

AN OVERVIEW OF TOURISM POLICY AND PLANS FOR TOURISM DEVELOPMENT IN TANZANIA

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This paper provides insights into the development process of tourism in Tanzania. In doing so it examines the changes in macro-economic policies and the extent to which they have influenced the tourism policy and planning. Key issues about tourism and development are looked upon. The paper focuses on new initiatives in tourism development that emphasise benefits to host communities. Hence, issues of collaboration/partnerships have been looked at.

1.0 TANZANIA TOURISM DEVELOPMENT HISTORY:

For a long time the tourism industry in Tanzania has been closely tied to the system of national parks and game reserves. In Tanganyika, now Tanzania, the Selous Game Reserve was gazetted in 1922. Later the Ngorongoro Highlands were made into a game reserve in 1928, soon followed by the Serengeti in 1930. In 1940 the 2 areas were combined into the Serengeti National Park (Eagles, 1997). Tanzania followed the policy of 'Ujamaa' (communal) and 'Kujitegemea' (self-reliance), between 1967 and 1985. At that time, tourism was not among the leading economic sectors and the country's priority was to provide free education, health, water services and subsidising the state companies and agricultural boards. During the period, all major businesses including tourist hotels were under state control. A state body, the Tanzania Tourist Corporation (TTC) was established to oversee the main tourism functions like promotion, running of hotels and travel services. Similarly, banks were nationalised with stiff control on foreign exchange and the value of the Tanzanian Shilling was fixed. The media was also state-owned and for ideological reasons TV was regarded as a luxury that would widen the gap between rich and poor. In short the citizens were virtually closed to the outside world and forces of globalisation were held at bay. By the early 1980s the country's economy was in a bad state. The poor economic performance was triggered-off by some global issues like the skyrocketing of fuel prices as a result of the OPEC crisis in the mid-seventies and the fall in prices of major export cash crops (sisal, coffee, tea and cashew nuts). It can also be argued that, war with Uganda's dictator Idi Amin in the year 1978-79 and inefficient parastatals played a significant role to the economic ruin. The economic malaise resulted into a fall in service standards and as a consequence the tourism sector suffered as well. An about-turn happened in the mid-eighties when multi-party politics and free-market economic policies were introduced. As a result

the country began to implement IMF/World Bank-sponsored Structural Adjustment Programs (SAP). SAPs are imposed on debtor countries who are not only expected to put their economic houses in order, but also to free up their markets and become more exposed to the global economy. The implementation of SAP in Tanzania represents a major shift from a national vision of a socialist society to an orientation of a market economy. The TTC was disbanded in 1992, and each of the state-owned hotels were required to operate on a commercial basis under their own boards of directors as limited liability companies (Wade et al, 2000). By the year 2005, most of the hotels have been privatised. The Tanzania Tourist Board (TTB) was formed to replace the TTC and was charged with the main function of marketing and promoting domestic and international tourism. The National Tourism Policy was first adopted in 1991 and reviewed in 1999 to take into account the increasing role of the private sector in tourism development.

After the reforms remarkable results were achieved in the tourism sector. The number of international tourists grew from 326 thousands in 1996 to over 700 thousands in 2009. Over the same period, earnings from international tourism almost trebled from US\$ 322 million to US\$ 1,159 million (see Table 1).

Table 1: TOURISM BUSINESS TREND IN TANZANIA

YEAR	1996	2003	2004	2005	2006	2007	2008	2009	2010
Tourist arrivals (national borders) (000)	326	576	583	613	644	719	770	714	782
International tourists in hotels	296,193	552,000	562,332	590	605	674	724	665	719
Earnings in US \$ million	322.37	731.00	746.14	823	950	1,198	1,315	1,159	1,254
Average number of days per tourist	7	11	11	12	12	12	12	11	11
Av. expenditure per tourist per day (US \$)	135	153	188	155	172	217	235	241	282

Source: National Bureau of Statistics, & Tourism Department

2.0 TOURISM POLICY AND PLAN

The highest institution that is charged with tourism matters is the Ministry of Natural Resources and Tourism (MNRT). The ministry's mission is to "formulate policies and strategies that would lead to sustainable conservation management of natural, cultural resources and environment, promote and diversify tourist attractions and increase sector contribution to national income and foreign exchange earnings"(GOT, 2005a).

In the tourism policy (see highlights in Figure 1), one of the main objectives is to increase the role of the private sector in tourism development. Also there is an objective of promoting tourism that is economically and environmentally sustainable.

As one of the constraints, the tourism policy notes that local communities were being minimally involved in decision-making and sharing of tourism proceeds and resources. The policy put trust in the private sector and intends to increase investment opportunities and promote private entrepreneurship. Also, the policy has strategies of putting regulations that will ensure benefits for local communities, balancing interests of the communities and the private sector and providing mechanisms for micro financing to SMEs. Moreover, the policy has other strategies like developing infrastructure to improve accessibility, enhancing quality, and marketing. Furthermore the policy has some strategies to promote cultural tourism, yet it has another strategy of positioning Tanzania as a leading destination in wildlife and hunting expedition.

Figure 1: Highlights of Tanzania National Tourism Policy (MNRT, 1999)

Constraints	General objectives	Policy Strategies
Underdevelopment of cultural resources to attract tourists	Increase tourism proceeds to a rate of 10%	Developing infrastructure and improve accessibility to tourism products.
Poor coordination in land management for tourism development	To increase the role of private sector in tourism development	...Enhancing quality control mechanisms through legislation and regulations ...and ensuring benefits reach local communities.
Inadequacy of awareness... especially by local communities of importance of tourism. Locals are not adequately involved in planning and benefiting from tourism	Other objectives To create... investment opportunities through private entrepreneurship. To create awareness within public the importance of tourism in economic development	Identifying the target markets and influencing the targeted market segments. Promote the image of Tanzania and position it as a leading destination for wildlife viewing and hunting expeditions
Limited indigenous and community participation in tourism investment activities	To promote tourism that is economically and environmentally sustainable	Designing environmentally friendly tourism programs
Poor institutional coordination Inadequacy of infrastructure	To develop industries that portray culture and national heritage in order to increase economic benefits	Developing tourism plans for specific areas e.g. beach Ensuring a balance between interests of communities and those of the industry. Providing mechanisms for micro financing to small enterprises.

To effect the implementation of the policy, The Integrated Tourism Master Plan was adopted in 2002. Currently, the ministry has started to prepare a new document, the Tourism Policy Implementation program.

“The core of the Master Plan strategy is to develop an integrated tourism product that is capable of attracting a *low volume, high yield* segment of the international tourism market to spend their entire holiday in Tanzania. In other words, Tanzania would be seen as a ‘single destination’ and tourists would not need to include another country in their holiday plans” (MNRT, 2002:4)

The Master Plan concentrates mainly in areas about improving knowledge, attracting investment capital, enhancing and expanding the tourism product, improving service standards, improving access, creating greater market awareness and strengthening institutions and economic linkages (see Figure 2). Tourism development planning has been dominantly supply-oriented, building physical facilities, such as hotels, restaurants, telecommunications systems, and transportation has been the main instrumental concern. The Master Plan mentions about micro financing and improvement in merchandising of indigenous product, in order to foster development and increase the economic well being of host communities. Traditionally, tourism in Tanzania has been mainly wildlife-based, in the Northern National Parks. It is acknowledged in the Integrated Tourism Master plan (MNRT, 2002a) that, size and income from coastal tourism and other areas outside the national parks is smaller, but with tourist numbers increasing to near-capacity levels in terrestrial parks, it is suggested to shift tourism expansion and diversification along the coast and the pristine Southern regions. The Master Plan points to these areas (the coastline from Tanga to Mtwara, and inland to the areas surrounding Ruaha national park and Selous game reserve) as having strong potential for tourism growth.

Figure 2: Highlights of Tanzania Integrated Tourism Master Plan (MNRT, 2002)

STATE OF TOURISM	STRENGTHS AND WEAKNESSES	POLICY AND GUIDELINES	ACTION PROGRAMS
There were estimated to be over 200 ground tour operators in 2000, about three accounted for well over half of the business.	Rich in wildlife resources, Rich in archaeological and historical heritage, Interesting culture and craftsmanship,	Wildlife resources, cultural attractions and landscape are 'core values' and must be protected and conserved	Improving knowledge and 'know-how'. <i>Establish a statistical database, assess tourism's significance, set an interactive information system</i>
Africans accounted for about 40.5 percent of total arrivals in 2001, followed by Europeans (30 %) and Americans (9 percent).	Good climate, friendly and generous people and Low tourist density and safe destination	There is a need to diversify from nature-based tourism into resort tourism, special interest tourism and cultural tourism.	Attracting capital investment <i>Rationalize taxes, Assess financing needs of SMEs Review investment incentives, Establish investment promotion section in the Tourism Division</i>
Main source markets are Britain, Scandinavia, Italy, Germany and France, which together accounted for just over 70 percent of total European arrivals in 2000.	Poor access and infrastructure, Poor service and overpriced product. Northern circuit becoming crowded. No provision for management training in the country	Investment should not be concentrated solely on large-scale enterprises, but should also focus on small and medium enterprises. Zoning to minimise land-use conflicts	Enhancing and expanding the tourism product <i>Restoration of historic and cultural products, development plans for the coastal and other priority zones</i>
In 2001 about 50% of holidaymakers spent between 4 and 7 days and just over 1/3 rd spend between 8 and 28 days. Serengeti, Ngorongoro and Lake Manyara National Parks were most popular destinations	The TTB receives about US\$1.75 million for its operations annually, With this level of budget; the TTB concentrates on tourism promotional activities.	Ten years of the plan to focus mainly on Eastern half of the country (divided into Northern and Southern circuits) because of lack of infrastructure in remoter areas.	Improving service standards <i>Classify and grade all accommodation facilities Formulate a manpower training policy and plan, secure a sustainable level of funding for tourism training</i>
It was estimated that in 2000 about 40 to 50% of holiday visitors come overland from Kenya, in 1996 estimated to 60% of holiday visitors. Spend per trip per person (US\$): Business (900), conference (600) and Holiday (1000)	New infusion of technical skills required in TTB, reflecting: information age approach to international tourism marketing and new methods of distribution in international tourism	The core of the Master Plan strategy to develop an integrated tourism product that is capable of attracting a low volume, high yield segment of the international tourism market to spend their entire holiday in Tanzania	Improving safety and security Creating greater market awareness <i>Encourage more carriers to serve Tanzania from other source markets Formulate a coherent marketing strategy, plan and budgets Create a new brand image for Tanzania</i>
In 1998 Tanzania received less than one-half of the number of persons who visited Kenya, and less than one-twelfth of those who visited South Africa.	Three main areas to be addressed by legislation: the enabling legislation for the national tourism organization, the regulatory framework for the industry, and environmental legislation	The role of the public sector is to regulate and control tourism and create an economic environment that will encourage private sector investment.	Strengthening institutions and economic linkages <i>Improve merchandising of indigenous products that could be sold to tourist. Assist the Tourism Confederation of Tanzania</i>

3.0 POLICY FOR THE BENEFIT OF HOSTS

As an economic sector, tourism has much to contribute to countries or specific areas within both the industrialised and less developed world. Tourism is now marked as one of the most remarkable economic and social phenomena of the past century. According to the Pro-Poor Tourism Partnership (2004), tourism is a principle foreign exchange earner for 83% of developing countries. Hence, the challenge is to convert this economic contribution so that it feeds the developmental process and becomes an effective developmental vehicle.

Tourism takes place in diverse multi-sectoral environments with numerous and heterogeneous stakeholders. This plethora includes visitors from rich generating countries, host communities in destinations of developing nations and other role players who may be in public, semi-public, private or voluntary sectors and NGOs or interest groups. Tourism has high potential linkages with local enterprises, is relatively labour-intensive and is built on resources (nature and culture) where developing countries may have comparative advantage. This makes tourism to stand a good chance of being a vehicle for development. Importantly, by learning from past mistakes, tourism can reduce inequality between rich and poor.

3.1 Trickle-down effects

Modernists argue that as a result of investments (tourism), economic benefits would trickle down to society through economic linkages i.e. forward linkages result in local growth by utilising services and products from the investment (e.g. roads, utilities,) while backward linkages enable local growth by supplying services and products to the investment (e.g. retailing, personal services). It is generally argued by modernists that free markets will induce economic growth; benefits will spill over through the multiplier effect and thereby provide for development. However, as noted by Fayos-Sola and Bueno (2001), the transmissions through linkages in the multiplier chain depend on marginal propensity to consume, marginal propensity to import and the average tax rate. The last two constitute leakages and the greater the two the less the multiplier effect in the domestic economy. As advocated by Scheyvens (2002), policies should move away from assumptions that the economic benefits of tourism will 'trickle-down' to communities, instead efforts of equitable participation that could revive village economies where rural producers will acquire cash incomes should be advocated.

3.2 Why Collaboration and Partnerships

Adopting concepts of collaboration and partnership might enhance community development. The term *partnership* refers to "regular, cross-sectional interactions

between parties, based on at least some agreed rules or norms, intended to address a common issues or to achieve a specific policy goal” (Bramwell and Lane 2000: 1) such as community development. Partnerships involve long-term collaboration between parties and sharing of costs and benefits (NEPAD, 2005). In this case, tourism policies started to emphasise on public-private partnership in mid-eighties (Hall and Page (2002). Tourism can bring tangible local economic benefits to targeted groups by utilising a range of medium and small enterprises through outsourcing, subcontracting and procurement of services and products. By integrating activities along the value chain through network and alliances, organizations may create products and services with more value combined than separately.

Cooperation is imperative for small players in order to counter the power of MNCs. Small operators are better placed to be niche players and where appropriate complement the major players in travel and tourism (Fyall and Garrod, 2005). Regardless of strategy adopted to respond to increasingly competitive environment, it is important to develop local partnerships to bring in complimentary strength and thereby offer an attractive product representative of the location (WTO, 2002). In tourism, collaboration may enhance competitive advantage by pooling knowledge, expertise, capital and other resources. It is suggested by Scheyvens (2002) that governments should facilitate community involvement by encouraging investors to consult communities, improve access to credit for small-scale enterprises and help their marketing and capacity building. The successful implementation of the above objectives depends on different roles to be played by a diverse number of development agents, including national governments, the industry, NGOs and international institutions. For example, NGOs might help development initiatives by imparting confidence to communities in negotiations with the private sector and government. In addition, collaboration and partnerships are important for sustainable tourism and should be as inclusive as possible (Hall, 2000). However, partnerships might be made more effective by having the right balance of stakeholders in terms of power, honesty, open-mindedness and agreement to support a proposal (Bramwell and Lane, 2000). In order for such collaborative initiatives to succeed, issues of inequality, power and representation have to be taken care of first. As defined by Reed (1997:567), *power* is “the ability to impose one’s will or advance one’s own interest”. It can be argued that power relations may alter the outcome or even preclude collaborative action.

In the case of Tanzania, concepts of collaboration and partnerships started to gain prominence in the late 1990s. In the three decades following independence in 1961, tourism and conservation policies were based on a ‘fines and fences’ concept. To some extent that has recently been rectified as both the National Tourism Policy (1999) and the Wildlife Policy of Tanzania (1998) have incorporated the concepts of

partnerships and community participation with regard to management and conservation of tourism resources. It is stated in Tanzania's tourism policy that "most tourist attractions lie within local communities or their vicinities and in most cases co-exist side by side...it is imperative for communities to be fully involved in the development and management of these attractions and in addition, to get a share of the income generated from tourism activities within their areas" (MNRT, 1999:17). The government of Tanzania has been putting more emphasis on stimulation of the private sector with an assumption that locals will benefit from multiplier effects. For example, The Tanzania National Business Council (TNBC) was established in April 2001 and operationalised in March 2002 as an independent forum for dialogue, consultation and addressing of constraints to investment and development of a strong and competitive economy in Tanzania. The forum has the aim to create an environment conducive for private sector led development (TNBC, 2004). The Ministry has signed a Memorandum of Understanding with the Tourism Confederation of Tanzania (TCT) for enhancing a collaborative and effective partnership that addresses key issues in the tourism sector and which ultimately provides cost effective and efficient services by Government and Private Sector.

Another examples of collaboration in Tanzania is the creation of the national Tourism Facilitation Committee in 2000 whose objective is to increase cooperation and involvement of stakeholders on policy matters that are related to tourism development. The committee meets on a quarterly basis and the convenor of this group of about fifty members is the Permanent Secretary of the Ministry of Natural Resources and Tourism. The committee is comprised of members from public and private institutions that are closely related to tourism, including bankers, transport, communication, immigration, police, foreign affairs, local authorities, tourism authorities and a number of organisations that represent the private sector in hospitality and tourism. One of the achievements of the committee has been to increase awareness about the importance of tourism to the national economy and some barriers of communication between different organisations have been removed.

The destination development is also hinged on entrepreneurial spirit, publicity, network and community support. Entrepreneurial spirit depends on individual businessmen who relied on informal and formal networks for achieving their goals. The best way to build a network for developing a destination may be to link the key 'attractor' to appropriate social actors and institutions with different entrepreneurial functions. For example, the historical ruins (15th Century) of Kilwa Kisiwani in Southern Tanzania is one of the 'attractor' in terms of heritage tourism. While the 'actors might be local entrepreneurs who develop businesses that offer services to tourists e.g. small scale accommodation, eating places and curios.

Small businesses are important for the success of emerging destinations. Also, entrepreneur spirit and its entrepreneurial skills are important for creation of “responsive competitiveness” (Ritchie, 2004).

Practical engagement of host communities with companies is also necessary. mainstream commercial tourism needs to go much further in shifting from philanthropic approaches to pro-poor approaches that entail doing business differently. Examples of normal business operations that might be adapted in tourism include sourcing of inputs, contracting out services, providing information to guests, creating packages of local excursions, or developing new leisure facilities. All these can be done in a way that only considers commercial returns, or in a way to simultaneously seeks to optimise societal benefit while still making business sense (Ashley, C. and Haysom, G. 2004).

3.3 Diversification

Tourism in Tanzania is synonymous with wildlife and national parks. In a typical seven-day package for a visitor, most of the time is spent in the national parks that are concentrated in northern part of the country. There is a concern that the northern circuit national parks are becoming congested. Furthermore, the package itinerary allows minimal contact between tourists and hosts’ daily life. Hence, most of the benefits from this type of tourism accrue mainly to operators who are external to the local communities i.e. meagre tourists’ spend find its way into village economies. Therefore, in countries like Tanzania it is suggested to move away from reliance of park tourism and diversify more to other forms of ‘alternative’ tourism. For example, promotion and more emphasis of eco-tourism. Ecotourism can be seen as a particular variant of alternative tourism whose attribute include ecological and socio-cultural integrity, responsibility and sustainability (Cater and Lowman, 1994). Also, ecotourism includes local communities in its planning, development and contributes to their well-being. It is also suggested that, "ecotourism is an enlightening of nature travel experience that contribute to conservation of ecosystems while respecting integrity of host communities" (Wight, 1994: 39).

4.0 CONCLUSION

This paper has examined a number of key issues of tourism Policy, Plans and development with experience from Tanzania. In order for tourism to alleviate poverty and foster development of host communities, a shift of emphasis has been advocated. This emphasis includes pro-active policies that end with more expectations than ‘trickle-down’ and multiplier effects. That is to say involvement of host communities from decision-making to direct economic participation.

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