



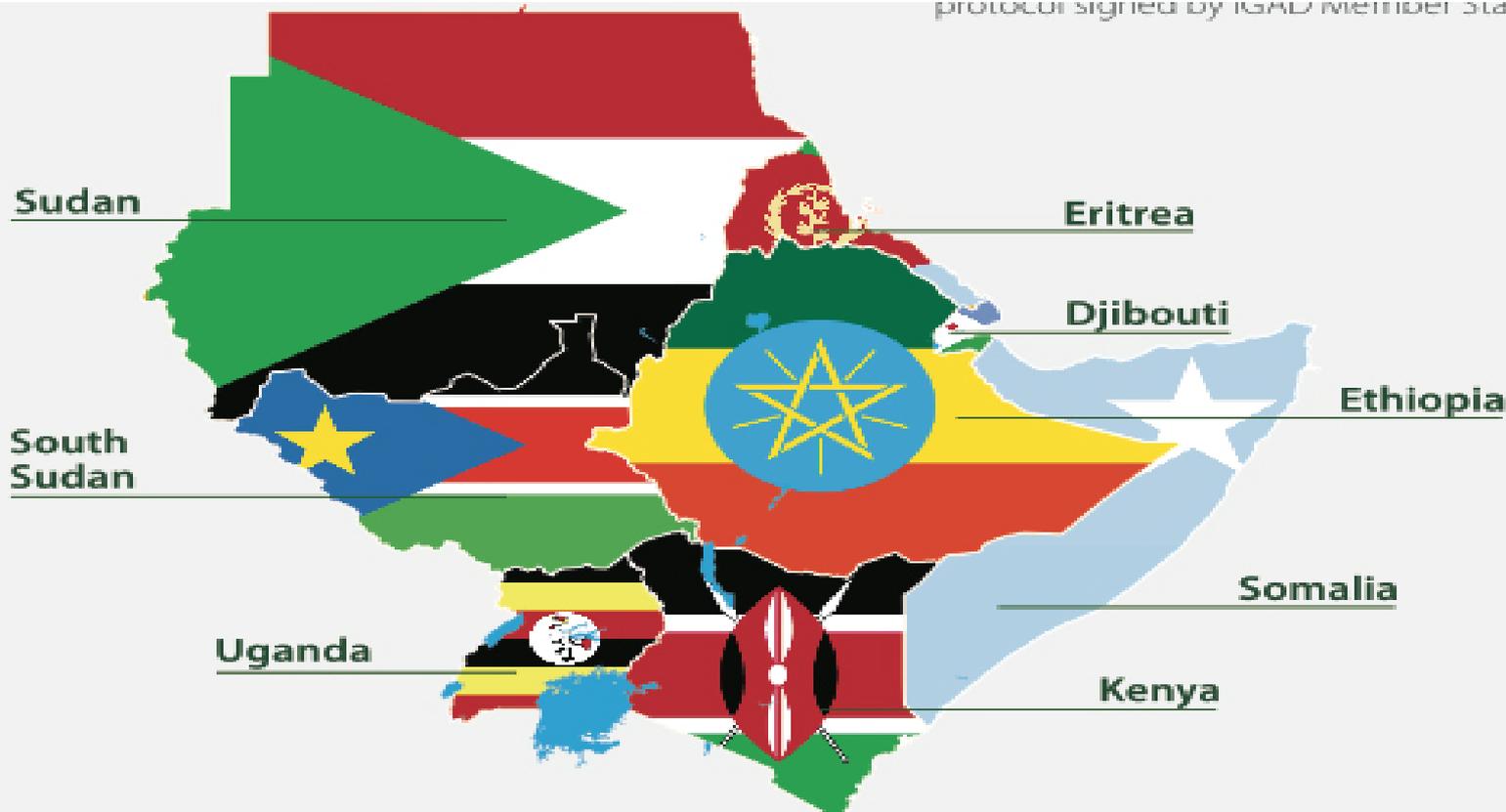
UNWTO REGIONAL WORKSHOP FOR AFRICA
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IGAD SECRETARIAT



IGAD Member States

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protocol signed by IGAD member states.



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Current Situation

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- ❑ Low intra-state and inter-state trade/tourism.
- ❑ **Low incomes**→low savings→low levels of capital accumulation→low levels of investments→**vicious cycle of poverty**.
- ❑ Restricted movement of persons/goods/services & Capital-Lack of good infrastructure is underlying issue.
- ❑ Low levels of value addition to commodities and services in the region.
- ❑ Low quality of goods and services produced in the region.
- ❑ Limited access to finances by enterprises.
- ❑ Under-exploitation of tourism potential.



Challenges

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- Relatively poor transport links, expensive air transport services between MSs-Yamouskro decision on open skies urgent.
- Less than satisfactory performance of sea ports in the region.
- High cost of internet access, (in S.Sudan it is US\$450 per Gigabyte)-makes most internet applications prohibitively expensive for mobile users.
- Non-existence of fibre optic links.
- Cumbersome trade facilitation procedures & requirements & a range of technical , political & policy-related factors create obstacles & increase costs on movement of goods, people, services, and act as impediments on intra-& inter-regional trade, contributing to under development of the region.



Challenges *Contd...*

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- ❑ Inadequate & incomplete interconnectivity- dilapidated railways, inadequate/expensive air services.
- ❑ Inadequately harmonized regional legal and policy frameworks.
- ❑ Poor Business Enabling Environment:- MSs fare poorly in the World Bank's Doing Business Report. A poor business-enabling environment keeps the private sector small, primarily informal and weak.
- ❑ Narrow economic bases: Many of the MSs are characterized by small populations, economic outputs and limited markets to maximize any benefits from participating in REI initiatives.



Challenges *Contd...*

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- Political Instability in Some MSs: - This prevailing threat in some MSs is standing in the way of business & regional economic cooperation and integration.
- Poor and expensive transport infrastructure drives up the cost of doing business. High transport costs and delays result in the spoilage of perishable goods in transit.



Challenges *Contd...*

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- High Cost of Energy: - Power tariffs in the MSs are high and reliability is low. This drives up the cost of doing business. Constant power cuts, high power tariffs and the unpredictable power supply poses problems to manufacturing and other industrial sectors.
- Slow Progress in RI:- the pace of the integration process has been slow in RECs that are supposed to be the pivots for the creation of the African Economic Community. There is limited trade with countries beyond geographical neighbours: Countries trade largely with the countries they share a border with. There is thus inadequate commitment, of effective policy and regulatory frameworks for integration at the regional level.



Opportunities

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- Abundance of youthful population with potential to grow the region.
- Abundance of vast natural resources-minerals, forests, water, fisheries, oil, gas, flora and fauna yet to be exploited.
- Tourism has great potential for exploitation to improve the living standards in the region.
- Vast opportunities to invest in infrastructure development- Regional Infrastructure Projects – will improve interconnectivity and trade.
- The region has significant and diversified energy resources in hydropower, solar power, wind energy, geothermal, nuclear energy and fossil fuels and these could form the basis for setting up businesses to address deficit in the energy sector.



Opportunities *Contd...*

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- benefits of involving the Private Sector in initiatives which offer solutions: eg, efforts are being stepped up to engage the IGAD Business Forum (IBF), an advocacy body whose mandate is to amplify the voice of the private sector and enhance the sector's visibility in IGAD's regional integration agenda.
- Identification and Design of Transnational Projects to Attract Funds: Trans-national projects that cross boundaries are viewed as attractive by private investors and the donor community alike. The successful identification, design and funding of trans-national projects presents an opportunity for ISTMP.



Opportunities *Contd...*

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- Given the importance of telecommunication in the tourism development process and the dire state of fixed-line telephones in the region, the explosive growth in mobile telephony and internet connectivity is contributing to addressing some of the challenges tourism development is facing.



How IGAD Tourism Master Plan is addressing the challenges

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- Several components of the MIP are being implemented eg. Trade in services-IGAD Sustainable Tourism Master Plan being rolled out in Ethiopia & Djibouti.
- Operationalizing the regional tourism master plan, marketing the region as a single tourism destination and as a common investment area, new solutions eg.MICE.
- Closer collaboration with front line operators in MSs eg UTB, KTB, etc.
- Grant has been signed with ACBF to implement phase one of the FTA, of which funds disbursed to begin with Protocol for FTA-this envisaged to add more momentum to implementation of ISTMP.



How Tourism Master Plan is addressing the challenges *Contd...*

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- IGAD has completed a study to develop and implement protocol on free movement of persons in the region in line with the IGAD MIP- Now lobbying MSs to ratify it and domesticate it-Single tourist visa & National IDs to ease travel across borders & airspace.
- Putting more emphasis on regional & domestic tourism which is less affected by seasons or travel alerts from traditional source markets-eg when traffic from source markets to Kenya dipped, inflows from other regional countries kept the sector going.



How Tourism Master Plan is addressing the challenges *Contd...*

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- Advocacy to bring down retail price of mobile data which is partly linked to the fact that mobile operators rely on satellite bandwidth. Providing wholesale internet connectivity thru` Djibouti Africa Regional Express fiber-optic submarine cable should reduce the retail price by more than half within 3 years of the service becoming operational.



- The signing and launching ceremony of the DARE fiber-optic submarine cable was held on 26 May 2016.
- The project is expected to be completed in 2018. This will be the 8th cable in Djibouti and will connect the coastal cities of Somalia, Kenya and Tanzania to Djibouti. The cable will be about 5,500km long.



How Tourism Master Plan is addressing the challenges *Contd...*

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- Improving SME competitiveness and enhancing the trade and investment climate. Priority given to improving standards of services in the hospitality sector-eg training frontline staff in hotels/lodges –waiters, house keeping, & other first line of contact personnel to boost hygiene and customer care.
- Focusing on Interconnectivity in transport and trade facilitation priority road corridors linking the region.
- Interconnectivity in energy-Renewable Sources of Energy Identification and Mapping in the region,— involves studies for exploitation of geothermal power along the Rift Valley of Horn of Africa region; and promotion of small scale wind and solar pumps to replace diesel powered water pumps in rural and remote areas.



How Tourism Master Plan is addressing the challenges *Contd...*

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- Ethiopia - Djibouti Power Interconnection Project – first line completed.
- In such Member States where climate is an issue reliable power is crucial for tourism sector to thrive.
- Tourism satellite accounts (TSA) on going work
- Formation of tourism council to give impetus at high level to implement the ISRTMP.
- Tourism marketing.



END

THANK YOU