

Chapter 7

Tourism

7.1 Introduction

The government's long-term vision for the tourism sector is "to ensure that Zambia becomes a major tourist destination of choice with unique features, which contributes to sustainable economic growth and poverty reduction". For tourism to contribute effectively to the national GDP, foreign exchange earnings and poverty reduction, there is need to have a conducive environment for private sector participation, environmentally sustainable growth, and good governance. This will require policy improvements, institutional and legal framework adjustments, and cross-cutting issues to be addressed.

The tourism sector plays a vital role in economic growth and government policy is aimed at promoting tourism sector performance in economic growth, which is the main thrust of the PRSP. This can be achieved through employment creation, rural and infrastructure development, community development, increased foreign exchange earnings, and entrepreneurial development. The tourism industry is a labour intensive industry and provides jobs for local people in urban and rural areas where most of the poor people live. In addition, it stimulates entrepreneurship and creates opportunities. The benefits of these additional resources can be channelled towards improved nutrition and food security, housing, health and education and, consequently, improve the communities' standard of living.

Given that much of the tourism resources are in rural areas, the sector plays an important role in rural development. Large-scale investments have economic linkages, which stimulate and strengthen the creation of small- and medium-scale enterprises. For example, construction of hotels and lodges stimulates the agribusiness/food supply sub-sectors, the service provision industry, construction industry, handicraft industry, etc. Similarly, as tourism expands, it encourages the development of infrastructure such as airports, accommodation facilities, roads, and telecommunications. This in the long run would attract investment in other sectors of the economy. In addition, increased tourism activity encourages entrepreneurial skills development aimed at supplying goods and services to the investment areas. Above all, through increased revenues as a result of the growth of the tourism sector, government revenue is enhanced.

7.2 Situation Analysis

7.2.1 Growth Trends

Zambia has considerable untapped natural resources for tourism development. They include abundant wildlife, rich cultural and natural heritage sites, abundant water resources, peace, and tranquillity. The country has 19 National Parks and 34 Game Management Areas (GMAs) covering 33 percent of the country, but only 5 percent of this has been developed for tourism. The National Heritage Conservation Commission (NHCC) has catalogued well over 1,700 potential sites for tourism development that remain unexploited. These sites comprise archaeological, geological, historical, natural, and traditional sites. Zambia has over 35 percent of the water resource in Southern Africa offering enormous tourist opportunities such as the world famous Victoria Falls. Table 7.1 gives performance figures for the tourism sector.

Table 7.1: Selected performance indicators in the Tourism Sector

Year	International Visitor Arrivals	Tourism Earnings (\$ million)	Jobs
1995	163,000	46.7	5,909
1996	263,986	59.8	6,792
1997	340,896	75.5	7,902
1998	362,025	74.4	8,991
1999	404,503	85.2	10,340
2000	457,419	91.2	11,892

Source: Ministry of Tourism, Environment and Natural Resources

The table above reveals that tourism has experienced some positive growth with foreign exchange receipts increasing by an annual average of 13 percent between 1995 and 2000 or an absolute increase from \$47 million in 1995 to \$91 million in 2000. The number of tourist arrivals increased from 163,000 in 1995 to 457,419 in 2000. In terms of employment creation, the sector has contributed about 12,000 jobs to formal sector employment of about 475,000, up from about 6,000 in 1995.

7.2.2 Constraints

The rapid growth of tourism in Zambia has been constrained by several factors. These include the following:

- *Inadequate infrastructure:* The underdeveloped road and rail network, airports/airstrips, telecommunications facilities and transportation, both land and air, as well as other inadequate tourist facilities have hampered the rapid growth of tourism in Zambia. The lack of all-weather roads continues to hinder year round access to Zambia's major tourist areas.
- *Inadequate marketing of Zambia as a major tourist destination:* The marketing of Zambia as a tourism destination has been inadequate due to limited resources.
- *Poor programme implementation due to lack of funds and local participation/ownership:* Effective implementation of programmes requires the involvement of the community in project identification, planning, and implementation. This participation would encourage sustainable management and use of resources that would in turn ensure poverty reduction.
- *Lack of affordable financing for long-term development:* There is a major problem with the ability of local investors to access medium- and long-term financing in Zambia. Where such facilities are available, conditions provided by the banks/donors are prohibitive to potential local investors.
- *Human resources and low level of skills:* There is a lack of professionally trained workers at all levels in the tourism sector. This affects the hospitality industry adversely as client expectations are not met.
- *Inadequate product development:* Zambia needs to diversify its tourism portfolio in order to exploit niche markets. In order to derive maximum benefits from tourism, there is need for the country to develop a wide product base. This will increase the number of tourist arrivals and the length of stay, thereby increasing the occupancy rates and foreign exchange earnings of the country. In this regard, there is need to develop skills and capacity, and increase the allocation of resources to product development in order to increase the variety of tourism activities.
- *Lack of institutional incentives:* The private sector is often faced with several cumbersome procedures such as bureaucratic delays in obtaining licenses, uncoordinated procedures on the part of the authorities, and the excessive number of licences required to run business. There is need for a one-stop shop.
- *High cost destination:* Zambia has the reputation of being a high cost destination. This is due to limited international seat capacity and domestic flight connections. A

deliberate policy should be put in place to strengthen local participation in the airline industry.

- *Lack of good health facilities:* The lack of international standard health facilities, drugs, and a system to inform tourists of health requirements before their arrival in Zambia has a negative impact.
- *Land tenure:* The process of acquiring land for infrastructure development is slow, thus, inhibiting investment in the sector.

The current tourism policy framework has three key elements. Firstly, the emphasis is private sector-driven development. The private sector will take the lead in the development of tourism initiatives and the implementation of investment plans with the assistance of the Ministry of Tourism, Environment and Natural Resources and the Zambia Investment Centre. Secondly, the sector encourages environmentally sustainable growth. The development of the sector will be undertaken in a manner which protects natural resources to ensure long-term sustainability of key tourist attractions (e.g., wild life, forests, water falls) that are required to attract tourists to Zambia. Lastly, the government's policy in the tourism sector is to create an enabling environment for private sector participation; provide adequate infrastructure and legislation for the growth of the sector; and encourage balanced community involvement aimed at poverty reduction in rural areas.

Within the existing tourism policy framework, government's focus on poverty reduction is the enhancement of the role of rural Zambians and their participation and ability to benefit from growth in the tourism sector. For instance, through the Zambia Wildlife Authority (ZAWA) Act number 12 of 1998, the government has, within the broader framework of managing the country's wildlife resource, set the objective of improving conservation and utilisation of wildlife and other resources in national parks and Game Management Areas (GMAs). The Wildlife Act envisages improving the quality of life in the communities living in GMAs through Community Resource Boards that are registered with ZAWA and permitted to access the revenues from licenses issued and hunting concessions granted by ZAWA. Apart from the revenues that are ploughed back, the communities also derive benefits from employment as scouts and also working in the safaris.

7.3 PRSP Planned Programmes in Tourism

The government's role in the growth of the tourism sector is to facilitate private sector involvement through investment promotion, marketing, and provision of infrastructure and supportive legislation. In facilitating the development of the tourism sector, resources will be directed towards high growth areas. These areas have been prioritised into development zones and national programmes.

7.3.1 Development Zones

High growth areas that contribute to national income expansion will receive priority during the implementation of the PRSP. These are areas that will assist to create resources for other areas to be developed over time. Zambia will rehabilitate and maintain basic infrastructure, especially access roads, in all the tourist areas. In the first cycle of the PRSP, five zones have been identified through a consultative process in the following order of priority: Livingstone, Kafue National Park and surrounding Game Management Areas, Lower Zambezi (Siavonga through to Feira), Lusaka, and Luangwa. Other areas will be developed in subsequent PRSPs as prioritised in the Tourism Development Master plan.

Given their endowment like the falls, wild life prevalence, and close proximity to one another, the chosen zones create the possibility of an extended loop for visitors and are judged to have the best chance of responding quickly to tourist demands. Hence, for example, tourists primarily coming to see the Victoria Falls will have the opportunity of travelling to nearby Kafue National Park if they wish to see large game in an extensive wilderness setting.

Livingstone, Victoria Falls, and the Surrounding Area

Given its endowments, the Livingstone region and its surrounding areas will remain the prime tourist attraction for Zambia. In enhancing this, priority interventions in terms of infrastructure development will include the following: the rehabilitation of access roads to and within the Musi-o-Tunya park and extension of the park; rehabilitation of the airport runway and upgrading to C4 category; and rehabilitation of the airport and city roads. Other activities will include the establishing of a visitor centre; rehabilitation of the water and sanitation facilities; enhancing personal security for tourists; and signage.

Kafue National Park and Surrounding Game Management Areas

The Kafue National Park is an excellent extension for visitors who have seen the Victoria Falls and would like to stay longer in Zambia to see wildlife in a large park. The two are adjacent and not too far apart. The planned interventions for the area are initially limited in view of the scarce resources. The priority activities in Kafue will be the construction of the road linking Kalomo with Itezhi-Tezhi in the Kafue National Park, rehabilitation of the Mumbwa-Itezhi-Tezhi road, and signage. Other activities will include attracting and encouraging large investment by credible investors to put up resorts in the Kafue National Park and surrounding areas and designing and implementing a programme for farmers in the vicinity to produce food that is required for the planned new and existing resorts.

Lower Zambezi (Siavonga to Feira)

In the Lower Zambezi, which stretches from Siavonga to Feira, priority interventions will be in the following order: rehabilitation and construction of access roads; construction of an airstrip in Siavonga; rehabilitation and upgrading of Jeki and Feira airstrips; construction of a bridge on the Kafue River; and installation of a pontoon on the Zambezi River. Other interventions will include the setting up water and sanitation facilities; creation of a visitor centre; tarring the road from Luangwa Bridge to Feira; and rehabilitation of the road from Feira to the Lower Zambezi National Park and from the National Park to Chirundu and Lusaka.

Lusaka City and Surrounding Areas

In Lusaka City and surrounding areas, priority interventions will be the rehabilitation of infrastructure such as city roads, street lighting, airport terminal, landscaping, and signage. Further, being the capital that can capture business-related tourism such as conferences and seminars, Lusaka will be provided with conference facilities and the rehabilitation of existing ones. Other areas of priority will be the improvement of the feeder road network in the surrounding areas of Lusaka and urging farming communities to set up agro-tourist and recreation centres.

Luangwa Regional Programme

In Luangwa National Park, access roads rehabilitation and upgrading will be the first priority because of their importance in game viewing and hunting safaris. This will be followed by the rehabilitation of Mfuwe Airport, construction of a visitor centre, setting up water and sanitation facilities, and the installation of communication facilities and signage.

7.3.2 National Programmes

These are programmes that have a national characteristic as opposed to zonal development ones. They will run concurrently with zonal programmes. These include the following, in their order of priority:

- *Investment promotion:* Efforts will be made to attract big investors in all the designated development zones with good international marketing skills. Local investors will be encouraged to make partnerships with foreign investors to ensure that the local people have a stake in the development of the tourism industry. A policy

will be put in place to ensure that local people have a minimum of 40 percent shareholding in incoming investment into the tourism sector.

- *Marketing and promotion:* A strategy for marketing of Zambia both locally and abroad will be in partnership with the private sector. Zambian embassies abroad will serve as windows for the sector.
- *Tourism database:* Setting up a tourism satellite accounting system to monitor the performance and contribution of the tourism industry to the economy.
- *Tourism development credit facility:* This programme aims at promoting indigenous and local entrepreneurs' participation in the tourism industry.
- *Private sector capacity building:* This will strengthen private sector capacity through the Tourism Council of Zambia.
- *Routine maintenance of all infrastructure:* Infrastructure in all tourist areas will be regularly maintained and upgraded.
- *Human resource development:* Human resources in the tourism industry will be developed in all relevant fields.
- *Natural resource conservation:* This programme targets the broader aim of maintaining Zambia's rich biodiversity and enhancing economic development of the wildlife sub-sector. In this area, eco-tourism projects will be encouraged.
- *Rehabilitation of museums and heritage sites:* These are located throughout the country and the programme to rehabilitate and improve the museums and heritage sites will be effected as an integral part of the diversification of tourism products.

7.4 Monitoring and Evaluation Guidelines

A Tourism Area Steering Committee is to be established, which will be tasked with establishing guidelines for baseline data and monitoring and evaluation of programme implementation within the tourism sector. This committee will be under the supervision of the Ministry of Tourism, Environment and Natural Resources. The committee will require that each programme has an internal and external evaluation performed against agreed baseline benchmarks. Measurable indicators will include statistics on employment created, investment flows per annum, tourist arrivals, park entrance figures, room and bed occupancy rates, the number of skilled human resource at all levels, foreign exchange earnings, and contribution to GDP.