanctuary, guided walks in the inter tidal zone, mangrove cave and forest trails, as well as environmental exhibits and information in the Visitors’ Centre.

Since the local Zanzibarian cuisine is a very delicious blend of Asian, Arabic, African and European traditions, it was decided that guests would be offered typical Zanzibarian cuisine. This allowed for the employment of local women as cooks and became a real success story! None of them had ever received any professional training, but now routinely produce culinary delights on Chumbe Island, with meals based on seafood, local spices and sweets, and indigenous vegetables and fruits. This creates a market for local produce, rather than imported foods, and reduces environmental pollution by minimising packaging materials, while also increasing pride in the local culture.

- **Stakeholder involvement**

An Advisory Committee was established in 1993, with representatives of the Departments of Fisheries, Forestry and Environment, the Institute of Marine Sciences of the University of Dar es Salaam and village leaders of the five neighbouring fishing villages. The Advisory Committee meets at least twice a year. From 1995, meetings were held according to schedule, to discuss the Management Plans, project progress and any issues. There have been no major disagreements on actions to take so far, though recommendations of the Advisory Committee are not binding for the CHICOP Management.

A Management Plan was commissioned in 1995, to a team of ecologists contracted for three months by CHICOP (with support of the British volunteer organization BESO) and who had previous experience in managing a tropical island nature reserve (Aride Island, Seychelles). They held extensive meetings with a wide variety of stakeholders including CHICOP staff, all concerned Government departments, representatives of other environmental projects, local fishermen, and private diving companies.

The comprehensive document includes ecological data collected by the baseline surveys on the physical, biological and historical features of Chumbe Island and the Reef Sanctuary, and specifies the aims and objectives, while also prescribing detailed management actions based on these. It outlines the management policy for sustainable development, eco-lodge management, research policy, health and safety regulations for staff and visitors, guidelines for visitors, as well as responsibilities of essential personnel.

In summary, the Management Plan specifies that only non-consumptive and non-exploitative activities are permitted in the Sanctuary area.

Permitted uses of the marine park include recreation (swimming, snorkelling, and underwater photography), education and research. Extractive and destructive activities, such as fishing, anchorage, and the collection of specimens (even for research) is not allowed. Research is co-ordinated with the Institute of Marine Sciences (IMS) of the University of Dar es Salaam.

The Government responsibilities outlined in the Management Plan (and based on the previously signed Management Agreements) are mainly the public announcement of all legal and regulatory measures concerning the reserve and their enforcement through the relevant organisations (Fisheries officers, Navy, Marine police, Courts of Law). CHICOP
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has complete managerial and financial responsibility for Chumbe Island. The Management Plan was endorsed by the Advisory Committee in 1995 and since then, has been the basis for project operations. In early 2006, the Management Plan was revised and updated for another 10 years, again based on consultations with the relevant stakeholders (Carter et al., 2006).

CHICOP issues quarterly and yearly progress reports, activity reports on park management, and business operations to the respective sectoral Government of Zanzibar Departments.

Since its establishment, the Chumbe MPA has hosted numerous research opportunities for national and international students. Based on a Memorandum of Understanding with CHICOP signed in 2004, the IMS, along with various foreign academic institutions linked with the IMS co-operation programs, conduct regular long-term research that is only possible in protected areas. Shorter-term studies have been carried out by a host of academic institutions involving several scientific institutions around the world.

In the absence of staff from Zanzibar Ports Corporation on the island, the rangers now act as lighthouse keepers and light the old AGA-gas-powered system if extinguished for some reason. The Port Authority regularly calls the island to ask the rangers for assistance in such cases. Before that, the lighthouse rarely functioned. This service is particularly important for the traditional Indian Ocean shipping traffic of dhows that have no access to modern navigational aids, such as GPS. The rangers on the island also regularly assist local fishermen in distress in the areas near to the island.

• Achievements

Over the years, Chumbe Island Coral Park has won or been selected as a finalist for a number of prestigious international awards for the eco-tourism and conservation work that is carried out by the company. British Airways “Tourism for Tomorrow” (1999), the UNEP Global 500 Award (2000), and the Responsible Tourism Award (2004) are some of the more famous awards received by the company. Among the more recent achievements, the Geotourism Challenge (2008) can be mentioned, where CHICOP qualified as one of fifteen global finalists (http://changemakers.net/en-us/node/8057).

Since the opening of the eco-lodge in 1998, the occupancy has gradually increased and has been relatively stable on around 85% since 2006. This has been achieved not only through direct marketing efforts made by the Chumbe office, but also thanks to the many prestigious, internationally recognised awards, the highly visited website (www.chumbeisland.com), and the good coverage in travel guides all over the world. In more recent years the website “Trip advisor” where previous visitors give their reviews, has ranked Chumbe Island as one of the top hotels in Zanzibar.

Another important achievement is the increased and improved reef health, which has been proven in many research results over the year. Elisabeth Tyler (2002) showed in her PhD research that the Chumbe Marine sanctuary contributes to replenishing adjacent reef areas with both juvenile and adult fish, which is an important factor for the neighbouring fishing communities when it comes to seeing the benefits of the MPA. Other studies also show clear results that the Chumbe MPA has higher species diversity, higher coral cover and more fish than other reefs in the vicinity (Lanshammar, 2004; Larsson, 2004; etc.).

The data recorded by the rangers each day clearly shows that the education programme among the local communities has had an effect with continuously decreasing poaching incidents (Table 1). Another factor which contributes to reducing the poaching incidents inside the marine park is the fact that there are buoys in place to clearly show the borders of the park. These have top priority for the management and have been in place more or less all the time in more recent years.
Table 1: Average number of monthly poaching incidents

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<td>3.9</td>
<td>3.0</td>
<td>2.7</td>
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<table>
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<th>2007</th>
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<tr>
<td></td>
<td>5.8</td>
<td>3.4</td>
<td>7.5</td>
<td>4.7</td>
<td>2.3</td>
<td>5.0</td>
<td>4.6</td>
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</table>

3. Conclusions

The Chumbe Island Coral Park project shows that it is indeed possible to run long term conservation and education programmes based on sustainable funding through eco-tourism. The private management of a marine protected area can be effective and economically viable, even in a challenging political climate. In the case of Chumbe Island, the development on the island and the conservation of the natural resources have benefited the local communities by generating income, employment, markets for local produce, developing new work skills, demonstrating sustainable resource management, and restocking commercial fish species in adjacent areas (spill-over).

It also shows that if a development is carefully planned and constructed using good eco-architecture, the tourism operations can have close to zero impact on the local environment and community. The experiences from Chumbe further show that it is good to start on a small scale and then gradually expand and develop all activities. This is partly because the low levels of formal organisation among the local and in particular the coastal communities, make all interactions with the local resource users very time consuming (Riedmiller, 2008). It also takes time to build up good working relationships with government departments, local NGO’s and other partners.

To achieve good management practices it is important to work closely with local partners, such as the related government institutions, and to regularly evaluate the work that is done. To do so, it is very important to have a proper management plan which includes a clear plan on what should be achieved and to have regular meetings to evaluate the work that is done.

Chumbe does indeed prove that eco-tourism can co-exist with conservation and education activities of a high standard, without compromising on the quality from either side. The success of the company also clearly shows that eco-tourism can provide a healthy source of income to sustainably provide funds for the conservation and education activities.

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V. SMEs and Tourism Development in Zanzibar

Fadhil O Mussa

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MINISTRY OF TOURISM, TRADE & INVESTMENTS – ZANZIBAR

1. Introduction

Zanzibar is a Semi-autonomous State within the United Republic of Tanzania. It is made up of two main Islands, Unguja and Pemba with a total area of 2,654 square kilometers. The total population is over 1 million people with an average growth rate of 3.1 percent per annum.

Socio-Economic Context

Zanzibar is a small island economy where more than 60% of the population depends on agriculture for their livelihood. The average per capita income as at 2007 was $ 415. About 49.5 % of the population is labour force (working age population). Currently, Tourism and Trade are the leading sectors contributing towards the implementation of Zanzibar Growth Strategy (MKUZA). Zanzibar Vision 2020 articulates the overall development goals on economic growth, lists the various priorities for economic diversifications, and the promotional activities which are aiming to create a robust and competitive economy in Zanzibar. Therefore, the private sector is a key partner in combating poverty, and the whole process of strengthening Public-Private Partnership for effective implementation and monitoring of strategic interventions.

Among the list of priorities are:

- Modernization of agriculture,
- Promotion of sustainable Tourism,
- Promotion of sustainable fishing,
- Promotion of sustainable industrialization and development of SMEs
- Strengthening of Free Economic & Export Processing Zones
- Promotion of Free Port Facilities and Transit Trade.

2. SMEs and Economic Developments

SMEs have a positive impact towards the Zanzibar economic developments. Zanzibar Poverty Reduction Plan (ZPRP) has indicated the important role of SMEs in employment creation and income generation that will obviously improve the well being of the people. However, there are many constraints hindering the developments of SMEs and the Private Sector at large.

According to the nature of business firms in Zanzibar, SMEs are defined as independent businesses which are legally registered as businesses, tax payers and should have a limited number of employees.
By this definition, Zanzibar SMEs encompass three size classes, which are Micro, Small and Medium classes:

### Classification of SMEs

<table>
<thead>
<tr>
<th>Category</th>
<th>Micro</th>
<th>Small</th>
<th>Medium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees</td>
<td>1 - 4</td>
<td>5 – 19</td>
<td>20 - 99</td>
</tr>
<tr>
<td>Annual Turnover in T.sh Million</td>
<td>Less than 10</td>
<td>Less than 50</td>
<td>Less than 750</td>
</tr>
<tr>
<td>Total Investments in T.sh Million</td>
<td>Less than 4</td>
<td>Less than 20</td>
<td>Less than 225</td>
</tr>
<tr>
<td>Tax Registration</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Business Registration</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Independent Business</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

3. Government initiatives/reforms

Zanzibar Government has initiated various economic reforms for the purposes of creating conducive environments in order to speed up the process of economic growth, encouraging private sector’s full participation and promotion of SMEs. These reforms/initiatives include the national and sectoral policies, laws and regulations as well as national Plans/Programmes. Some of those initiatives which were undertaken are:

- Zanzibar Poverty Reduction Plan (ZPRP)
- Zanzibar Industrial Policy
- Zanzibar Agriculture Policy
- Zanzibar Tourism Policy and Tourism Master Plan
- Zanzibar Trade Policy
- Investment Policy
- Zanzibar SMES Development Policy

4. SMEs and tourism developments

Zanzibar Small and Medium Enterprises (SMEs) Development Policy acts as a catalyst in the promotion and development of micro, small and medium enterprises. Also it has direct linkage to the implementation of the above mentioned policies and plans. Hence, SMEs support the implementation of other policies strategic interventions.

The Tourism Industry in Zanzibar is fast growing at an average of 4% annually. It is obvious that the development of SMEs will be very much attained through the services provided to the Tourism industry. This situation will have a considerable effect for employment creation in a wide range of services, and supply chain of small scale businesses.

The Industrial sector in Zanzibar is small, mainly cottage industries. The overall contribution to GDP shows a declining trend from 19.9% (1985) to 9% (2005). To date, the overall performance of this sector is poor.

Zanzibar Industrial Policy clearly states the SMEs sector as a driving force for development and provides strategies for private sector promotion. It also emphasizes the promotion of export oriented industries, while the Agriculture Policy’s emphasis is on the creation of conducive environments for promotion of agro-processing by focusing the uses
of the available materials (Fruits & vegetables, fish and sea products, forestry and livestock etc).

5. Constraints

Zanzibar SMEs and the Private Sector are facing many constraints which hinder their developments. Among them are:

- Limited access to finance by both formal and informal business sectors, especially medium and long term financing.
- Cumbersome and bureaucratic procedures (business licensing and registration import/export procedures & complicated taxation system).
- Inadequate facilities for quality control and quality assurance.
- Weak industrial and entrepreneurship culture by SMEs.
- Poor marketing strategy for industrial and SMES products.
- High cost of doing business due to numerous administrative barriers.
- Inadequate business support services to SMEs.
- Weak co-ordination among various stakeholders in facilitating SMEs projects.
- Inadequate incentive package (tax breaks for local investors, high bank interest rates etc).
- No financial guarantee systems/schemes to support SMEs.
- Inadequate Management skills to improve work performance (marketing and financial management skills, proper record keeping and administration).
- Poor monitoring and evaluation of SMEs activities
- Inadequate information sharing between SMEs and service providers (lack of transparency)

6. Opportunities

Despite these constraints, there are investment opportunities for SMEs to develop through providing quality and reliable services to the tourism market. This may include the manufacturing and agro-processing of agricultural produce, transport & tour guide services and the production of souvenirs.

At the same time SMEs policy serves as a guideline and supporting tool for the promotion and development of Micro, Small and Medium Enterprises.

Hence, the figure below proves that the Tourism Sector is growing faster than other sectors:

![Contribution of Tourism Sector to Zanzibar Economy 1997 -2007](image-url)
7. Conclusion

It has been observed that SMEs and Tourism have a strong linkage between their developments, and they have a significant role to play in economic growth and poverty reduction. The success of policy objectives to a great extent, relies on the participation and cooperation of all stakeholders. Hence Public and Private Sectors should play their part in a committed and friendly manner.
VI. PPT project – the Nungwi Advisory Committee

Maulidhi Machano Hadibu
NUNGWI ADVISORY COMMITTEE

On behalf of the Nungwi community and Advisory committee of the Pro Poor Tourism project, it gives me great pleasure to be among the key speakers to share our experience on tourism practice in Zanzibar, particularly the Nungwi area in north of Zanzibar island.

First and foremost, it is very important to ask ourselves whether the tourism benefits outweigh the disadvantages and their negative impacts. Furthermore, the current questions are about whether the tourism industry and its key stakeholders have due responsibility to both national and local effort in poverty eradication, how much their strategic plans fulfill, and whether they are strong enough to meet the goals and needs of Pro Poor projects and business in relation to tourism.

As mentioned, this presentation mainly focuses on a Nungwi case study. History shows that Nungwi is part of a mushrooming area in Zanzibar for Tourism business, with accommodation, diving, marine tours and deep sea fishing among the services offered to those visiting the area.

Since 1985 the tourism industry has brought about a dramatic change, both in social and economic arenas. Different studies conducted have found many concerns to regulate such problems resulted from this sector - insecurity, low access to land by local community, unplanned tourism business, environmental degradation, threats, local culture distortion, poor relations between local community and investors are some of the issues which put tourism development in danger.

The environment, as an important resource for both local and modern coming initiatives and activities, is under threat. For example marine and coastal areas are being disturbed by unplanned hotel construction along the beach, boat cruising, incorrect anchoring and local fishing methods. These activities cause reef and coral degradation and the migration of fish and other creatures to the deep sea. This leads to acute poverty for 70% of the fishing community, as they are no longer able to fish in these areas and fish become the most expensive food for local consumers.

Another area that is affected is the land. The environment is influenced by outside immigrants parallel to unplanned shelters, waste from importing of modern materials and other resources, waste from packaged food, beverage bottles, and waste products from hotels and households.

This situation makes the clean up activities difficult for institutions like Labayka, who are the only community based NGO committed to social development activities in the socio, economic and environmental areas. The speed of waste production is high, compared with waste management processes, low awareness, and team working by all stakeholders, especially tourism investors.

_Eg. By using the Nungwi case study through the Pro Poor Tourism Project – Zanzibar in her pre research has found the following negative impacts on the environment especially in waste management:_

- 75% of interviewees agreed that increases in waste products are caused by the development of tourism sectors.
- **Lacking a proper system of waste management concerning the Tourism industry.**

- **Importing of plastic bottles, plastic bags, tinned food and plastic packages spread rubbish to all parts of the Island.**

- **Construction of unplanned hotel/bungalows resulted in deforestation and erosion along the beach.**

- **50% of school boys/girls interviewees agree that they still use the “eat and throw” system, especially with fresh fruit like banana, mangoes, etc. and light snack shells and empty packages.**

The existence of a PPT project, with its objectives and activities in this area, has paved the way to achieving these goals. The project has established environmental training for school clubs and has conducted an environment clean up campaign, with the aim to provide knowledge on waste management. A village clean up week, involving the whole community, got people to work together, to build awareness and to create a culture of team working.

Unfortunately the PPT remains to be a challenge and there are gaps to be filled, the most important being sustainability of waste management in terms of household food waste, rubbish, boxes, plastics, glass, tin and metals. It also shows that working for the environment is a hard task, therefore, all stakeholders, especially tourism industry dealers, should be involved. Their contribution to environmental management can definitely improve not only their goals but also the standard of living and national incomes.

Local communities play an important role in tourism development. In most cases this has not been realized by tourism key players. In Nungwi, the population is growing rapidly and income is decreasing. The villages’ natural resources are not used in a sustainable way nor in a renewable manner, and as a result, there is a big threat of environmental development.

Zanzibar Commission for Tourism, Zanzibar Association of Tourism Investor and development partners may establish support for various environmental projects. Experience has taught the world which factors are important for community involvement of organizations, environmental clubs, and a community in development should bear these factors in mind and practice them in daily life.

A case study of a Pro Poor Tourism project in Zanzibar, implemented by ACRA – Milan Italy, Labayka Development Fund – Nungwi Zanzibar, and Hand Across Borders – Jambiani, has explored the possible opportunities for the local community to develop a positive relationship between the tourism industry and the environment. The case study can be used in all Zanzibar environments especially in coastal and rural areas, as the tourism sector is more developed where the population density is higher. The result of this measure can open an evaluation of each stakeholder to see their efforts, performance and profits in term of support, contribution, preservation, and conservation of environment recourses.

On behalf of local NGOs, Labayka members of the PPT advisory committee, and the Nungwi Community, we kindly invite all development partners to support such initiatives and use these achievements as a stage for further intervention to ensure benefits for all living organisms.
VII. Dominican Republic, Caribbean island country where Tourism is the first source of foreign currency; a bet for its sustainability

Bolivar Troncoso Morales

DIRECTOR OF “TURISMO Y RECINTOS” OF THE DOMINICAN O & M UNIVERSITY; PRESIDENT OF THE DOMINICAN NATIONAL SECTION OF THE PAN-AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY (IPGH); ADVISOR OF THE DOMINICAN SENATE.

The paper focuses on the Dominican Republic, in a global and regional outline; it describes the origin and evolution of Dominican tourism; enumerates the tourism development plans achieved within the “sun and sand” tourism development plans; mentions the policies adopted in order to support the current tourism development; analyses positive impacts of this process as well as negatives and its indicators; and presents the poles of tourism development, new trends and the current paradigms of Dominican tourism.

1. Introduction

Tourism is a phenomenon that generates economic, social, cultural, environmental and political impacts which can be both positive and negative. Within the last decade this phenomenon made its triumphant entrance in developing countries – the Dominican Republic is a good example to be analysed. The Dominican traditional tourism development (based on “sun and sand”), as in other Latin American countries, started from a strategy of stirring up tourism in dependent countries based on developmental models elaborated and imposed by organizations like the Economic Commission for Latin America (CEPAL), the Regional planning division of the Organization of American States (OEA) and UNESCO. Among the measures applied to the Dominican Republic, it is worth mentioning the devaluation of the national currency, as an attempt to generate tourist flow, and the imposition of planning models which, instead of preserving natural resources, accelerated environmental depletion. In the mid-90s a model of Sustainable Tourism was applied with the aim of minimizing the damages that traditional “sun and sand” tourism impacts had had in the country, as well as to play a protagonist role in the battle against poverty, especially through Ecotourism.

2. Origin and evolution of Tourism in Dominican Republic

Tourism evolution in the Dominican Republic can be broken into three main stages: First stage: Beginning in 1920 and lasting until 1944, this first stage was generated by the sugar trade. For this reason, tourism was orientated towards business men who did not require recreational activities. A hotel industry arose offering basic accommodation and, in a few cases, food and beverage. During this stage several hotels were built, including Fausto Hotel of Ernesto Benitez, which started as a restaurant; Presidente Hotel, owned by Javier Abraham, and the boarding house of Miss Senior. Hotels emerged in San Pedro de Macoris, which was the main sugar industry’s centre and in Santiago, production and trade’s hub for sugar cane, tobacco, cocoa, cafe and rum.
In 1944, with the pretext of celebrating the Country Independence centenary, the dictator Trujillo built the Hotel Jaragua, which in time turned out to be the symbol of modern catering trade and the centre of recreational activities for the elites.

**Second stage:** Starting from 1950 and lasting to 1966, this stage can be divided into two periods. The first started with far and wide construction of hotels due to a particular interest of Trujillo to have greater political control (geopolitics) on visitors, by relying on adequate lodgings on the territory’s interiors.60

Taking advantage of the “Free World Peace and Confraternity Fair” event, in 1956, Trujillo built the hotels Hispaniola, Comercial, Provisional (today Robert Reid Cabral Hospital) and Embajador to improve the hospitality capacity. This period is also known as one of ‘growth’.

In the period 1958-1966, tourism basically disappeared from the country due to the political instability generated, among other factors, by: the invasion in June 14th 1959, President Trujillo’s murder on May 30th 1961, the armed upheaval of Manolo Tavarez Justo provoked by the coup d'etat against Juan Bosh government, the civil war and the USA intervention in 1965.

**Third stage:** From 1966 until the present. This is the stage in which real and lasting tourism activities’ take off. During this period an economic model emerged, resulting from the rise to power of a rigid government counting on USA support. This government neutralized the opposition and showed a favourable attitude to tourism development, caused by the depreciation of international prices of the major Dominican products for export: sugar, coffee, cocoa and tobacco.

Among the political measures that influenced tourism growth, the following factors should be mentioned:

1. The implementation of diverse models of tourism development under the auspices of CEPAL, the Regional Development Unit of OEA (Organization of American States) and UNESCO. The first plan was executed during the second quinquennial of the 1960s, lead by the Engineer Arespacochaga and Felipe; the second was implemented during the end of the 1970s/beginning of 1980s under the supervision of the Architect Aquino Camarena; the third and final plan, in 1990, was under the direction of the Interamerican Development Bank (BID) and the Tourism Secretary of State (SECTUR). This last plan was completed by a group of Portuguese specialists in 1996, when environmental standards were positively applied. It is necessary to recognize that studies on environmental impact and carrying capacity were realized only for the third plan’s implementation.

2. The promulgation, in 1969, of the Tourism Organic Law, that declared tourism as national priority.


4. The creation, in 1972, through the Law 153-71, of a financial organism for the development of tourism infrastructures (INFRATUR), dependent on the Central Bank. The Law 153-71 established taxes exoneration on equipments’ rent and imports of hotel establishments for 20 years, and the INFRATUR – with the establishment of a financing portfolio for tourism projects (hotels). The law was part of a highly strategic political decision which marked the real tourism development of “sun and sand” in the country.

5. The transformation, in 1979, of the Tourism National Direction within the Secretary of State.

6. The establishment of tourism offices in major Western markets (USA, Canada, Puerto Rico, South America and Europe) whose essential function was to supply the country’s

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60 It is worth to cite, among others, the Hamaca in Boca Chica, Naranjo in Higuey, Matun in Santiago, Cayacoa in Samaná, Monte Bonito in Monte Cristi, San Cristobal in its native city, Guarocuya in Barahona and Maguana in San Juan.
tourism product to big tour operators and minor agencies. The country counts more than 20 offices in the major tourist markets, which embodies an excellent marketing strategy.

7. The active participation of public and private sector at fairs and international tourist events such as ITB, FITUR, COTAL, ASTA.

8. The implementation of an ‘open sky’ policy where the participation of air companies and charter flights was increased.

9. Due to the fact that 30 other countries were offering the same ‘sun and sand’ product, fierce competition originated. As a consequence, an elaborate marketing strategy was needed – one with an aggressive promotion and advertising campaign through specialized magazines, videos, leaflets, cable TV, invitation to press trips, family trip etc. To do so, the government relied on international experts consultations and private public partnerships (PPP).

10. Another important factor for tourist development in the Dominican Republic was the increase in credit card use, which allowed tourist transactions to be faster and minimized the risk of tourists being held up.

11. The creation of a tourist identity card was established at the cost of US$ 10 which nullified the visa process request.

12. Strategies were put in place to convert the Dominican Republic as one of the cheapest destinations of Antilles through the commercialization of ‘All inclusive’ packages.

13. Finally, starting from the 1990s, the development of Ecotourism started in protected areas by the private sector, as complementary offers to the sun and sand tourism.

3. Positive impacts of tourism in the Dominican Republic and its indicators

1. The country experienced the greatest development of hotel structures in the Caribbean, with an approximate growth of 11.65% per year. It went from 1000 structures in 1966 to more than 21 000 in 1991 (including 1 to 5 stars hotels). In 2008, there are more than 64 000.

2. The country was converted to a huge tourist destination. The 40 000 tourist entrances in 1967 rose to 1.4 million in 1991. In 2007 there were more than 4 million tourists.


4. It has been effectuated an investment superior to US$ 5.000 million on hotel planning. For 2007 it exceeds US$ 10.000.

5. Throughout the hotel planning growth in north-east and south-east regions, with their respective neuralgic centres in Bavaro-Punta Cana, Puerto Plata, Samanà, Santo Domingo-San Pedro de Macoris, the supply polarization disappeared.\(^{61}\)

6. The generation of more than 20 000 direct jobs and approximately 50 000 indirect jobs at the beginning of the 1990s, exceeding 150 000 in the last decade.

7. Within the last six years, it has maintained an average occupational rate of 72.89%, which is the highest in the Caribbean. This index is above 70% for the whole 2000-2010 decade.

8. In the last six years tourism represented between 14% and 15% of internal GDP. In 2007 it was greater than 20%.

9. An excellent development of handicraft, both in quality and quantity, has been produced as a tourism related enterprise. In this area, the Dominican Republic is the main producer for the whole insular Caribbean.

\(^{61}\) Previously the two traditional regions of tourism’s offer concentration were: a) the south-east coast with 49.6% of tourism structures, where the country’s capital city Santo Domingo concentrates 22.1% and b) the north coast with 46.6%; Puerto Plata, the main region’s tourist pole, counts for more than 50% of the region’s hotel supply. Today, the Bavaro-Punta Cana tourist pole is leading Dominican and insular Caribbean ‘sun and beach’ tourism development, surpassing 24.000 hotels’ lodging, and with an important tendency to residential and real estate development.
10. Has created a boost in educational institutions dedicated to increase people's skills in hospitality. Currently the country has 15 Universities that teach tourism and hospitality (varying depending on provincial enclosures) and more than 10 technical centres.

11. In the 1990s ecotourism was launched as a complementary activity to 'sun and sand' tourism. It is currently the tourism sub-sector that is growing the most, with more than 100 enterprises which are visited by more than 50% of the 4 million tourists entering the country. This tourism sub sector is enjoying aid support of international cooperation from Germany, Japan, Italy, Spain and USA - as well as national support, especially for projects of community based ecotourism which have an important social component of poverty reduction. In this context it is worth mentioning: the current execution of the Ecotourism development Master Plan financed by Japanese's bilateral cooperation; the Alliance for Sustainable Tourism financed by USAID; the ARAUCARIA project in the South-east region and financed by Spanish cooperation; the Guariquen de las Galeras de Samaná Community Ecotourism projects, and the Jamao’s Coffee route from Hermanas Mirabal (before Salecedo) province, both financed by the Italian cooperation. This development generated the creation of the Law of Incentives (Law 158-01) for low or underdeveloped Poles and Provinces. The Law 153-71 was abolished in 1992.

12. Since 2002, laws promoted by the Republic Senate which create ecotourism provinces encouraging Ecologic Tourism development, have risen to more than five. This is a political will that is contributing to provincial ecotourism development, with the two best examples being the provinces of Hato Mayor in the eastern region and Barahona, in the south-east.

13. In 1990, the diversification of national tourism packages started with the development of golf tourism, and yacht cruises. Today, the Dominican Republic is the Caribbean country with more than 30 golf courses, a main harbour for cruises in La Romana and Santo Domingo, as well as a developing navy industry, with Cap Cana in the area of Punta Cana considered to be the most modern in the region.

14. The 21st century will take off with real estate and residential development, an increased level of entrances, and a number of prominent projects.

15. The creation of Tourism and Ecotourism Clusters is another great initiative of all the sectors involved with the commercialization of tourism and ecotourism.

16. The initiatives of certifying tourist’s destinations of 'sun and sand', in order to develop them into models of sustainable tourism development, is a commendable measure of important impact.

4. Negative impacts of tourism in the Dominican Republic and positive measures

1. An inflationary process grew up to 112% during the early 1990s. Due to some State’s corrective measures, this index was reduced by 4% at the end of 1991. Inflation was caused by the lack of effective control exercised by the Central Bank, as the majority of tourism dollars were managed by tour operators involved with foreign banks. Another cause was capitals’ drain due to importation of goods for tourism, most of which could have been produced in the country - however, the Law 153-71 on incentives (that favoured these types of actions) was abolished in 1992, as previously mentioned. In
Tourism and Poverty

the period of 2000-2004, inflation rose again, reaching the dollar’s quotation to the value of 58 Dominican pesos for 1 US$. Currently, in the period 2004-2008, stabilisation has been achieved, with the quotation around 34 pesos for 1 $, with low levels of inflation.

2. High cost of living due to the currency’s appreciation that characterizes tourism development in developing countries. It is typical that the cost of living increases more in tourist areas compared to the rest of the country.

3. Power and water supply shortage due to high demands from massive tourism.

4. The migration from rural to tourism areas began, due to the high demand of unskilled manpower and the virtual abandonment of the countryside caused by a lack of incentives for production.

5. Depletion of beaches due to bad management. Many beaches are contaminated due to a sewer system sanitation shortage, which translated in the dispersion of solid waste and other contaminant substances. Furthermore, the intensive use of the beaches and the coastal deforestation has weighed upon the coral reef destruction. This has brought about a consequence: the million dollar investment by the Tourism State Secretary (in alliance with the hotel sector), for the environmental sanitation of many of these destinations, as well as the regeneration of the beaches. As part of capturing funds for investments, a US$ 5 fee was introduced for tourists who arrive with charter flights. Private initiatives for beach regeneration - using the technique of artificial balls - was executed by three hotels in Bayahibe (Gran Dominicus, Iberostar and Canoa) with excellent results, recovering up to 50 meters of coastline.

6. Decrease of agricultural and stockbreeding production as a consequence of rural migration and the utilization of milk from livestock farms for tourists.

7. Criminal activity arose, especially in tourist areas, where robberies were carried out during the day time, during the tourism boom. This generated the creation of Tourism Police. Today the Dominican Republic is among one of the safest countries for tourists.

8. Demonetization of the National Bank. The process started towards the end of the 1980s, especially in Puerto Plata, when foreign investors, thanks to the rapid recovery of investments through the Incentives Law, sold their projects to national capitals. Nationals, especially bankers, got involved in building big tourist projects. This contributed to the closing down of banks, some of which have still not re-opened. Others kept on working during the 1990s, but with huge financial difficulties.

9. Increase in social distresses such as adult and youth prostitution, drug abuse and infectious diseases like HIV/AIDS. The country has one of the highest HIV/AIDS rates in Latin America and the Caribbean.

10. Huge process of trans-culturations and acculturations, that is observed in fashion trends, idioms, drug abuse, discotheques’ concurrence and in the ‘Sanki pankismo’ (Dominican expression to describe somebody who is a tourism parasite and who practices promiscuity and bi-sexuality) etc.

11. Increase in deforestation, especially on the coasts, due to construction. The destruction of wetlands and the mangroves and swamps ecosystem caused by the implementation of certain projects in the province of Puerto Plata and La Altagracia (Higuey), constitutes a clear example of what is not to be done – in some isolated cases, the negative environmental consequences are still present today. The process to reduce environmental impacts on the country’s coasts started in 1992 with the creation, by

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65 As mentioned before it was for the Law 153-71 that generated a strong marginalization among destinations in cities like Puerto Plata, La Romana, Boca Chica and Sosua.

66 The most pathetic examples of affected beaches are Sosua, Caberete, Boca Chica, Guayacanes, Juan Dolio, Bavaro, Playa Dorada and others.

67 The process accomplished to regenerate four of them (Long Beach, Playa Dorada and Cabarete in Puerto Plata and Juan Dolio in San Pedro de Macoris) with an investment of US$ 18 million in 2007. Currently others are under regeneration’s studies, thanks to the sustainability policy.
Executive Decree, of: the Marine Coastal Council; the Ecotourism and Environment Department, requiring Environmental Impact Studies (EIA) for each new project; the National Institute of Environmental Protection (INPRA – an organization of major incidence in environmental management) in 1998; and the Environmental and Natural Resources Law (Law 64-2000) that set up the Environment and Natural Resources State Secretary, which established that studies on Environmental Impact are a compulsory component to all development projects, as well as plans of environmental monitoring (articles 38 to 48).\textsuperscript{68}

12. High cost for the regeneration of beaches such as Long Beach, Playa Dorada, Cabarete, Guayacanes–Juan Dolio and Boca Chica (the investment was US$18 million). Currently, a study on new beaches regeneration is being undertaken.

13. The regeneration policy of mangroves associated to wetlands by Roco Ki project, converting it to one of its major activities of ecotourism supply.

5. Conclusions and Recommendations

1. Considering what has been asserted so far, it is clear that the Dominican tourist development represents the main economic activity generating capital for the country; however, at the same time it has many negative outcomes, whose consequences are tackled with the aim to insert them in a sustainable tourism framework.

2. The tourism of sun and sand as well as the current residential or real estate tourism, contributes in part to poverty reduction.

3. The development of ecotourism is the sub sector which continues to contribute in a significant way to the Dominican fight against poverty. Important initiatives of developing this sub sector of tourism are implemented by international cooperation as well as national agencies.

4. Bad practices in the Dominican Republic, especially in terms of environmental impact, need to be taken as an example for Latin America and other countries that are looking at this economic sector as a valuable development alternative, with the aim of avoiding being trapped by the same mistakes and adapting positive experiences to each country.

\textsuperscript{68} It is evident that the Law and its application by the State Secretary on Environment and Natural Resources and the one on Tourism, has been converted in the most excellent measure in the whole country’s management history, contributing to the rise of Sustainable Tourism project’s frameworks as the initiative of the Punta Cana group, the association of Hotels Romana - Bayahibe and Roco Ki.
I would like to thank the organisers for giving me the opportunity to contribute to this conference after my Head of Delegation, Ambassador Tim Clarke, and also for granting me the benefit of a double ‘comparative advantage’, as we say in our development jargon. First, intervening at the inception of the conference complies you to ask questions, but not to provide the answers; otherwise what shall we do for the rest of our three days together? Second, being a non-expert allows you to make the questions simple, and I will do just that!

If I were a bit more cynical, I would even add a third advantage: representing a so-called Development Partner entitles you to air theoretical views and design beautiful concepts, leaving the after sale services to the real world. But let me try not to fall into this trap…

There are three questions I would like to share with you this morning:
1. Can tourism actually contribute to economic growth in a place like Zanzibar?
2. How does this growth result in real poverty reduction?
3. What role can Development Partners (DPs) play in this equation?

1. Tourism and economic growth

What about growth opportunities? The Government of Tanzania has stated its ambition to achieve a contribution from the tourism sector of 25% of its GDP. Tanzania’s yet relatively untapped natural assets and the global increase in tourism flows give credibility to this goal.

As far as I am aware, and even if the data is not always available, Zanzibar itself has probably already reached that figure, and its potential is even more obvious. If you live here or have had the chance to visit the island before our conference, you know what I am talking about.

I would however, like to highlight two preconditions for tourism development here: education and business environment. Those are pre-requisites which ACRA has faced when implementing the ‘Pro-poor Tourism’ project currently funded by the European Commission.

Let me start with education: one hotelier in Dar told me that the number one complaint when tourists leave the country is people’s poor command of English. Tanzanians and Zanzibaris are understandably proud of their own Swahili, but is that contradictory? It reminds me of a cousin of mine, who went on his honeymoon to Cuba a few years ago convinced that everybody spoke fluent English there. Well, he should have learned a bit of Spanish beforehand, but I am sure that Cubans have now been working on their English! By the way, I have not taken Cuba as an example at random. Havana has a lot in common with Stone Town, both being UNESCO World Heritage towns. And you should see how Cubans have managed to embellish their city, just like Zanzibaris are trying right now.

What about the private sector? As you know, it is a recent invention in the United Republic and in Zanzibar in particular, and both are still struggling to create a conducive
environment for private investment. The balance between regulation and freedom of enterprise is hard to find.

For instance, the recent passing of a new Tourism Bill in Tanzania has spurred a heated debate, as it was initially seen to be detrimental to foreign investors. Here again, balancing the support to empowerment of local businesses and outside attractiveness is a delicate exercise.

2. Tourism and poverty reduction

Now, assuming that the present growth in tourism continues, fostered by buoyant private sector investment and better communication skills in the society, will it necessarily result in a reduction of poverty, our common goal and the very focus of this conference?

Well, one should bear in mind the recent experience with minerals: whilst forming the bulk of Tanzanian exports in value, they have had a limited impact on poverty alleviation in the country, resulting neither in substantial tax revenue nor in large employment opportunities. The debate as to which extent economic growth actually results in poverty reduction goes far beyond tourism or minerals, and is likely to be at the core of discussions surrounding the recent release by Government of the findings of the 2007 House Budget Survey (HBS).

However, limiting ourselves to tourism, there are a few straightforward yet disturbing questions we must ask: what is the local proportion of workers in the tourism industry? Are any of them in managerial positions? Are there many local hotel owners?

Allow me to go back to education and the private sector. Education first: do the school and vocational training systems provide enough tourism-related skills? Which proportion of Zanzibari Institute for Tourism Development (ZITOD) graduates actually stay and work here?

At this juncture, let me highlight that to address the issue of quality of tourism education, the EC is financing a ‘Tourism Training Programme’ for the whole of Tanzania, which aims at establishing a national curriculum, train trainers and strengthen accreditation bodies.

With regards to the private sector, I would like to zero in on business creation and formalisation. For local hoteliers, the main hindrance to developing their business is the limited availability of affordable credit, as the relatively new banking sector is extremely risk-adverse.

Petty trading is also at stake. It plays a role in tourism, from the ‘mamalishe’ who will give you water or food on the street to the unsolicited guide assisting lost (or not so lost) tourists. This informal sector tends to be considered a nuisance and hazard by Tanzanian authorities.

However, recent research funded by the EC in Tanzania has shown that a substantial part of informal traders cannot meet the criteria set by traditional business formalisation programmes supported by Development Partners, whilst being a vital source of income for the urban poor.

3. The Development Partners’ role

These issues of growth, poverty, and tourism education are of concern not only to the Government and the Zanzibari people, but also to the EC and other DPs like France, our EU President, presently funding the construction of a National College of Tourism in Dar es Salaam.

We have various tools to try and address these issues. Traditional projects, implemented through Government ministries and agencies, as well as through international and local NGOs (several of them being represented today), have long been the main assistance modality.
Nevertheless, with a view to reinforcing ownership by the beneficiary countries, General Budget Support is becoming the main aid channel. This is even more the case in Tanzania, seen as a sort of ‘role model’ for this new approach, and it therefore benefits Zanzibar.

Where does tourism fit in this new picture? Well, let me go back to the recently-completed House Budget Survey. If it confirms that economic growth has only resulted in marginal gains in poverty reduction, tourism - like other sectors - will have to be carefully scrutinised.

The HBS findings will take centre stage during the November General Budget Support Annual Review, which is a joint assessment by Government and Development Partners of Tanzania’s performance in all areas covered by the Poverty Reduction Strategy, MKUKUTA.

It is arrived at through a set of indicators, the ‘Performance Assessment Framework’, which applies in particular to cluster 1 of MKUKUTA, ‘economic growth and reduction of income poverty’, covering the areas of energy, transport, agriculture and private sector development.

It is worth mentioning that there is presently no indicator measuring the performance of tourism, despite its linkages to growth, transport and the private sector. Should we conclude that the main review process of development cooperation totally ignores one of the main growth drivers?

This concern relating to the new aid modality of General Budget Support is already quite present in the ‘traditional’ project approach. There are projects supporting tourism, and other projects supporting, for instance, transport or rural development with little focus on tourism.

A good ‘domestic’ example is the Dar es Salaam - Bagamoyo road, just across the Zanzibar channel, the partial rehabilitation of which was funded by the Government of Italy and implemented by the European Commission five years ago for close to 15 million euros.

The key rationale behind the economic feasibility of the project was the expected tourism boom in Bagamoyo. Five years later however, Bagamoyo is still off the guide book map and the new road is mainly used by conference delegates and expatriates during the weekend.

As Development Partners, we therefore have to ask ourselves at least two questions: how can we better monitor tourism aspects through our various aid modalities? Should tourism be considered a cross-cutting issue in development projects as much as gender is?

This is food for thought for Government and Development Partners alike, and we do expect civil society and private sector representatives to challenge us on that.
IX. A Case Study: The development of a rural tourism training program for the international market

Patricia Elias
DIRECTOR JAMBIANI TRAINING AND TOURISM INSTITUTE AND THE HAND ACROSS BORDERS SOCIETY

Established in 1996, HABS is a non-governmental organization dedicated to providing and overseeing the establishment of health and education projects in the developing world. To date, HABS volunteer practitioners have treated over 25,000 patients in Africa, Sri Lanka and India through mobile and permanent health clinics. HABS has also built and administers the Jambiani Tourism Training Institute in Jambiani.

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1. Background

The Vision of the Government of Zanzibar regarding tourism is (quote) “To become one of the top tourism destinations of the Indian Ocean, offering an up market, high quality product across the board within the coming 17 years”.
Tourism growth in Zanzibar has increased from 87,511 visitors in 2002 to 143,265 in 2007 (Commission for Tourism). In 2004, Zanzibar’s estimated earnings from tourism activities were $71,284,780 (Tanzania Tourism Sector Survey, 2004).

The rationale for the rural tourism training program originated from the requests of the people themselves. With the increasing need for training in the tourism sector, it was obvious that the villagers could not compete for positions in the local hotels and guest houses with people from the mainland and other African countries. The lack of basic skills that are needed to work in the tourism sector has hindered the growth and development of a local labour force. Those Zanzibaris who are able to find jobs are usually relegated to low-income, low-level positions. The answer to this dilemma was obvious. With the acquisition of language and technology skills, the rural poor would be able to then further their education, if it was made available to them, and could therefore find higher-income and higher-level positions in the tourism sector. It could also pave the way in the industry for the development of entrepreneurs and SMEs.

The Jambiani Tourism Training Institute opened its doors in October 2007 and offers short-course certificate programs, a two-year diploma program in tourism and hotel management as well as up-grade courses for employees in the local hotels and guest houses. These courses are offered to the people living in Jambiani, free-of-charge, through the Hands Across Borders Society and ACRA, a project funded by the European Union.

The curriculum model has several key factors. A student-centred approach to learning is a shift from the usual “chalk and talk” methodology used in schools. The students play an active role in their learning. Class sizes are kept comparatively small which helps to develop the higher cognitive skills necessary for learning and for working in the tourism sector. Students’ learning curves are rapid and the curriculum can be adjusted to the needs of the students. The acceptance by the community and the cooperation by the local tourism sector have enabled the working model to succeed.
2. The Jambiani Tourism Training Project

The tourism training facility was built in 2006 and opened its doors in October of 2007, to provide an environment for indigenous tourism sector development with a spotlight on the village of Jambiani, located on the south-east coast of Unguja. Within this mandate we offer a two-year diploma program as well as short course certificate programs. All of these courses are offered free of charge to the people in Jambiani. The purpose of this project was to develop an institutional facility to improve livelihoods through targeted interventions and capacity development in the tourism sector among the rural poor in Zanzibar. The focus is on youth and is an equal opportunity and gender inclusive project. The project can be seen as a prototype for tourism sector development that can significantly increase training opportunities and employment for people with few other options. This pro-poor project arose through discussion and formulation involving a wide-range of participation from an extensive cross-section of community members.

Our first class consisted of students from a broad spectrum of village society. Our first intake included two women and ten men, with ages ranging from 19-56 years of age, with an academic background that ranged from Standard 3 to teaching certification. The students also came from a wide array of backgrounds, from subsistence farmers to a past Southern District Education Officer for the Ministry of Education. All of our students are working extremely hard to combat the gaps in their knowledge while at the same time learning new methodology and curricula.

12 local students are educated and trained every year in specific courses in a two-year tourism and hospitality diploma program. The first year there was no graduates, as it will take 2 years to complete all courses. This year (2008), we have 24 students registered in the Diploma program.

Several hundred students have also registered for the short course certificate programs in language, computer and tourism-related courses. Successful graduates of these courses may continue their studies at the tourism training facility after they have completed the Beginner to Advanced level courses. In 2008, seven students from this program were accepted into the two-year diploma program. Another aspect has been the increased participation of young women in these courses.

Together with the diploma program we have also trained hotel staff in Food Safety, Local Tour Guide, ESL, Keyboarding and IT. In fact, we have approximately 30 students who can type more than 30 wpm, with one student exceeding 50 wpm.

Another offshoot of our programs has been the development of some exceptional trainers who also volunteer at the JTTI as repayment for the education that they have received with us. They are the beneficiaries and stakeholders of the tourism training facility. They all bring excellent skills to the classroom with their backgrounds in tourism. To round out our staff, we have many experienced volunteer teachers from overseas as well as volunteers on Work Experience/Internship programs.

The intention of the tourism training project is to provide a practical and theoretical education for local community stakeholders. Through this complete vocational training curriculum, participants will be able to improve their socio-economic conditions. The capacities and livelihoods of women, unemployed youth and other vulnerable groups in the community can only be enhanced.

The Jambiani Tourism Training Institute is the only training institute of its kind on Zanzibar. Although the facility is focused on tourism training, the students not only receive a tourism-related education, but they also benefit from learning different skills that can be used in other sectors.
The courses include: English, Keyboarding, Information Technology, Math, Study Skills, HIV/AIDS, First Aid, Leadership Training, Business and Hotel Accounting, Local Tour Guide, Food Cost Control, Food Safety, Front Desk and Reception, Food and Beverage Production and Services, and Housekeeping.

What became apparent, was the need for development strategies and sustainable education practices that addressed the real needs of the target population in education. It was obvious that the curriculum model had to have several key factors. A student-centered approach to learning with its shift from the usual “chalk and talk” methodology used in the schools was an imperative. The students had to participate and have an active role in their learning. This has not been easy to accomplish as old habits were often hard to break. It was of primary importance that students developed confidence and problem-solving skills as well as acquiring a solid academic background.

Using the paradigm of small classes with an emphasis on acclimatizing students quickly to a second language, has proven successful. Students are acquiring multiple skills in problem-solving, Math, Keyboarding, IT, Business Accounting and language. The model has been to adapt the curriculum to the needs of the students rather than the students to the curriculum. This paradigm shift has resulted in students with little or no cognitive skills and a poor grasp of the 3 R’s, to accelerate the learning curve in a very short time. An integral part of this paradigm that is being used at the JTTI has been to focus in the early months on conversation rather than on grammatical correctness in language acquisition.

We have had to alter the curriculum in the first year to reflect the needs of the students. All instruction is in English and we increased the number of English classes to two a day. Study Skills and Math were two other areas where many of the students needed help. These courses were immediately introduced into the curricula and rapid progress was made by many students in these areas. The ability to adjust the curricula to the needs of the students has reduced the stress that the students have felt from the high standards required of them.

After the first Accounting class I almost had a riot on my hands as students were ready to go on strike. Conceptually and language-wise it was a subject area that none of them had ever seen or even heard about. At the end of the first year they all agreed that they had overreacted, and in fact loved their Accounting class. Statistically, Tanzania is one of the poorest countries in the world; 159th out of 177 in the UN survey on poverty and 103rd for its literacy rates (UNDP Human Development Report 2007/8). Conditions on Zanzibar are, if anything, even worse with poor infrastructure and few prospects for employment other than small indigenous agricultural and merchant activities and tourism. Yet the human resources on Zanzibar and in Jambiani are abundant.

There is a demand for highly-skilled local staff to work in the tourism sector; however the supply of trained workers to fill these posts is sorely lacking. Several large hotels have been built on the island within commuting distance of Jambiani. There is a high turnover of workers in hotels and restaurants due to lack of skilled workers and many employers look to the mainland to recruit staff.

The willingness by the students to set aside two years of their lives to study proves that they know that they will be qualified to find jobs of their choosing; whether as an entrepreneur, in the tourism sector, or other fields.

The travel and tourism sector today requires services in transportation, banking and telecommunications that have grown increasingly sophisticated and that require local staff with the capacity to operate these services.

The problems addressed by this project are: poverty, poor education, and lack of skills, poor access to the tourism sector, few facilities, and expensive vocational training.

The Jambiani Tourism Training Institute has tried to address these problems by providing the training centre and technical, vocational and educational skills for members of the community. Through their internships and Work Experience the students have access to
the tourism sector and employment. By working at a grassroots level, one is able to assess and introduce meaningful options in cooperation with the community.

We are part of the three-year pro-poor project with ACRA funded by the EU, ending in January 2009. On behalf of all of our community, I would like to thank you. By helping to support part of the Institute training that we offer to the community, we have been able to disseminate the most important thing we can: **knowledge**.
X. Small scale idea based producers and service providers: a growth opportunity for SMEs in Zanzibar

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KEYWORDS: Quality production, idea based investors, kanga fashion, brand management.

Zanzibar evokes many kinds of exotic thoughts, and I think also when it comes to business one should work out from the notion a place like Zanzibar creates. In order to create growth in the producing sector in Zanzibar, small and medium sized companies need to be supported, given that the market in Zanzibar does not cater for larger companies and the opportunities to compete in an international market are non-existent.

What Zanzibar producers should compete with is easy access of quality for the local customers and quality with the added Zanzibar flavour for customers more far away.

My main point is what Zanzibar’s main attraction is; exoticism and some kind of far away feeling of something almost unreachable. For the tourism industry this is everyday language to convince a guest or a possible guest but for producers this is not as common/usual.
Zanzibar is in itself a brand, and importers have become skilled at using the senses that the Zanzibar brand brings to mind – the spice island, exotic customs, adventure, a faraway land…the sublime Zanzibar.
We as local producers need to take advantage of this brand, without exploiting the people and the environment that it supports. The relationship between manufacturers and the local people needs to be carefully looked after in order to successfully maintain the values of the brand.
The embedded value in a brand has very little to do with the reality even though I think the reality and the value of a brand or a branded product are coming closer but still it is not even close to “equals”.
that but not to empty the brand of the values embedded in the feeling that it evokes it is important to be careful when connecting that magic brand with any kind of product and service.
From its conception, Kanga Kabisa has focussed on creating a quality clothes brand from Zanzibar using a combination of local and foreign skills. Strategically, it would be more beneficial for Zanzibar to focus on small scale productions that can actually utilise the local market as a testing ground, while developing internal skills which will enable production to expand outside of the region.
This is also how I read the report by Zati, the importance of actually managing the brand and I am not really talking about our individual brands if we have any but the brand that we all kind of embrace, Zanzibar.
I think the tourist industry is of course so directly connected with this brand that anything that kind of affects the brand will show in the result column from its members.
The ZATI report talks about a very discerning low impact tourism, might already be to late, and I argue that for Zanzibar to grow a local production SME investments in the sector we might call creative, idea based production and services, would be the way to go instead of trying to get large scale production more suitable for other countries due to many different reasons.

The industry in Zanzibar should use its influence to connect local craftsmen and artists with potential small scale idea based investors. This will not only generate a creative sector that employs and educates local people, it will also help to promote the Zanzibar market at an international level.

This is the way we have approached production within Kanga Kabisa, and even though we are still developing the structure and how to work within the framework, we have found some very important keys to success.

Unfortunately there is a small proportion of poor quality products being sold in Zanzibar. It would be unfortunate for these products to tarnish Zanzibar’s reputation, and the values that it represents.

As an industry, we need to find a way to work together to promote locally produced goods. A recent collaboration of local producers created a network called “Made in Zanzibar”. The main idea behind this collaboration is that quality producers come together and set a standard for production of Zanzibar products, while at the same time, working together and supporting each other as a network.

Support of high quality products produced in Zanzibar would be a winning concept in the long run, considering the value of the island as a brand increases if the products connected with that brand are of high quality. Of course, we need to ensure that these are actually unique items produced on the Island, and not cheap imitations or imported goods.

Ultimately, I think we need to take a holistic but individual approach, and feel that ZATI with its new leadership, are actually working in a very progressive way.

On an island like Zanzibar, where the majority of the population is from a low socio-economic background, it would be easy to base the selling argument on pity. As pity is not a positive driving force, this does not create any added value in the long run. In donor driven economies, pity is often used as a marketing tool by NGOs who are running projects with people from disadvantaged groups. Luckily today, we can see a change, where the actual product or service has taken centre stage, as opposed to the most disadvantaged group that, even though so disadvantaged, are able to produce a specific product or service.

Zanzibar is a rich island in many ways. As local businesses, we should take advantage of this - creating added value for our products so that when we leave them at our point in the value chain they are then able to generate as much revenue as possible to Zanzibar.

If you examine the revenue from a specific production, it is important to see if it creates any added value for the environment around it, for example capacity building, competition that develops quality alternatives, and the creation of new markets. As in the case of Kanga Kabisa - the beginning of a structured Kanga fashion market with many different players, producers, distributors, training facilities etc.

By encouraging small scale creative investors, Zanzibar has a lot to gain, both adding value to the brand and also sustaining long term value of that brand. In the end, these products might even by themselves be able to make a buzz around the world, supporting that special value that Zanzibar encompasses.
XI. Employment and employability in tourism sector in Zanzibar

Ameir Ali Ameir
LABOUR COMMISSION – ZANZIBAR

Zanzibar – as a part of the United Republic of Tanzania – like many other developing countries, emerged into the free market economy in the 1980’s. This changed the economy from a prevalent centralized socialist economy, into trade liberalization as well as privatization. Tourism has become the biggest economic activity in Zanzibar and the government has supported this by inviting tourists and encouraging local and foreign investors to invest in the sector. Zanzibar Tourism policy started to operate in 2004 with the vision that “Zanzibar should become one of the top tourism destinations of the Indian Ocean, offering an up market, high quality product across the board within the coming 17 years”.

1. Policy strategies

Strategies of the Tourism policy include making opportunities available for local employment, assisting potential entrepreneurs to start small locally-owned businesses, and to provide proper training so the indigenous population can learn the skills required by the tourism industry.

1.1 Implementation of the Policy and its Trends

In implementing the policy, different efforts have been taken. These efforts include:

(1) The improvement of infrastructures in rural areas where the majority of tourists are inclined to stay. The improved facilities led to an increase in cargo handling at the Zanzibar port from 379,105 tons in 2002 to 504,641 tons in 2005 and at the airport, cargo increased from 44 tons in 2002 to 116 tons in 2005.

(2) Increasing investment in tourism hotels and tourist standard hotels (from 155 hotels in 2000 to 224 in 2005). Number of tourists increased to 125,443 in 2005 from 89,695 registered in 2004. Revenue from tourism activities increased by 32.7 percent from Tshs 8,270 million in 2004 to Tshs 10,970 million in 2005.

(3) Increasing the number of employed persons. In the service sector, numbers rose from 26,685 in 2001 to 189,471 in 2006. In agriculture, from 280 in 2001 to 180,749 in 2006.

(4) Upgrading of Zanzibar Hotel and Tourism Institute.

2. Employability

The tripartite meeting on youth employment in Geneva 2005, defined employability as “…the key outcome of education and training of high quality, as well as a range of other policies”. It encompasses the skills, knowledge and competencies that enhance a workers ability to secure and retain a job, progress at work and cope with changes. Individuals are most employable when they have broad-based education and trainings, basic and portable high level skills, including team work, problem solving, information and communication technology (ICT) and communication and language skills.
Tourism and Poverty

Zanzibar still faces high levels of unemployment, especially among the youth. The efforts of improving the tourism sector are hindered by low skills among the locals, scarcity of affordable vocational training, limited experience, and lack of employment policy.

To cope with the directives of ILO and to make sure the locals are employable, the Government worked on increasing the number of Universities, High Institutions and Vocational Training Centres. Hence, the government has succeeded to increase the number of registered students in higher Educational Institutions as follows:

- In 2007/08 the State University of Zanzibar admitted 570 students among whom 222 were female and 348 were male.
- University College of Education admitted 626 who intended to take Bachelor Degrees of Arts and Science in Education. 217 among these students were female and 409 were male.
- In Zanzibar University, a total of 1714 students were admitted. 697 were female and 1017 were male. The University offers Bachelor Degrees in Law and Sheria, Business Administration, Economic and Public Administration.
- The Institute of Swahili and Foreign Languages which offers Diploma had 328 registered students. 198 were female and 130 male.
- A total of 883 students studied in different universities in mainland Tanzania in the 2007/2008 period. Of these 883 students, 236 were female, and 645 were male. Those who were studying outside Tanzania totaled 118 - 100 male and 18 female.
- The professional tourism institute, Zanzibar Institute of Tourism Development, was established in 1998 with the objective to create infrastructures suitable to address the problems of capacity building and teaching manpower. Since its establishment they have trained 431 students - 257 males and 174 females. Among these students were some that graduated with the 2 year Hospitality Management Diploma.

2.1 Employment in general

According to the 2004 census, the number of employed people in Zanzibar was 67,526. These figures included 48,117 males and 19,526 females. The information shows that a third of these people are engaged in trade and micro enterprises, a total of 20,920. There were 7,756 employed in Hotels, with the remainder being in other public and private sectors.

On the other hand, data from ZSSF shows that in 2004/2005 the private sector employed 11,193, in 2005/2006 12,849 and in 2006/2007 16,098 were engaged in this sector - 11,212 were males and 4,886 were females.

Information from the Labour Commission and Chief Government Statistician Office shows that the total labour force (19 – 65+ years) is 614,987. Employed youth (15 – 34 years) totals 360,831, including 149,825 females.

All this employment information is generally where the tourism sector has contributed largely.

The Ministry of Labour is now in final preparation of the Employment policy and Job Creation Programme. According to the programme, it is expected that 206,830 jobs will be created by 2010, a project that needs Tsh 26,600 billion.

3. Tourism, investment and labour laws

The Zanzibar Investment Policy and labour laws allow the investors to employ foreign expatriates to work in Zanzibar. The aim is to help the investments and at the same time to help the local people to be trained to take the positions in the future. Both policies and laws insist that priority should be given to locals. Unless it is a managerial post for investment approved by ZIPA or there is no qualified local to fill the post, a foreign expert can be employed for a period of no more than 4 years.
4. Shortcomings between mainlanders’ and Zanzibaris’ employability

Our constitutions, laws and policies treat both mainlanders and Zanzibaris as Tanzanian. Hence, there is no restriction of mainlanders to work in Zanzibar and of Zanzibaris to work on the mainland.
Mainlanders, as opposed to Zanzibaris, have opportunities to access training. With regards to language skills which are very important in the tourism sector, mainlanders seem to have quite a high standard compared to their Zanzibari counterparts.
Cultural background, accompanied by the nature of the industry, is yet another factor that contributes to mainlanders qualifying to secure jobs in the tourism sector.

5. Effort of the Government

The efforts of the government of Zanzibar include:
(i) strengthening the policy and information environment relating to employment;
(ii) promoting youth employment and increasing gender balanced access to training and vocational education opportunities;
(iii) empowering the informal sector to provide more economic opportunities;
(iv) fostering investments in the rural economy;
(v) investing in education.
The Government is now in the process of formulating employment policy, a job creation programme, strengthening the Zanzibar Hotel and Tourism Institute, and implementing Zanzibar strategy for growth and reduction of poverty.

6. Conclusion

Tourism is an important sector in which we can develop and nurture jobs for youth and women. But to achieve the target it needs special effort from the government to create a positive environment and support investors and supervise all the laws and policies effectively. Investors in the tourism sector have a major role in ensuring Tanzanians are employable.

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The Pro-poor Tourism is an EU funded project which began in 2004, and involves a number of intervention and the baseline surveys so as to maintain people’s participation on identifying the needs, benefits, drawbacks, areas for changes and skills for employability.

The project aim is to develop new initiatives to empower the community to gain more tourism benefits.

In addition to that, the project focuses on unlocking the opportunities for tourism development for local people, youths and stakeholders in Nungwi and Jambiani tourism zones. The crucial focus is to generate an economic social environment and cultural benefits for the rural poor community.

1. Baseline survey

The baseline surveys were designed to fulfill the purpose of identifying the beneficiaries who will benefit directly from training and indirectly through baseline indications.

It also focused on obtaining the training needs related to the needs for employability and competitiveness in the tourism industry, as well as providing efficient and effective services to the tourists, investors and people in general.

The surveys proposed were in the form of focus group discussions, and analysis was conducted through pair wise ranking.

Focus Group Discussion (FGD)

The facilitated discussion elicits the opinions and emotions of participants on specific themes. Within this framework, the survey theme was pro-poor tourism in these aspects:

- Benefits from Tourism
- Negative impacts of tourism
- Problems facing employees in tourism sector
- Skills for employability
- Opinions on areas for change.

Usually the focus group is not a training lesson, but facilitators need to have pre-planned questions in the form of a checklist for guiding the discussion.

The process requires a facilitator and note taker during the discussion, to allow the proper flow of the discussion and to be able to obtain the answers and opinions of participants. The focus group discussion is recommended to have the standard 8-12 participants in order to accommodate them and give them enough time and opportunity to respond and participate fully in discussion.

The interviewers were trained on research issues, hypothesis, communication skills and how to conduct the discussion in a good manner regarding the community principles, culture and ethics in the respective communities.

In Nungwi the survey was conducted in 2006 and 19 groups of 11-30 respondents were interviewed by 6 interviewers.

In Jambiani the survey was conducted in 2007 and 40 groups of 8-12 respondents were interviewed.

The baseline survey had the following target groups:

- Rural poor, men, women
Tourism and Poverty

- Young boys and girls.
- Local school teachers and students.
- Women’s groups.
- Local businesses
- Fishermen
- Influential leaders and mosque leaders
- Local and foreign hotel employers
- Employees.

**Baseline Survey Findings:**
The interviewers collected the information from the discussion in which the respondents were comfortable contributing their ideas toward the real situation of the tourism aspect, discontent, grievances, irritating issues and their opinions in general. The findings were analyzed through the pair wise ranking and tallying process, which lists the issues and their priorities.
The priorities highlight the intervention needs, either to encourage the positive benefits, or discourage the negative issues, and propose the interventions for the betterment of tourism, policy and the community at large.
In general, the analysis came up with findings below:

1. **Benefits from tourism:**
   - Employment
   - Assistance
   - Language / education
   - Self employment
   - Trade
   - Poverty reduction
   - Cash /income
   - Improved transport and communication services.

2. **Negative impact of tourism:**
   - Ethics distortion
   - Child labor
   - Culture distortion
   - Selling land (loss)
   - Increase good price
   - School absenteeism
   - Immoral activities
   - Conflicts
   - Alcoholism
   - Prostitution
   - Unwise closing
   - Environmental degradation (soil waste and liquid waste)

3. **Skills for employability:**
   - Languages
   - Food production
   - Computer /internet
   - Front office management
   - Hotel management
   - Tour guide
   - Business management
Tourism and Poverty

4. **Problems facing employees in tourism sector**
- Conflicts
- Incompetence
- Business hardship
- Low salary
- Dismissal
- Individualism
- Inadequate levels of education
- Long hours of work
- Sexual harassment
- Salary delaying
- Inadequate labor relations
- Leave without pay

5. **Opinions on areas for changes:**
- Conducive laws and regulations
- Education on tourism
- Revive culture and ethics
- Partnership
- Local investors
- Peace and security

The report dissemination was conducted in Nungwi and Jambiani at different times, in which community members and stakeholders had the chance to hear the findings, and initiated more constructive ideas and measures to make things better. The findings helped to identify areas that needed attention, such as tourism skills, handcrafts and other sectors. ACRA, Labayka and Hands Across Borders have done remarkable jobs with reasonable achievements as all of us agree and appreciate. More joint efforts and positive will are needed to turn the challenges observed into opportunities. Let us play our parts and together we can.
Zanzibar has a strong determination to develop tourism as an economic sector to provide income, employment, stimulate the local economy and diversify the economy in general. After the dramatic deterioration of the clove in the world market, the government decided to establish another sector to upgrade the economy of Zanzibar. In 1986, the Zanzibar Government declared tourism as another sector and motivated its people to invest in the industry. To support the above declaration, in the same year the Government approved the Private Investment and Promotion Act. This policy attracts local citizens and foreigners to participate in investing in tourism projects. Furthermore, a trade liberalization policy was declared to allow private locals and foreigners to participate in business investments.

1. Zanzibar focus on Tourism and economy

Tourism is regarded to be the second largest industry in the world’s economy as measured by world’s GDP, and could be a powerful catalyst for worldwide poverty alleviation. The world income from Tourism has increased from $411.3 billion in 1995 to $622.7 billion in 2004, while the world tourists figures, in term of numbers, has tremendously raised from 565.5 million in 1995 to 808 million in 2005.

In the case of Zanzibar, tourism contributes to over 20% of the GDP of the islands economy, 8000 direct employment opportunities and over 36,000 indirect employment opportunities. The tourism growth rate is now 10% annually.

Tourism therefore can be the most viable means to recover the islands economy given the natural qualities and other available potentials using the already introduced policy conducive for tourism development.

With the change in the world economy, and the consideration that tourism will be the leading economic sector, the Zanzibar Government realized the needs of establishing a strong and well structured organization – an organization which is capable of spearheading the implementation of the policy, initiating programmes and action plans, and can closely coordinate & monitor activities. Thus, Zanzibar Commission for Tourism came into existence. It is a semi-autonomous institution which facilitates decision making and development of tourism, and also markets Zanzibar as a tourist destination.

2. The roles and Responsibilities of ZCT

- Planning in such a way that tourism is in sync with the overall government development policy and strategies. (Vision 2020, poverty alleviation program Mkuza).

- Improvement and upgrading of the tourism product in order to attract high spending tourists and those who appreciate Zanzibar’s history, culture, way of life and natural environment.

- Training of manpower for all sub sectors of the tourism industry at all levels and training for special needs of the sector.
Monitoring the progress of tourism development to ensure that the project is developed and that it fits into the overall tourism master plan (for sustainable tourism). Coordination of the efforts of all institutions within the tourism industry and between tourism and other sectors of the economy at all levels – regional, national, and international.

Educating the public on the importance of tourism to the national economy and their role and responsibilities in the development of tourism in Zanzibar.

Implementation of tourism acts, by laws, regulations and guidelines to facilitate smooth operations and to ensure all concerned parties play their roles accordingly.

Those are some key roles & responsibilities of the Commission for Tourism with its focus on the mission – To be the most exotic, diverse island destination in the Indian Ocean Region.
Exotic in terms of its African ambience covered with palm fringed tropical beaches and its environment.
Diverse in terms of products, activities and attractions, including:

- Beach, Nature / Eco-Tourism
- Culture and Tradition
- History and Archaeology
- Sea Sports, Conference and VFR (visiting friends and relatives)

It is believed that the objectives set, and the roles & responsibilities of the ZCT, is the way of implementing the tourism policy and contributing to the achievement of the overall government vision 2020 and poverty alleviation programme.

3. Challenges

Following are some of the challenges faced:

**Access:**
Currently Zanzibar has a limited connection to the outside world. There are few airlines that fly in and out of Zanzibar. The poor condition of its infrastructure, both on service building at the airport and the runway, is an additional factor.

**Accommodation Supply:**
So far most of the accommodation units of good class are owned and managed by foreigners. In order to create a competitive economy, local citizens need to be involved in these operations to create internal circulation of earnings and gain.

**Banking and Financial Services:**
There are still limited international banking facilities to cater to the growing tourism activities, including insurance services and a financial assistance programme for both domestic and foreign investors.

**Training Facilities:**
The industry needs qualified people working at all levels. The existing institution (ZHTI) currently offers basic training in hotels which does not meet the real requirements. It
lacks not only the tools and equipment for proper training, but also qualified human resources to make it effective.

Currently many people are involved directly and indirectly in the tourism industry. This include those in hotels, tour operations and excursions, sea and marine activities and others who are self employed as tourist guides, spice farm operators, souvenir shops and various small business dealers.

Everyone involved needs to be aware that in the industry, training and education remains a hindrance to the development of the industry, and marginalizes the economy in tourism sectors as well as delaying the process of poverty alleviation to the society.

4. Project until May 2008

**HOTELS & TOURISM PROJECT**

<table>
<thead>
<tr>
<th></th>
<th>DOMESTIC</th>
<th>FOREIGN</th>
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<tbody>
<tr>
<td></td>
<td>N. of project</td>
<td>Project Capital</td>
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<tr>
<td>EXISTING PROJECT</td>
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<td>70,150,193</td>
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<tr>
<td>OPERATING</td>
<td>17</td>
<td>15,525,235</td>
</tr>
</tbody>
</table>

*Source: Zanzibar Investment Promotion Authority (ZIPA).*
The Zanzibar Association for Tourism Investors (ZATI) is a community of tourism businesses that aims to be a force for developing responsible and sustainable tourism in Zanzibar. It provides support for its members and works in partnership with the Government to achieve this goal.

As well as supporting its current members and providing them with one voice, ZATI is focusing on three areas of interest in its activities:

- Working with the Government in a PPP to highlight infrastructure and environmental issues
- Assisting groups to start up community activities such as vegetable growing and local produce by linking in with ZATI hotel members
- Involving members in ‘train the trainer’ courses and apprenticeship programmes to encourage more employment of Zanzibaris.

ZATI’s Constitutional Aims and Objectives are to:

- Unify and represent all the members in the tourism sector of Zanzibar
- Defend the rights and interest of the stakeholders in the tourism sector
- Act as a link between the members of the tourism sector and the Government on matters of socio-economic policies
- Advise and co-operate closely with the Government in formulation of policies and programmes relating to the tourism industry and its promotion internally and externally
- Support, stimulate and catalyse socio-economic development
- Conduct research on socio-economic development and tourism industry and share findings with the stakeholders.

Under a study funded by the World Bank and organised by the IFC, ZATI commissioned a research to better understand tourism in Zanzibar in terms of its size and characteristics, and to review the recently published strategy document by the Zanzibar Commission for Tourism (ZCT) that aims to attract half a million tourists by 2013.

Acorn Consulting Partnership Ltd, a team of tourism development consultants from the UK with a strong background in tourism development work in Africa, were commissioned to undertake this study.
1. The Real Size of Zanzibar Tourism – 2007

TABLE 1: International and Domestic Tourist Arrivals in Zanzibar, 2007

<table>
<thead>
<tr>
<th></th>
<th>Arrivals in Zanzibar</th>
<th>Arrivals Staying in Commercial Accommodation</th>
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</thead>
<tbody>
<tr>
<td><strong>International Tourist Arrivals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By Air (excluding from Tanzania) and Sea</td>
<td>143,283</td>
<td>143,283</td>
</tr>
<tr>
<td>By Air from Tanzania</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Staying with friends and relatives</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total International Tourist Arrivals</strong></td>
<td><strong>178,283</strong></td>
<td></td>
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<tr>
<td><strong>Domestic Tourist Arrivals</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic Tourists</td>
<td>47,636</td>
<td>47,636</td>
</tr>
<tr>
<td>Domestic Tourists staying with friends and relatives</td>
<td>83,800</td>
<td></td>
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<tr>
<td><strong>Total Domestic Tourist Arrivals</strong></td>
<td><strong>131,436</strong></td>
<td></td>
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<tr>
<td><strong>Total Tourist Arrivals (International and Domestic)</strong></td>
<td><strong>309,719</strong></td>
<td><strong>220,919</strong></td>
</tr>
</tbody>
</table>

Tourism numbers in Zanzibar have doubled in the last 4 years and growth seems set to continue at least at the same rate. Based on the research undertaken by Acorn, it is estimated that there were over 178,000 international tourist arrivals in Zanzibar in 2007, with a further 131,000 domestic tourist arrivals (overnight visits from residents of the mainland). Consequently, Zanzibar received almost 310,000 tourists in 2007, with 71% (or 221,000) of these staying in commercial accommodation (hotels, resorts, guest houses).

There were more like 220,000 tourists to Zanzibar in 2007, not 143,000 as commonly accepted. A further 90,000 tourists came but did not stay in commercial accommodation. There are a reported 10,592 beds in Zanzibar (Commission for Tourism). Average length of stay is 7 nights (Tanzania Tourism Survey 2005), and bed occupancy rate of 40% (Acorn estimate) - therefore (10,592 x 365 x 40%) / 7 = 220,919 tourist arrivals. Over the period since 2000, tourist arrivals have grown by an average annual rate of 5.7%. It is likely that this would have been much higher had there not been a sharp decline in tourist arrivals in 2001 (violent clashes in Zanzibar and 9/11), and 2003 (Gulf War and SARS).

Italy is by far the most significant market for tourism to Zanzibar, with over one third of all tourist arrivals being Italian. This is due to several large Italian resorts. The UK generates around 10% of all tourist arrivals. Overall, Europe accounts for around three-quarters of inbound international tourist arrivals to Zanzibar. Information on tourist expenditure is not readily available or consistent. However based on the most credible data being published, it is estimated that $136 million was generated by tourist expenditure in 2007, with an average spend per trip of $762, or spend per day of

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69 These estimates are based on UNWTO concepts and definitions of tourism. The World Tourism Organization (UNWTO) defines tourism as: “The activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. The usual environment of a person consists of a certain area around his/her place of residence plus all other places s/he frequently visits”.

70 Information is based on Commission for Tourism data which just measures foreign nationals arriving by air (excluding Tanzania) and sea.
Tourism and Poverty

$108. This is relatively low when compared to an average spend per day in Mauritius of $171 and in the Seychelles of $145. The extreme seasonality pattern of tourist arrivals in Zanzibar is evident. The low season is centred on the month of May (the rainy season), with tourist arrivals peaking in August and around December/January (European summer and Christmas holidays).

2. Tourism Strategy for Zanzibar

There are three main existing strategies for Zanzibar. These have formed the background to this assessment.71

- Tourism Master Plan (2003)

The Tourism Master Plan (2003)

It appears that the tourism sector in Zanzibar is at a crossroads. There should be a clear strategic decision as to whether it pursues a policy of low volume, high spend tourism or seeks to develop high volume, low spend package tourism. On one hand, it would appear that the chosen direction is clear – both the Tourism Master Plan and the Tourism Policy clearly identify a path of minimum environmental and cultural impact. The priorities highlighted by the document include the following:

- Develop cultural and environmental attributes
- Maintain and improve environmental quality
- Protect cultural wealth through people, artifacts, historic and cultural associations and architecture
- Upgrade infrastructure to meet expectations and maintain a green profile
- Improve air access and associated facilities
- Tourist safety against terrorist attacks and island robbery must be given the highest priority and necessary resources of policing made available.


Main Shortcomings –
1. It is based on tourist arrivals data that only includes air arrivals by foreign nationals on flights that originated outside of Tanzania, and sea arrivals by foreign nationals. Therefore the base figures to which growth rates are applied to generate 500,000 international tourist arrivals by 2013 do not reflect the full magnitude of tourist arrivals to Zanzibar.

2. In order to achieve 500,000 tourists by 2013, a 20% annual growth rate has been applied to the number of tourists that were recorded as visiting the islands in 2006. This appears to be a very optimistic annual growth rate – the average annual growth rate for the period 2000-2007 was 5.7%. Indeed the Zanzibar Tourism Policy (2006) states: “To realize the goals of the Zanzibar Government…the expected growth rate should be between 5–6% by 2005, rising to between 7–8% by 2010, and attained the level of between 9–10% by 2020”.

71 The information collected is from interviews with ZATI members, suppliers to the tourism industry, and Government Officials.
Based on our analysis, there are two main problems with this strategy:

- It is based on inaccurate tourism arrival data (only those direct from overseas and only foreign nationals by sea)
- It relies on an over-optimistic tourism growth rate of 20% pa (Last decade has been <6% and 2006 policy states expected growth should be 10%)

Should a strategy aim to treble the volume of tourist arrivals over a six-year period – with no infrastructure improvements?

“The Strategy of a Quarter of a Million Tourists in Zanzibar (2007-2013)”

Our analysis suggests an alternative option:

- Focus on income and jobs instead of numbers of tourists
- 3% pa growth rate only
- Spend per trip increasing by 5% in 2008 to 10% in 2013 – by focusing on high value
- Expenditure can double, rising to $250 million pa by 2013

With a high volume-low spend strategy, which would almost certainly create a highly competitive environment between operators, driving average spend per trip rates below what they are today, it is expected that Zanzibar would need to attract over 400,000 tourists to generate the same revenue as that produced by 213,000 tourists based on the scenario shown above.

3. Comparative Tourism Strategies

Two other countries’ strategies were studied in order to see if the priorities have some resonance – although not tropical islands, both have an emphasis on environmental protection and sustainability.

New Zealand is focussed on improving quality and value, rather than increasing volume. The targets are set across five key areas:

- Increasing visitor satisfaction
- Increasing the amount that visitors spend
- Reducing seasonality
- Delivering environmental best practice
- Creating positive community outcomes

Falkland Islands vision:
For the islands to have a worldwide reputation for its unrivalled wildlife and natural environment, as well as providing friendly hospitality and a quality experience. Tourism should provide a sustainable and substantial economic return to the islands through a mix of sectors and markets.

4. ZATI Members’ main constraints (The Three S’s)

The following section outlines our recommendations in the three key areas – as suggested by ZATI members.

- Supplies – Quality, Quantity and Consistency of the Supply of Goods
- Staff – Finding Zanzibari’s with the appropriate Training and Education
- Services – The Supporting Infrastructure and Utilities necessary for the industry
4.1 Supplies – Quality, Quantity and Consistency of the Supply of Goods

a) Supplies of Vegetables and Fruit – Suggestions:

- Local NGOs should provide organisational support to farmers and food suppliers
- Local residents living within the vicinity of hotels could be encouraged to establish smallholdings to grow produce for sale to local hotels
- Hotels can develop their own plots to grow fruit and vegetables, and to undertake composting techniques to recycle some of their waste – collaborating with their local communities
- There are opportunities for extending the range of products that farmers can supply to tourist hotels by promoting local food recipes in hotel menus and by processing perishable foodstuffs.
- More local supplies of consumer goods like jams, soap, honey, essential oils, dried fruits etc. could be made available through community projects

There appears to be considerable demand for local produce, in particular vegetables, fruit, spices, meat, and seafood. This demand, mainly from hotels, but also from restaurants, is expected to increase as tourism on the islands becomes more established.

b) Supplies of Fish – Suggestions:

- There are opportunities for the establishment of fish farms for the breeding of fish, crabs, lobsters and shellfish in enclosed areas
- There is an urgent need to develop a guideline for responsible fishing, setting out clear guidelines on the sizes of fish, crabs, lobsters, etc, that it is acceptable (and ideally legal) to catch
- Farmers and fishermen could form a producer’s network to facilitate dealings with buyers

The sustainability of fish and other seafood stocks is seriously at risk due to non-sustainable fishing methods being deployed by local fishermen.

c) Supplies of Handicrafts – Suggestions:

- Establish a permanent craft market and/or an annual craft fair specifically for Zanzibari crafts – this would also become a tourist attraction. This could include workshops for craft manufacture and training so that skills are passed down between generations
- The market could also act as an association or cooperative representing local crafts, and sell goods to hotel gift shops as well as marketing them to other outlets (including for export). Manufacturers could also advertise and promote their product on the ZATI website
- More hotels could make use of local construction materials, furniture, and furnishings where feasible
- Tourists feel more comfortable buying in an area organised as a marketplace, and therefore retailers are more likely to increase their sales. A number of “tourist markets” could be established along the coastal areas as well as in Zanzibar Town.

Aside from food and drink products, local handicrafts are increasingly difficult to find. Items are being imported from other African countries, in particular Kenya, in increasing volumes, placing traditional Zanzibari handicrafts such as carved wooden chests in danger.
of being lost. Beach vendors trading in (mainly) imported products are also becoming a nuisance to tourists who are seeking to relax when on the coast.

4.2 Staff – Finding Zanzibari’s with the appropriate Training and Education

a. Staff Training and Education – Suggestions:

- A programme of “Zanzibari-isation” could be initiated by ZATI by encouraging all members to achieve a certain percentage of local employees by a given date (for example 50% by 2010).
- Build on the success of the small NGO-run training colleges in Zanzibar by encouraging similar projects across the island.
- Upgrade facilities and training at ZHTI urgently (ILO and EC assistance is in place)
- Liaise with Arusha Training College to establish work placements for Zanzibaris on the mainland and offer placements in Zanzibar for mainland students in return.
- The private sector should be more proactive in training local staff by funding one (or more) employee(s) each year to undertake a formal training course.

The Zanzibar Strategy for Growth and Poverty Reduction (2007-2010) and the Zanzibar Growth Strategy set out to create over 72,000 jobs between 2005 and 2010 – 65,000 to absorb the new entrants into the labour force, and a further 7,000 to actually reduce the number of the (currently) unemployed from 7% to 4%.

The Tourism Master Plan (2003) states that in order to create 7,000 new jobs in the industry, tourism numbers will have to grow to about 500,000 per year by 2013.

b. Staff Employment – Suggestions:

- Establish an “on-line employment agency”. This could be effectively established by an organisation such as ZATI, by developing a website that could be used as a “clearing house” for jobs wanted and situations vacant
- Tourism sector businesses should abide by Zanzibar labour laws. Employment personnel should make themselves aware of these laws, although the profile of these could be raised by ZATI
- Education of Zanzibaris is critical for the future development of the economy. There needs to be more intensive focus on this area by the Government at the primary and secondary school levels. Particular attention needs to be given to English language.

The consequence of this lack of locally qualified labour is that there is considerable importation of labour from the mainland and neighbouring countries, in particular Kenya. With the tourism sector in Kenya currently suffering from internal political and security problems, the influx of Kenyan workers can be expected to increase.

At present, around 30% of all employees in the tourism sector in Zanzibar are locals (Zanzibaris), and only one in ten of the entire tourism sector workforce has had formal training. For any business operating in the tourism sector, the correct recruitment and training of staff is critical for the success of their operation, in part because of the considerable interaction between staff and clients. To quote one Hotel Manager in Zanzibar: “Better not to have an employee, than to have the wrong employee”.

4.3 Services – The Supporting Infrastructure and Utilities necessary for the industry

a. Business Support – Suggestions:
• Establish a **government fund** to help start-up small businesses, and help with loans such as microfinance.
• Establish a **business operation, marketing, and development consultancy** service for small businesses like guest houses, tour operators and suppliers. Many businesses fail in the early stages simply due to lack of sound advice. Such a service should be free of charge for initial consultations, and reasonably priced for future advice.
• The Ministry of Agriculture could provide **technical advice** and set up a market information service for farmers and food suppliers to help them to plan their production and to negotiate on price.

Many Zanzibaris do not feel sufficiently linked to the tourism industry, and this has led to resentment against the sector in some communities, especially if they do not feel they are receiving any **economic benefits** from its presence. If not managed well, this could create a non-welcoming atmosphere to visitors, or even lead to crime.

**b. Services and Utilities - Suggestions**

• Water: The government should consider the establishment of **rainwater harvesting**. Businesses should be encouraged to harvest their own rainwater to reduce demand on underground supplies, which are expected to have a limited life. A study into the sustainability and environmental impacts of drawing water from underground sources should also be undertaken.

• Power: The government should undertake a study to determine the **required demand for power** based on the expected increase in resorts, hotels, residential units and other industries over a 20-year period, to ascertain the feasibility and sustainability of the proposed / approved developments. The use of **solar power** should also be considered where feasible, such as for street lighting.

The services/utilities that are causing the greatest disruption are the **supply of water and electricity**, and the **poor state of the airport**. These three areas were raised by virtually all the business consulted.

**c. Services – Security – Suggestions:**

• It is recommended that those elements of the police force that are most likely to come into contact with tourists receive **appropriate training**. In particular this would include English language speaking classes, and appropriate ways to deal with tourists.
• ZCT have established a **community police network** in some areas of Unguja made up of ex-police and servicemen, with the aim of eradicating beach crime by patrolling the coast by boat. This is an excellent initiative and appears to be working. The expansion of this network across areas of Zanzibar frequented by tourists should be encouraged.

Security has not been a major issue in the past; however there are incidents from time to time and these have been noticeably increasing. The Government needs to ensure that it has a police force that is adequately funded to be able to react to all incidents of violent crime, particularly armed robberies in hotels, and quickly apprehend any gangs operating on the island. Any high profile incident involving tourists would be a serious threat to tourism.
The most common annoyance for tourists is the constant attention of the traffic police who regularly stop motorists for no apparent reason on the roads. This, as well as the use of roadblocks that are set up at regular intervals across the islands, give a feeling of insecurity.

d. Services – Waste Disposal – Suggestions:

- The banning of plastic bags on Zanzibar should be rigidly enforced to prevent further littering of the interior and coastal areas.
- The government should encourage the recycling of waste to minimise the amount of landfill on the islands.

The proper disposal of rubbish and processing of sewerage are critical to avert environmental disaster in Zanzibar. Plastic bags litter several areas of the island, and the water quality on some stretches of the coast where there are sewerage outflows are cause for concern.

e. Services – Municipal and Conservation – Suggestions:

- The conservation and rehabilitation of Stone Town would benefit from the movement of government offices out of the town centre. This would enable several buildings in key central locations to be converted to hotels, restaurants, or other leisure facilities for both tourists and residents, such as shops, galleries, etc.
- However, it is important to ensure that new uses of buildings are in keeping with the town. Part of the charm of Stone Town is that it is a “living town” – it will be important to maintain a balance between residents and tourists.
- Street lighting, better waste disposal and traffic control should be priorities

Stone Town is one of Zanzibar’s most important assets. The conservation of the buildings and streets is essential for the long-term appeal of the destination. A large proportion of visitors to Stone Town are day visitors (many hotels on the east coast estimate that around 50% of their guests visit Stone Town as a day trip), and therefore their economic benefit to the town is small. Conservation and interpretation of Stone Town has been limited in recent years, however the Aga Khan funded seafront rehabilitation should transform that part of the coastline.

f. Services – Taxation – Suggestions:

- Businesses operating in the tourism sector should be encouraged by organisations such as ZATI to pay their taxes promptly. In turn, the ZRB should respect businesses by contacting them only during office hours, and have a good reason for undertaking any on-site inspections.
- The ZRB must stick to their job of collecting VAT revenue and not harass hotels and yachts (in Pemba) with threats, armed guards and passport confiscation.
- A consultation should exist between the private and public sectors before new tax increases are imposed (eg Tourism Commission licences, training levies) to explain the purpose and background to the tax payers.

Governments sometimes view taxation as an easy way to generate funds for public spending. However, over-taxation in the tourism sector can constrain the development of the sector to such an extent that overall revenues decline, either due to a decline in the competitiveness of the destination, or because businesses avoid paying the taxes.
There are several reported instances of the Zanzibar Revenue Board (ZRB) harassing accommodation establishments on a regular basis, often late in the evening, to investigate tax payments.

g. Services – Airport – Suggestions:

- A complete refurbishment of the airport should be undertaken immediately. In order to attract higher spending tourists, scheduled airlines need to be encouraged to land on the island.
- This refurbishment should include: A roof cover over the check-in area, re-surfacing of the runway, improvements to the car park, draining of the airport approach road to avoid flooding, better access to the rooftop restaurant, a smoking area (to prevent smoking on the runway) and complete re-training of all the airport staff.
- It is estimated that over $3 million is generated annually through the airport departure tax alone. It is therefore not inconceivable that a refurbishment of the airport (estimated at $40-$50 million) could be largely funded through departure tax and landing fees, serviced by a 10-year loan.
- There has been talk of a new international terminal for some years but there is no new information forthcoming.

Zanzibar airport is described by some tourism businesspeople as the “lifeline to the islands”. It is currently inadequate in several respects, most significantly:

- The terminal building was designed and built to handle aircraft carrying around 100 passengers (Boeing 737) and smaller. Today, charter (and some scheduled) aircraft carrying up to 250 passengers land at the airport.
- The runway is in a poor state of repair and in need of resurfacing. Some airlines are being prevented from landing due to insurance issues. The runway length is 2.5km; an extension to increase it to 3.0 km is required to enable larger aircraft (e.g. Boeing 777 to safely land). It is reported that at least one German charter airline may pull out of Zanzibar due to the deteriorating state of the runway.
- The loss of luggage at the airport is a common occurrence.
- There is no computerisation of the check-in procedure. Therefore manual recording of passenger arrivals, the writing out of boarding passes, and the processing of luggage slow this process down.
- A departure tax of $30 for each passenger leaving Zanzibar on an international flight is levied at departure. This is unpopular with tourists, as captured in a focus group discussion that was undertaken by a recent study for the Tanzania Association of Tour Operators. One participant stated: “The airports are appalling. We travelled to Zanzibar and had to queue for hours in the sun, and then were charged $30 departure tax for the privilege. It left a nasty taste”.

Zanzibar port is also disorganised and inefficient, with many businesses complaining of slow processing of goods, sometimes (in the case of food and drink) leading to their ruin. The Government should address the inefficiency issues at the port, to provide a facility that will enable businesses to import and export goods efficiently, and facilitate the flow of passengers to and from the island.

5. Priorities

This report identifies a large number of issues currently constraining the tourism sector in Zanzibar, and corresponding potential solutions. However, the sector is complex and there are many issues to be tackled to move the tourism industry forward in an organised manner. Therefore, the most important action items have been identified to provide clear
focus on these. It is important to emphasise that a Public-Private Sector Partnership (PPP) is essential to achieve the goals set out, and there is also a key role for NGOs in the process too.

**NGO Led Initiatives**
- Assist farmers and fishermen to form a producers’ network or cooperative
- Develop guidelines for responsible fishing and seek government legislation
- Establish a permanent craft market and/or annual craft fair for Zanzibari crafts
- Set up a business operation, marketing and development consultancy
- Establish small hotel/catering/tourism training colleges
- Set up an online employment agency for employees and employers

ZATI will do whatever it can to encourage these activities.

**Private Sector Led Initiatives**
- Encourage local community cultivation of foods for sale to the tourism sector
- Actively increase employment of Zanzibari staff
- Provide formal training for Zanzibari staff
- Investigate opportunities for the establishment of fish farms
- Where feasible, adopt alternative energy and rainwater harvesting initiatives
- Build environmental awareness into business practices
- Ensure taxes are paid promptly

**Public Sector Led Initiatives**
- Re-development of Zanzibar airport and port
- Address water shortage issues by investigating rainwater harvesting and the sustainability of underground water sources
- Assess future demand for power and address demand issues
- Establish a government fund to help small businesses establish themselves
- Improvement of primary and secondary education
- Adopt solar power energy where feasible
- Removal of road blocks and unnecessary stopping of vehicles by traffic police
- Actively ban plastic bags and encourage waste recycling
- Conserve, protect and improve Stone Town as a heritage destination
- Respect tourism businesses by collecting taxes in a transparent manner
- Ensure Zanzibar is a safe place for locals and visitors alike.

6. Future engagement – Conclusions

These and the private sector initiatives have been simplified and summarised in the ‘SABA SABA’ pledge:

**Seven Pledges from ZATI**
1. We will engender cultural awareness and respect in our staff and in our guests
2. We will operate our businesses in the most responsible, professional and enjoyable manner for our guests to Zanzibar
3. We will follow a responsible employment policy and abide by Labour Laws
4. We will educate and train our staff, supporting the needs of local people
5. We will respect the environment by following environmental policy and protecting marine and land resources
6. We will work together with and support our local communities by buying locally whenever possible
7. We will maintain a high standard of business ethics in all that we do

The importance of the public-private sector partnership is significant, as without it there will be little progress in the development of tourism in Zanzibar. Consequently a “Code of Conduct” has been drawn up for both parties, and if this can be agreed, it will be a significant step towards improving tourism on the islands.

**Seven Public Sector requirements for a sustainable tourism industry**

1. We will provide a secure and peaceful environment for people to live and work safely
2. We will supply the necessary infrastructure, services and utilities
3. We will ensure adequate transport facilities, including a good standard airport
4. We will improve basic education and vocational training to raise the quality of service in the hospitality tourism industry
5. We will encourage local business to supply the tourism sector to reduce poverty
6. We are committed to developing an environmentally sustainable and responsible tourism industry
7. We will collect fair and transparent taxes and levies from the tourism sector

At the ZATI dinner in March 2008, a request was made to the Government to provide a good environment for the tourism sector to survive and grow in a manner following the tourism Master Plan.

It remains to be seen if the development of the industry is responsible and careful, ensuring that the international reputation and brand of Zanzibar is protected, the environment and culture is respected, and the people of Zanzibar – now and future generations – thrive and prosper as a result of good tourism strategy, policy and implementation.
Working Together

Half day workshops were held on the second day of the International Conference on Tourism and Poverty. The participants gathered together in 4 different groups and were asked to present their ideas on how Zanzibar could develop out of poverty, by discussing the following topics:

1. Policies for tourism development and their implementation: ministries, donors and civil society perspectives;
2. Tourism's impact on the environment: Zanzibar problem analysis;
3. Opportunities and threats for diversifying tourism packages: the space for local people in tour operation strategies;

The purpose of organizing the workshops on the second day of the Conference was to provide participants with a grasp of each theme, which were discussed during the lectures of the first day.

The workshops were led by a facilitator in each group who made use of the SWOT analysis as a framework to determine each topic specific problem. After the SWOT analysis, the facilitator requested the participants to come up with feasible solutions for the issues that had emerged. Afterward, on the third day, a speaker from each group reported their results back to the main group.

The following section pulls together observations on themes that emerged within each group, and those that have a major impact for Zanzibar development in terms of poverty reduction.

Although it was acknowledged throughout the entire conference that tourism has both positive and negative impacts on societies, it was nonetheless generally assumed that tourism helps countries out of poverty. This aspect is important to highlight as it reveals that none of the participants doubted the shortcomings tourism might have on poverty reduction or even in increasing economic polarization. It also shows the perspective of analyzing each topic in terms of an irreversible tourism development.

The topics that emerged as critical and recurring throughout the four workshops are:

**a) The Tourism market and consequences of tourism development on other markets**

This issue was raised mainly from the 1st group on ‘Policies for tourism development’ and from the 4th on ‘Zanzibar SMEs’.

Tourism and its related economic activities (such as trade, finance, business etc.) were identified by the groups as one of the major opportunities for economic growth in the islands. Tourism development indeed increases trade, it brings foreign currencies in to the country and it is also a means for increasing employment.

However, it has been acknowledged that tourism growth does not necessarily mean poverty reduction; in fact, if tourism activities are poorly managed by weak leadership towards economic redistribution, it can mean the opposite. For instance, the fourth group on SMEs highlighted that growth potential for local SMEs (and hence of poverty reduction for those who belongs to them) is shrinking, as enterprises do not fulfil the requirements of quality and quantity expected by the tourism market. Hoteliers complain about local producers’ lack of reliability – from handicrafts to agriculture – whereas tourists criticize a certain scarcity of quality and diversification in products. For this reason, the tourism sector
Tourism and Poverty

often relies on imports which deplete the capacity of the internal market to flourish and for local entrepreneurship to thrive. Limitations of a prosperous market are found in the weaknesses of Zanzibar financial institutions and their inability to stimulate the internal market by supporting local enterprises and initiatives. Again, SMEs are reported to particularly suffer from little capacity to get loans. This condition just aggravates the capacity for the internal market to grow and, as in a vicious cycle, determines low standards for products and unreliability of stocks. Therefore, tourism development does not necessarily mean poverty reduction through growth in side activities.

Regarding the tourism market itself, the first group on policies stressed on the danger of leakages (tourism deployed in Zanzibar but benefits going to Western companies who manage the market itself), and inflation (as tourism increase it raises the requirement for primary goods, hence rising their prices and limiting their availability). Both these threats are known to be far from helping communities emerge from poverty.

As a conclusion, groups recognized that tourism development could increase markets. Nevertheless, without appropriate policies to regulate those markets, tourism is far from bringing poverty reduction consequences into communities.

b) The role of education and its potential in Zanzibar settings

The issue of education was widely discussed within all the groups, mainly connected with the concern related to employment.

Education was been mentioned as one of the major assets for Zanzibar people to cope with tourism development. The 1st group recognized tourism with the potential to produce an increase in quality standards which, in turn, should determine an increase in requests for skilled labour (moreover, acknowledging the labour intensive characteristics of tourism). However, it was acknowledged that Zanzibar is still lacking in high level education and the demands by tourism are not met. There are just two schools specializing in Hotel and Hospitality on the island; what’s more, a great number of locals do not speak any other language than Swahili. For these reasons, Zanzibar experiences a shortage in terms of skilled personnel, and jobs are frequently given to employees from Tanzania mainland, Kenya, or even Europe.

The 3rd group, who focused on ‘Opportunities and threats for diversifying tourism packages’, found tourism development to be a vector of child labour, hence school dropout rates. They explained that in poverty settings, a labour intensive industry such as tourism could (and in Zanzibar context surely does), determine a need for unskilled jobs which sometimes are taken by children. To abolish the school dropout trend, we must reinforce the idea that investing in education is an opportunity for a better future. Therefore, improving the quality of education (at all levels) and also differentiating educational curricula would be a great opportunity for Zanzibar to reduce poverty by increasing employability.

c) The role of Tourism on Society and the importance of preserving Zanzibar Culture

Tourism is found to have a great impact on societies. Within the SWOT analysis the major issue that arose among the four groups was that tourism is believed to bring about a certain form of discrimination (due to closure against different cultures) and criminality (whose causes are found in injustice). These two issues can easily be linked to the rise of polarization between worse and better-offs - indeed, tourism is believed to increase the gap between rich and poor, especially when its development is not managed towards a pro poor redistribution of benefits and opportunities. As society tends to breakdown when
exposed to injustice, a community’s negative perception towards tourism can easily become a trend, and Zanzibar is acknowledged by the groups to be harnessing these attitudes.

Tourism is perceived as having a strong impact on culture, and culture is a pivotal issue in Zanzibar. Probably because the archipelago has a different historical background from its mainland counterpart, the issue of culture is perceived as sensitive and polarizing. Zanzibar was identified by the four groups as a place with a rich culture in terms of tolerance attitudes, traditional festivals, music and religious sites; it is therefore conceived as a potential attraction for tourism, but tourism puts the culture at risk.

The risk of losing the Swahili identity due to a fusion with foreign culture, risk of culture’s commercialization, and erosion of traditional practises and customs. As a consequence it is found that some communities and individuals perceive tourism as an ‘evil’ industry and they have begun to boycott tourism.

On the other side, when Swahili culture could be sold as an attraction, some aspects of it are perceived as threats by tourists and they might determine a decrease in tourism development. For instance, some participants mentioned the prejudices the international community currently has towards Islamic religion, with some of its branches linked with terrorism. Not of less importance is the annoyance regarding gender imbalance and the role of women in Islamic settings. In more general terms, population growth and its pressure on resources’ availability is also a threat to tourism development and economic redistribution.

Positive aspects, on the contrary, are intercultural exchanges and intermarriages, which are perceived as positive, due to their advantage to create cultural and intellectual growth.

d) The quest for Policy implementation

Among the groups it has been recognized that, in general terms, policies exist but are not implemented accordingly. Particularly, the first group of ‘policies for tourism development’ and the second of ‘tourism impact on environment’ have noticed that brand new sector specific policies exist but there are no monitoring systems to observe their implementation. They found that this issue is mainly a government responsibility which goes along with willingness - the will to allocate funds to monitoring and evaluation of policy implementation. For this reason, the groups developed the idea of a civil society or private investors’ lobby associations that should influence the government not only in adopting modern policies but actually in applying them.

In relation to policies, most of the groups believed that there is low awareness from the communities; policies dissemination is almost non-existent and perhaps the language used is too technical for common people to understand them. Thus, they proposed the government and NGOs to work on simplified versions of sector policies and to propagate them throughout the island, so people will be aware of their rights and duties.

The group on environment (2) also raised the issue that there is bad communication on information related to policies among all the players who are in charge of implementation and monitoring (from government to NGOs to private sector and civil society). Therefore, a coordination mechanism (for example systematic networks) should be set up, in order for all parties to share information and avoid duplication or, at worse, to avoid an impasse.

e) The environmental depletion

Surprisingly, besides the specific workshop on tourism impact on environment, other groups mentioned environmental depletion as part of tourism impacts in a country. The
first group on ‘policies for tourism development’ mentioned sustainable tourism as an opportunity for poverty reduction and for improving natural heritage sites through conservation programmes to avoid depletion occurring as a result of massive, unregulated tourism.

The second group, focusing on environmental depletion due to tourism, started from the assumption that in fact, tourism growth has a negative impact on environmental conservation.

The groups analysed three dimensions where tourism has an impact on the environment, land, air and marine settings, and found that tourism development negatively impacts upon all of them. Land is at risk for soil erosion, trees and biodiversity reduction. The marine environment is at risk as constructions for hospitality are depleting coral reefs and mangrove sites. Pollution, due to solid and liquid waste that goes directly into the sea, is a consequence of increasing population density on coastal areas; this also shrinks the availability of fisheries products and inflates prices. As far as air is concerned, tourism development brings about increased air pollution and noise pollution.

In terms of policy, even if it is acknowledged that an environmental policy exists, the perception is that there is widespread ignorance (among the population) about it. That is why awareness programmes are so important and should be strengthened by NGOs and communities. A connection between environmental policy and tourism policy is also missed; this brings about a lack of coordination between two sectors of the society that are extremely linked and interactive. The groups found that a networking strategy should be put in place to facilitate this process of coordination. Again, the problem of law enforcement emerged as a weak point of the Zanzibar government and that funds for monitoring should be allocated. The 2nd group also found that in order to preserve environmental settings, high technology systems should be put in place. In this regard, the presence of foreign know-how could be exploited to develop and apply new technologies for waste management, marine safety and air pollution limitation.

In conclusion it could be said that all the groups found tourism as a potential market for poverty reduction. Nonetheless, they realized that it has to be managed accordingly, so as to reduce its negative impacts on the environment and the breakdown of culture, and to exploit its positive influences on education and other related markets. The focus then falls on policy implementation as the major gap for true pro poor tourism development in the Zanzibar archipelago.
### STRENGTHS

- Improve market
- Introduce the demand of the skills
- Create opportunistic trade
- FDI
- Increase import
- Increase foreign earning
- Culture promoted as tourism attraction
- Improve infrastructure
- Increase in Income Generation Activities for locals
- Hotel chains with international standards
- Existence of tourism policy
- Existence of other sectors related policies

### WEAKNESSES

- Quality, quantity and reliability of local products
- Shortage of skills and human resources
- Working conditions
- Lack of access to credit
- Difficult business registration process
- Weakness of financial institutions
- Lack of strategy and institutional framework to preserve cultures
- Increased gap between rich and poor
- Low percentage of jobs given to non Zanzabari's
- Weak unions
- Non professional hotel operators
- No international minimum standard defined
- No monitoring review of tourism policy (mid term review)
- No publicity strategy for tourism policy
- Limited role of civil society
- Policy: low awareness; no proper dissemination; lack of a simple version; no publicity strategy

### OPPORTUNITIES

- Labour intensive (tourism)
- Focus on the community
- Wealth indicators
- Easy links with other sectors
- Infrastructures
- Increase in demand of high quality services and practices.
- Enhance preservation and conservation of culture
- Intermarriage and intercultural exchange
- Tour Operators can sensitize cultural aspects of Zanzibar
- Development of sustainable tourism (or cultural tourism, etc)
- Equitable distribution of income
### Tourism and Poverty

- Improvement of natural heritage
- Increase relations between nations
- Classification and satisfactions of tourism services
- Government investment in tourism services
- Existence of other sector policies and legislations (Investment policy and environmental policy).
- Willingness of government to improve safety and security of tourists
- Existence of hotel and tourism Institute

<table>
<thead>
<tr>
<th>THREATS</th>
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<tbody>
<tr>
<td>- Political instability</td>
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<tr>
<td>- Monopoly</td>
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<tr>
<td>- Importation of goods</td>
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<tr>
<td>- High taxes</td>
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<td>- Discrimination</td>
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<td>- Increase in leakages</td>
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<tr>
<td>- Inflation</td>
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<tr>
<td>- Commercialization of culture</td>
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<tr>
<td>- Imitation of foreign culture</td>
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<tr>
<td>- Increase of frictions among communities</td>
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<tr>
<td>- Depletion of natural resources</td>
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<tr>
<td>- Tourism is a volatile industry</td>
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<tr>
<td>- Lack of sanctioning of standards</td>
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<tr>
<td>- Reliance on seasonality</td>
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<tr>
<td>- Negative perception of the community on tourism (its implication to culture and erosion of traditional practices)</td>
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<tr>
<td>- Failure to meet public expectations on tourism industry (employment creation, local benefits and improvement of community infrastructures)</td>
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<tr>
<td>- Globalization</td>
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<tr>
<td>- Climate change</td>
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<tr>
<td>- Political instability</td>
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</tbody>
</table>
### STRENGTHS

- Re-forestation programs
- Environmental policy, laws and legislation
- Increased awareness e.g. Environmental education and establishment of environmental clubs at schools and community
- Local environment committee
- Political will to protect the environment.
- Increase in environmental awareness

### WEAKNESSES

- Inadequate law enforcement
- Ignorance of environmental and tourism policies among the local community
- Insufficient coordination and collaboration among different parties
- Limited technology for environmental conservation.
- Poverty
- Insufficient implementation of planning

### OPPORTUNITIES

- Learning good practices from tourism stakeholders
- Employment
- Relationships (donor support)
- Business (selling products)
- Infrastructure improvement
- Technology by expansion

### THREATS

- Liberalization
- Globalization
- Corruption
- Natural disasters
- Economic recession
- Population explosion
## Workshop 3

### Opportunities and Threats for Diversifying Tourism Packages: The Space for Local People in Tour Operation Strategies

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
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<tbody>
<tr>
<td>- Friendship</td>
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<tr>
<td>- Rich in culture and strong community</td>
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<td>- Motivated people</td>
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<tr>
<td>- Tourism Attractions</td>
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<tr>
<td>- Tolerance</td>
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<td>- Handcrafts</td>
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<tr>
<td>- Traditional festivals</td>
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<td>- Safety &amp; Hospitality</td>
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<td>- policy</td>
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<tr>
<th><strong>Weaknesses</strong></th>
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<tr>
<td>- Law enforcement</td>
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<tr>
<td>- Education</td>
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<tr>
<td>- Capital</td>
</tr>
<tr>
<td>- Gender imbalance</td>
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<tr>
<td>- Lack of awareness (Bureaucracy, quality, environment)</td>
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<tr>
<td>- Negative Beliefs</td>
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<tr>
<td>- Communication skills</td>
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<tr>
<td>- Superstition</td>
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<tr>
<td>- Inferiority complex</td>
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<td>- Public facility (e.g. bank) in the village</td>
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<tr>
<th><strong>Opportunities</strong></th>
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<tbody>
<tr>
<td>- Strategic location</td>
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<tr>
<td>- “Softer place” to invest</td>
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<td>- Co-operation (Between Community &amp; Investors)</td>
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<td>- Technology transfer</td>
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<td>- Relationships</td>
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<td>- Job creation</td>
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<td>- ESL (Opportunity to learn)</td>
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<td>- Accessibility of infrastructure</td>
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<td>- E.A.C.</td>
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<td>- Research centre</td>
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<td>- Spice farm initiatives</td>
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<thead>
<tr>
<th><strong>Threats</strong></th>
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<tr>
<td>- Population growth</td>
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<td>- Over usage of resources</td>
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<td>- Political instabilities</td>
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<td>- Relative increase of crime</td>
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</table>
• Standardization of commodities
• Degradation of the culture
• Oil prices
• Perceived terrorism due to Islam
• School drop out and Child labour
## WORKSHOP 4

ZANZIBAR SMES AND TOURISM RELATED BUSINESSES: OPPORTUNITIES FOR POVERTY REDUCTION.

<table>
<thead>
<tr>
<th>STRENGTHS</th>
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<tbody>
<tr>
<td>• Good association</td>
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<td>• Innovative creativity</td>
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<td>• Hard working</td>
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<td>• Flexibility</td>
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<table>
<thead>
<tr>
<th>WEAKNESSES</th>
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<tbody>
<tr>
<td>• Inadequate skills.</td>
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<td>• Inadequate Market information</td>
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<td>• Low quality of product.</td>
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<td>• Unreliable supply of products to the market.</td>
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<td>• Informality.</td>
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<table>
<thead>
<tr>
<th>OPPORTUNITIES</th>
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<tbody>
<tr>
<td>• Political stability</td>
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<tr>
<td>• Donor focus on SME</td>
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<tr>
<td>• Zanzibar Brand</td>
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<tr>
<td>• Natural resources</td>
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<tr>
<td>• Favorable policy, e.g.: SMEs policy, Investment Policy</td>
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<tr>
<td>• Heritage</td>
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<tr>
<td>• Market</td>
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<td>• Technical support</td>
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<th>THREATS</th>
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<tr>
<td>• Political instability</td>
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<tr>
<td>• High transaction cost</td>
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<td>• High Inflation rates</td>
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<td>• Exploitation</td>
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<tr>
<td>• Multiple costs</td>
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<tr>
<td>• Access of commercial capital</td>
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<tr>
<td>• Adequate capital</td>
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<tr>
<td>• Imported goods</td>
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