

PREAMBLE – WHY TOURISM

Tourism is the World's largest industry. Tourism can be an economic locomotive bringing employment, economic growth and earnings in foreign currency. Tourism is not directed to commercial or population centres but in most cases towards natural and cultural resources. Consequently, tourism has the power to play a significant role in areas of a country where other commercial activities are limited.

Tourism has in recent years developed a “green profile” where sustainability has been in focus. Community development and the sustainable conservation and use of the environment are the key components involved in eco-tourism development.

Tourism takes many forms. It includes package holiday tourists, backpackers, overlanders, business travelers, travellers to meetings or conventions, visitors to friends and relatives and people travelling for health or religious reasons (see Annex I). All of these tourists leave money behind in the country visited. However, from a tourism promotion and marketing point of view travellers coming to a country for holiday/pleasure reasons and travellers arriving for meetings, conventions or workshops are the most significant because: (1) they leave a substantial amount of money behind and (2) they can be attracted to a country because of marketing and promotion activities by the country. In contrast to holiday/pleasure tourists, business travellers or those visiting friends and relatives cannot be motivated through marketing campaigns.

Why tourism to Uganda? Uganda is endowed with plentiful natural and cultural resources which can form the basis for a very lucrative tourism industry, creating employment and generating income not only in the economic centres but also in rural areas. Furthermore, through tourism Uganda will be better able to protect its rich biodiversity and cultural heritage.

What is required to move tourism in Uganda ahead? Holiday travellers are bombarded with alternative products and alternative destinations. Uganda is competing on the World market and to penetrate this market it is necessary to offer good quality products at a competitive price but most of all to offer unique products with a Ugandan approach. It is, however, not enough just to have the right product; Government must support the tourism sector, provide security and provide a conducive environment. The private sector should provide investments and the people of Uganda ought to support and participate in this development.

The present tourism policy paper is aiming at creating a policy framework to move tourism into a major economic sector in Uganda and for Uganda to take part in the development of the international holiday and leisure market which will develop even further in the future. *Uganda has something special to offer but it needs to get the framework in place so as to realise the benefits.*

1. INTRODUCTION

In the 1960s Uganda was the main tourism destination in Eastern Africa, and tourism became one of the country's main economic sectors. However, during the period of turmoil in the 1970s and 80s, wildlife was hunted virtually to extinction in many protected areas, and tourism infrastructure was looted and destroyed. Today, after 18 years of stability and growth in Uganda, the tourism industry has strong potential for re-establishment and growth. However, touristic resources and attractions are not well developed and the industry has failed to achieve significant growth.

With appropriate development and marketing, tourism may once again become a leading country-wide economic sector, with an even stronger economic impact than agriculture and industry in respect of foreign currency earnings. This potential was already recognized 10 years ago when the current Government tried to revitalise the tourism sector through various steps including formulating a ten-year tourism master plan. The private tourism sector responded positively and new tourism facilities were developed in various locations in Uganda. Unfortunately, a number of problems including political instability in the Great Lakes region and security problems in Uganda have drastically inhibited tourism development. Investors in tourism facilities suffered greatly and some establishments went into liquidation. As a consequence, tourism development has not realized its potential in Uganda.

Today, however, there is new optimism for tourism development. The security situation has improved and stakeholders have changed attitude towards joint development efforts. Consequently, stakeholders involved in tourism see the opportunity to accomplish what could not be accomplished 10 years ago. A joint private and public sector spirit indicates that it is now time to formulate a new tourism policy and strategy.

The aim of the Tourism Policy and Strategy is to outline a way forward for a strong development of the tourism sector. The policy has been formulated under the guidance of a Steering Committee consisting of key stakeholders. The process has been participatory and consultative, with workshops held in Kampala and the key districts of Masindi, Lira, Mbale and Mbarara. There is need for instruments, the framework necessary institutions and communications channels to get the sector moving.

2. CURRENT STATUS, CONSTRAINTS AND LIMITATIONS

Tourism has not developed as expected, despite the fact that the country has many potential touristic attractions. The strength of tourism in Uganda is the unspoilt wilderness areas, the gorillas; the rich culture and the special combination of nature and culture (see Annex II for Uganda's uniqueness as a tourist destination). Even under these circumstances revenue from the service sector (mainly tourism), as indicated in the

Balance of Payment Statistics by the Bank of Uganda, made up 115 million USD in year 2001 ahead of coffee with 107 million USD. However, this income is largely derived from business visitors and domestic tourism, rather than international pleasure tourists visiting national parks and staying in private sector lodges (see Annex I for key tourism statistics).

What has held tourism back is the problem of insecurity and the poor image of Uganda as a tourism destination. Security improvement and change of the image are therefore two crucial factors to tourism development. Furthermore, the institutional capacity of both the public and private sectors is inadequate to initiate tourism development. In the public sector tourism has been moved from having its own ministry to be part of a larger ministry and the staff working with tourism has been drastically reduced. By and large the public sector tourism functions have been understaffed with limited financial and human resource capacity. In this situation the private sector feels that Government does not provide full political support for the development of the tourism sector. For its part, the private sector has been fragmented without the necessary joint resources to form a leading role in tourism development.

Despite these problems, the private sector has undertaken some crucial investments in lodges and facilities. However, the low number of tourists has led to underutilisation of the facilities and very poor financial performances. The sector has established a number of tourism associations, including the umbrella Uganda Tourism Association (UTA). However, the membership support and overall capacity are limited.

Tourism promotion and marketing activities have been very limited because of insufficient Government funding combined with the poor financial situation of the private sector. With donor support have some key promotion activities have been undertaken. Funding was planned to be provided through a tourism levy as part of the Uganda Tourist Board (UTB) Statute of 1994, but the levy has never been implemented. The insufficient funding for marketing and promotion activities, the lack of a financially supported marketing strategy and the lack of resources at UTB have resulted in overall inadequate marketing efforts to attract niche markets and to attract mainstream tourist groups. Instead tourists attracted to Uganda have, to a large extent, been backpackers and overlanders.

At the community level, the Uganda Community Tourism Association (UCOTA) has been established. This association as well as other community associations have taken a number of initiatives to develop tourism at the grass-roots level. However, in general, districts and local communities often lack awareness and appreciation of their tourism resources and development potential. Communication between local communities and the central/national organisations is inadequate and communities participate only to a very limited extent in the tourism investments and developments. The lack of collaboration of the community associations within an umbrella association results in inconsistencies in product quality, and makes product branding and marketing difficult.

Communities have not played a significant proactive role in respect of protection of natural and cultural resources in Uganda. Unfortunately in many areas, forests have been cut down, wetlands have been drained, and there has been widespread poaching of wildlife. This negative state of affairs has been caused by several factors including lack of awareness at the community level and the increasing demand for natural resources. The decentralisation policy, which provides for the direct involvement of local governments in resource protection and utilisation is, however, expected to improve the situation.

Uganda Wildlife Authority (UWA) was established in 1996 and, with donor support, this organisation is developing its capabilities to manage the wildlife protected areas. However, although UWA has awarded concessions for tourism developments, this has been done in a haphazard and inconsistent manner, without clear vision for how to develop its wildlife areas for tourism. Consequently, further interventions are required before UWA, through collaboration with the private sector, can ensure the necessary product development and product diversification envisaged as the basis for the tourism development strategy focusing on development of niche markets. Consequently, additional links and closer collaboration between UWA, UTB and the private sector/developers are required.

Constraining factors in this respect have been the lack of sufficient resources at UTB, and insufficient collaboration between UTB, UTA and UWA in product development and marketing/promotion.

Domestic tourism consists of two very different market segments: Ugandan citizens and foreign residents living in Uganda. Ugandan citizens have in the past shown a limited interest in visiting national parks and staying in tourist accommodation facilities located in the parks. There are several reasons for this situation including lack of accessibility (lack of public transport to the parks), high costs involved in visiting parks (inadequate facilities and services for the domestic market) and lack of perception of the importance of parks and protected areas for Uganda. This lack of perception is, however, changing and Uganda Wildlife Education Centre in Entebbe received 130,000 visitors (mostly Ugandan citizens) last year. The number of visitors to parks has also increased and last year 19,000 Uganda citizens visited the parks.

In recent years, foreign residents in Uganda have formed a major source of revenue for UWA (through park entry fees and gorilla permits), and for the lodges and tourism enterprises located within the parks. It is through this particular market that tourist lodges have survived the difficulties of the last few years.

A stronger domestic tourism market will benefit tourism development at the district level as well as tourist operations within national parks. Through increased domestic tourism, facilities and services located in the protected areas will be improved and parks

operations under UWA will be enhanced. A positive upward spiral in tourism services will be the result. Furthermore, the stepwise development of community tourism and eco-tourism products will require a stronger domestic demand as a basis for moving the products ahead to a higher international quality level. The development of domestic tourism is therefore critical to the implementation of the outlined tourism development strategy.

3. TOURISM POLICY OBJECTIVES

3.1 General Objective

The aim of the national tourism policy is to ensure that tourism becomes a vehicle for poverty reduction in the future to the extent possible within the resource base and market limitations. The general objective is in line with the government's overall goal of poverty reduction in the country. Tourism development should be based on a wide participation of Ugandan and foreign investors and it should form the basis for protection of the environment including financial support for developing national parks and protected areas. Tourism development must be socially and culturally acceptable.

The objective of the national tourism policy is to define a new way ahead for tourism development, leading to an increase in the present level of tourist arrivals to Uganda from about 200,000 to about 500,000 during a 10 year period. The growth will in particular take place in respect of pleasure/holiday tourism from about 25,000 tourists to approximately 100,000 after a 10-year period bringing in an additional 150 mill USD. When the expected growth of other tourism categories are added, tourism income is expected to increase to a level of USD 360 million within the 10 year period, making tourism a strong locomotive in the economic development of Uganda. The expected tourism income will, to a large extent, be widely spread in Uganda including income at the district level.

3.2 Specific Objectives

Economic

Tourism should become a vehicle for economic development through the following:

- Derive greater revenues from an increasing number of pleasure tourist arrivals, longer lengths of stay and higher daily expenditure. This will be achieved through product development and marketing to target a wide range of markets. It is anticipated that tourism shall become one of the leading export sectors with a substantial contribution to the GDP.

- Distribute revenue earnings widely, with the large-scale participation of communities and districts in the development. Economic linkages shall be enhanced to obtain maximum economic benefits of the development.
- Encourage the development of eco-tourism, agro-tourism and community tourism products (see Annex I for definitions).

Institutional – the Driving Force

- Promote the private sector as the driving force in respect of the future tourism development.
- Ensure that the public sector will provide a regulatory as well as a conducive environment for the development.
- Ensure that the public sector shall guide and support the future development through appropriate development planning and through providing incentives and full political support.
- Through Government and private sector initiatives, encourage community and district participation in tourism development, and provide support to local entrepreneurs in developing sustainable and viable tourism projects at the local level.
- Ensure that the private sector shall enhance its institutional set-up in order to take the lead development role.

Environmental

- Develop tourism in a sustainable manner, focusing on Agenda 21 issues in respect of the development of tourism facilities as well as services including tour programmes. Nature is the main attraction and tourism development shall be planned so as to encourage nature friendly product developments.
- Ensure that conservation programmes between different Government agencies (UWA, Forest Department, Wetlands) are well-coordinated.
- Develop facilities and products in national parks in accordance with park management plans. Tourism developments in parks shall be innovative, whilst remaining environmentally sustainable.
- Provide for the channeling of tourism revenues towards the protection of the natural resource base. On the protected area level this will be achieved through park entry fees to UWA, and on the level of natural resources outside protected areas, as a generator of interest in protection of the natural resource base (forests, wildlife, wetlands etc.) through generation of funds to local government and communities.

Cultural

- Emphasize the development of tourism based on Uganda's rich culture and history, and on the diverse traditions and hospitality of its people.
- Develop cultural attractions such as monuments, museums theatres, and performance act for tourism
- Maintain and foster the diversity of cultures, traditions and ceremonies, and encourage a Ugandan identity and cultural pride.
- Support the development of handicrafts, to show Ugandan culture as well as being a provider of rural economic benefit sharing.

4. TOURISM POLICY OUTLINE

4.1 Introduction

The objectives outlined above are translated into a set of tourism policies and strategies in order to achieve the set targets. Implementation of the tourism policies and strategies will provide the necessary legal instruments and resources to facilitate the development. The policy and strategic planning are thus geared towards providing a new and supportive framework. The policy and strategy is divided into separate sections, but the overall approach is holistic, as the proposed tourism development needs to be tackled in a holistic manner.

Based upon the stakeholder messages, the fundamental development principle is to mobilize stakeholders, forge linkages between private and public sectors, and establish an enabling institutional set-up. Very much linked to this basic principle, workshop participants clearly expressed the need for a bottom-up principle to complement the existing top-down approach. It is consequently necessary to develop tourism at the grass-roots level. Finally it became very clear that tourism should be private sector driven and the private sector was ready to move ahead with support from Government and development partners.

On this basis, the new tourism policy shall aim first of all at providing the instruments and the path for a tourism sector take-off of within the next 4 to 5 years and secondly at providing the framework for a long-term sustainable tourism sector enhancing economic growth in Uganda. It is, however, very clear that if the first aim cannot be accomplished, the second aim will also fail. Therefore, the tourism policy must ensure that the policy can be implemented and that the policy will provide momentum to undertake the necessary changes.

4.2 Policy Outline

The policy and related specific strategies are divided into the following issues:

- The Resource Base
- Product Development and Marketing
- General Support and Communication
- Development Framework
- Regional and International Co-operation

4.2.1 Resource Base

Uganda's numerous natural and cultural resources have great potential for development as tourism attractions of high international standard. Unfortunately, over the last 30 years the previously world-known natural resources have been depleted. It is anticipated that through the establishment of the National Environment Management Authority (NEMA), the Uganda Wildlife Authority (UWA) and the proposed Uganda Museums and Monuments Agency (UMMA) and National Forest Authority (NFA), that these trends will be reversed. Through the decentralisation process and the establishment of local government councils, districts now have the power to support sustainable use of local natural and cultural resources for tourism development.

Tourism is a service sector and the human resource base is crucial for the sector's long-term development. The human resources form the basis for Uganda to manage and develop the tourism sector. The service level within the tourism sector is low and below international and regional standards. Manpower capabilities and staff professionalism are likewise inadequate for the sector to grow. The problem is not the quantity but the quality of training. Adequate institutional training and proper links between the private sector and the training institutions are required. Tourism training shall be led by the private sector, under a regulatory framework set by Government.

Natural Resources

- The Government shall continue to make a concerted effort to strengthen the protected areas through further financial support to UWA.
- The Wildlife Protected Area System Plan (WPASP) shall be fully implemented by UWA under Government support.
- UWA shall implement and further develop protected area management plans and shall enhance the collaboration with communities in order to protect the natural resource base.
- The Government and tourism stakeholders shall give strong support to the Forest Policy of 2001 in order to conserve the bio-diversity of forests in Uganda.
- Uganda is unique in Eastern Africa in having an extensive, interconnected system of lakes and interconnecting rivers and water bodies. Government shall regulate wetland use in Uganda.
- Eco-tourism aiming at enhancing sustainable use of natural resources shall be promoted.
- Environmental impact assessment (EIA) procedures shall be enhanced in respect of all developments in sensitive tourism areas within and outside protected areas.
- Support shall be provided to the districts by Government, donors and NGOs to enhance the capabilities on the local level of protecting and developing valuable natural and cultural resources for sustainable use.
- Enhancing the activities of the Uganda Wildlife Education Centre (UWEC), the Wildlife Clubs of Uganda (WCU), the Uganda Wildlife Society and other civil society institutions in respect of promoting and creating awareness of wildlife conservation.

Cultural Resources

- Cultural based tourism will be enhanced through activities of Kingdoms and other civil society institution.
- The Uganda Museums and Monuments Agency (UMMA) will be enhanced to preserve and bring to life the cultures of the traditional Kingdoms.
- Uganda's rich cultural heritage will form an essential element in the promotion, marketing and product development of tourism. Cultural events, performances and festivals at the district level will be developed and incorporated into tourism products. Tourism development will be conducted with due sensitivity to local cultures and traditions.
- Tour operators will be linked to community tourism projects to ensure that culture is featured in tour operator programmes. At the same time, local communities will forge fair commercial arrangements with the national and international tourism agencies.

Training and Human Resource Development

- Tourism training shall be market led with private sector ownership, regulated by public institutions. Training shall for specific activities and programmes be self-financing. General support shall be obtained from the private sector through a proposed tourism and training levy.
- Institutional training shall focus on training needs. Proper curricula and close links with the tourism sector shall be developed.
- Tailor-made training courses shall be provided for tour guides, tourism community staff, specialised guides and local district staff to work with tourism.
- Training shall focus on the need for manpower required for development of niche markets.
- In-house training and train-the-trainer programmes shall be provided to improve the level of staff capabilities.
- Stricter licensing of training institutions shall be introduced to ensure the training quality level.
- The Hotel and Tourism Training Institute in Jinja shall be operated closely linked to the private sector in order to improve the Institute's financial status.
- The quality of the training shall be improved through introduction of a certification, diploma and accreditation system

Resource Planning

- MTTI, UWA, UMMA, NEMA, and the Forest Department undertake planning to protect and develop the resources. In particular, UWA's park management plans and business strategy are important for resource protection. Enhancement of this

planning is essential for the future tourism development and distribution of benefits.

- Tourism planning outside protected areas will be directed towards focal districts and defined tourism zones, through the designation of Tourism Focal Points, the incorporation of tourism planning into district development plans, and the encouragement of local tourism associations. The focal districts and the tourism zonal development framework are defined in Annex III. Support for this process will be provided by MTTI.

4.2.2 Product Development and Marketing

Uganda has difficulties in competing with the mainstream tourism products provided by Kenya, Tanzania, Botswana and other countries in Africa. Uganda shall therefore focus on niche markets/special interest tourists and shall develop corresponding products demanded by these niche markets. Examples are: white-water rafting, bird-watching, mountain climbing, nature and cultural walks, canoeing, and angling just to mention some of the products. Special considerations should be given to eco-tourism, community tourism and cultural tourism products focusing on combining nature, culture and local communities.

A range of products developed on the basis of Uganda's unique endowment with natural and cultural resources shall be developed, packaged and marketed. It is, however, essential that product development and marketing are closely linked under one strategic approach and with the private sector as the key development force. All stakeholders shall participate but in particular strong links should be established through the institutional framework between the private sector, MTTI, UTB, UWA, UCOTA and the local districts to enhance the full and sustainable use of the natural and cultural resources.

Products and Product Development

- The private sector shall be provided with market data and statistics and shall be provided with financial incentives to develop new tourism products according to the product development strategy.
- Local entrepreneurs at the community or district level shall be encouraged to develop tourism products within the guidelines provided by MTTI.
- UWA shall implement its park management plans and business strategy and shall provide a list of projects to be implemented by the private sector.
- Public sector infrastructure such as roads and up-country airfields shall provide improved accessibility to key tourism products and shall provide the possibility to make tourist circuits.
- Tourism product development shall be particularly encouraged (in the first three to five years) in the focal districts.

Marketing and Promotion

- Generic marketing shall focus on creating a new positive image about Uganda as a tourist destination.
- A clear and focused marketing strategy shall be produced based on combining market research with Uganda's development potential according to the resource base. The marketing strategy shall identify appropriate marketing channels and shall include electronic communication – websites.
- Finance of the generic marketing shall be provided through private sector contribution through a proposed marketing and training levy.
- Generic marketing shall be undertaken by UTB in partnership between the public and private sectors, spearheaded by funding made available from the tourism levy. The private sector represented by Uganda Tourism Association (UTA) shall improve its capabilities and shall establish a promotion and marketing function gradually taking over the responsibility for marketing and promotion activities of a reconstituted Uganda Tourist Board (UTB).
- Close collaboration shall be established with UWA in respect of marketing of national parks and protected areas and close collaboration shall be established with the districts to develop unique Ugandan products at the district level.
- Uganda's foreign missions shall support UTB promotion and marketing efforts through providing information to tourists seeking visas to Uganda.
- Uganda shall work closely within the East African Community to take advantage of combining a visit to Uganda with travel to Kenya and Tanzania. In this respect complementary products to the products offered in the neighbouring countries shall be provided and marketed jointly within the Community.

Market Segments

- Uganda shall develop a diversified market segmentation strategy aiming at (1) international niche markets, (2) mainstream tourists including mainstream tourists to Tanzania and Kenya, (3) regional markets including South Africa and (4) domestic markets. Category 3 and 4 are considered more robust in case of safety problems.
- The diversified strategy is aiming at linking tourism products with market segments, tapping upper, middle, and lower-ends of the markets.
- "Backpackers and overlanders" are often the tourism pioneers to new areas and Uganda shall not discourage this market segment, in particular as "backpackers" constitute a strong source of income for white-water rafting, gorilla tracking and community tourism.

Community and Eco-tourism

- Grass-root developments and sustainable use of resources shall have a strong focus. To this effect NGOs shall be encouraged to work closely with communities to develop new projects according to the market development.
- Through district planning, communities shall be sensitised to develop district tourism associations and communities shall be encouraged to appreciate the value of natural and cultural resources for tourism development.
- Developers and investors shall be sensitised to respect the rights and traditions of local communities and local communities shall be directly involved in district tourism developments.
- The private tourism sector shall thus be encouraged to undertake joint venture operations with communities.
- UWA and Forest Department shall actively support communities in adjoining areas to national parks and forest reserves to develop eco-tourism projects.
- Eco-tourism and community tourism shall in the first stage focus on the domestic market but shall, when the quality level is acceptable, be incorporated in the tourism products marketed internationally.
- Community and eco-tourism projects shall be encouraged to enhance cultural aspects including promotion of development of handicrafts.

Domestic Tourism

- Domestic tourism has formed the financial basis for the operation of the lodges and facilities during difficult periods. Strategically, the domestic market (Ugandan nationals as well as foreign nationals living in Uganda) shall be further developed to ensure a domestic market to form the backbone of the demand for tourism facilities and services.
- Government initiated campaigns should be introduced for Ugandan nationals to learn about their own culture and nature through having holidays in Uganda. There should be joint efforts between UWA and civil societies such as UWEC and WCU to promote visits to nature and cultural areas.

Product Quality

- Product quality shall be enhanced through enforced codes of conduct at the level of tourism associations.
- Registration, categorisation and licensing of tourism establishments will be the responsibility of the districts. No tourist operation shall be allowed without a license. Districts will provide licencing statistics to the central level for evaluation and marketing purposes. Licensing shall be compulsory even for community or eco-tourism projects including campsites.
- Only establishments which are licensed, and which belong to the national umbrella association (e.g. the present UTA) can be officially promoted by Uganda.

- Uganda shall support the principles of Agenda 21 for the Travel and Tourism Industry. The tourism industry shall follow the sustainability principles of Agenda 21 (Chapter 2).
- A specific Ugandan sustainable branding shall be developed.
- Community tourism projects shall be encouraged to join Local Tourism Associations. A code of conduct and quality criteria for the community tourism projects need to be formulated.

4.2.3 Support and Communication

It has been found that communication on all levels including communication from the local districts to the national centre as well as overall stakeholder collaboration within the public and private sectors are inadequate. If tourism in Uganda shall develop, it will be necessary to establish improved support and communication lines.

The following policy actions are envisaged:

- Government shall give full support to tourism by giving the sector a priority status.
- Through the designation of district Tourism Focal Points and the establishment of district tourism associations, new communication links will be forged between districts and the MTTI to facilitate the development of tourism.
- The present Tourism Co-ordination Committee chaired by MTTI shall be given a higher status and focus.
- Membership, capabilities and effective participation of the private sector associations shall be enhanced.
- Close working relations (possibly through shared office facilities) shall be provided between the tourism department of the Ministry of Tourism, Trade and Industry, UTA, UTB and UWA's tourism department.

4.2.4 Development Framework

The establishment of an enabling environment for tourism development is a key precondition for a successful development. The enabling development framework consists of several key issues such as infrastructure, transport, finance, investment, education, awareness, statistics and legislation. The financial support to the development of an enabling tourism development framework is found to play a central role.

Infrastructure and Transport

- Accessibility to tourism areas and tourism products is crucial. Consequently, the provision of infrastructure by roads, water and air is an important component of

the tourism development strategy. In infrastructure and transport planning, Government will give due priority to the particular needs of the tourism sector. Tourism development needs shall likewise be incorporated into district infrastructure and transport plans.

- The proposed tourism zonal plans shall define priority transport and infrastructure projects.
- Licensing of transport routes to and from national parks and protected areas shall have a priority in order to promote domestic tourism.

Finance and Investment

- Focal districts and municipalities, in the Foundation Phase (see Section 6), shall be provided with support for designated Tourism Focal Points and undertake initial tourism activities.
- VAT shall be zero-rated on tourism as an export industry. Instead a tourism levy shall be introduced, as already stipulated in the UTB statute. This levy will form the key funding for tourism marketing and training activities.
- Tourism shall be given support to obtain development loans at reduced rates from Financial Institutions.
- Import of certain items such as solar energy equipment, radios for safety purposes, tourist vehicles, and items needed for fulfilling Agenda 21(Chapter 3) requirements shall be given an import duty free status.
- Support availability of micro-finance and SME projects for tourism projects at the district level.
- Promote tourism as a priority sector for development and provide information about tourism investment opportunities to domestic and international investors and developers. Uganda Investment Authority shall work closely with MTI, UTB, UWA and the private sector to promote tourism investments with particular emphasis on product development.
- Government shall actively support a concession policy where beneficiary concessions are granted for entrepreneurs and developers to undertake development of natural and cultural resources jointly with UWA or with local communities. The concession agreements must be carefully made out to avoid exploitation of the resources. Agreements must give emphasis to local community involvement and poverty reduction.

Education and Awareness

- The Tourism Policy document shall be widely distributed.

- Tourism shall be incorporated into the National Curriculum (part of Human Geography) and schools shall use the Tourism Day for special activities related to tourism. Schools shall undertake excursions to national parks, UWEC and cultural sites.
- UWEC, UWA, WCU and any other relevant organisation shall be provided with support to interlink wildlife education with tourism issues.
- A series of focus-group seminars shall be conducted at the national and local level to provide awareness about tourism and the new tourism policy.
- The press shall be provided with information about tourism and media (newspapers, radio and television) shall be provided with information to establish a wide public coverage on the national as well as the local level of tourism.
- The Parliament shall be kept up to date on new developments in tourism.

Statistics

- Appropriate statistical information shall be collected, processed and made public for the use of the tourism industry as well as potential investors. This information will be used to, *inter alia*, identify the economic impact of tourism.
- Statistical information shall include visitor arrivals, tourism industry occupancy rates and visitors to national parks and protected areas. These statistics shall be used for tourism planning, promotion of investments and for providing public awareness creation in respect of the development of the industry and its economic and employment effect.
- Uganda Statistical Bureau shall work closely with the Department of Immigration to provide UTB and MTTI with reliable tourist arrival data for analysis and dissemination.
- The private sector shall provide input on utilisation of the tourism plant and other relevant information for processing by UTB.
- Uganda will develop a Tourism Satellite Account (TSA) to assist government officials, business executives and individual citizens to make informed choices.

Facilitation

- The Tourism Co-ordination Committee shall ensure a high degree of tourist facilitations at arrival points.
- Tourism information Centre shall be widely provided at major accommodation facilities as well as at strategic entry and tourist points e.g. Entebbe airport, UTB etc.
- Banks and tourist facilities and services shall be encouraged to accept recognized international credit cards and Travellers Cheques as a means of payment in major towns and tourism centres.

Legal Framework

- A Tourism Act shall be promulgated. This Act shall ensure the necessary legal framework to implement the Tourism Policy.
- Tourism is linked to several Acts and the necessary amendments should be made to streamline the existing legislation and regulations to make them transparent and enforceable. This streamlining should include among others the Hotel Act, the UTB Statute, the Statute for the Hotel and Training Institute, and the Tourist Agency Licensing Act, the Traditional Rulers Act, Historic Monuments Act, Public Health Act etc.

4.2.5 Regional and International Co-operation

Uganda is a member of the East African Community. Under the Community, statistics, registration and grading of hotels, marketing and promotion efforts will be harmonized amongst member states. The aim is to facilitate the flow of tourists within the region and to promote East Africa as a single tourist destination.

The following policy actions are envisaged:

- Uganda shall support steps to facilitate the flow of tourists within the region.
- Uganda shall support the joint marketing of East Africa as a single destination at the same time as profiling itself as a unique destination within the region.
- Uganda shall support joint regional steps to improve the availability of statistics and to improve the quality level of products offered within the region.
- Tourism's private sector shall make contacts with similar organisations in the region and shall develop joint products and marketing efforts benefiting the region and Uganda.
- Uganda will forge links with her neighbors to promote the conservation of Trans Boundary Ecosystems.

5. IMPLEMENTATION STRATEGY AND STAKEHOLDER ROLES

5.1 Introduction

The outlined tourism policy is implementation oriented. It is based on a number of changes and focuses, which can be relatively easily implemented. The major issues of the implementation strategy are as follows:

- Increase safety and security measures
- Improve the image of Uganda through a series of promotion and marketing actions.

- Introduce new and tailor-made organisational structures to provide an appropriate development framework.
- Provide financial support through Government/Ministry of Finance and Economic Development and the private sector (tourism levy).
- Solicit support from donors and NGOs to facilitate the implementation of the proposed “way ahead”.

5.2 Public Sector Role and Organisational Structure

5.2.1 Role

Central Government

- Fully support the development of tourism in Uganda, and the implementation of the Tourism Policy.
- Prepare and widely distribute the Tourism Policy Paper.
- Provide a general enabling and regulative framework through legislation and through policy formulation.
- Outline and implement the Tourism Act
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- Jointly with the Local Government, provide safety and security of residents and of visitors. Particular attention will be paid to improving security in and around national parks and protected areas. In this respect undertake co-ordination between the public and private sector to ensure that optimal and adequate safety and security measures are introduced.
- Provide adequate financial fiscal support for the tourism development as outlined in Section 4 of the policy document.
- Provide support to the environmental protection and development as stipulated in Section 4 of the Policy Document.
- Provide support for decentralisation of tourism activities to the district and municipality level.
- Enhance tourism planning at the District and the Zone level.
- Undertake co-ordination between various Government Departments and agencies in respect of tourism development issues at a high level.
- Ensure tourism to be a priority sector with priority backing within relevant ministries including Ministry of Finance and Economic Development and Ministry of Works and Communications.
- Introduce tourism into the school curricula.
- Jointly work with the private sector to enhance tourism training and education in Uganda including support to the newly established National Hotel, Tourism and Catering Training Committee.
- Consider the creation of a new ministerial set-up linking tourism to “environment and natural resources”.

- Formulate a proactive concession policy within and outside protected areas to enhance investments in the sector and to include this policy in the Tourism Act.

Local Government

- Designate Tourism Focal Points in key districts to initiate local tourism coordination and establish links with the central administration and central tourism bodies.
- Initiate local stakeholder collaboration and support private sector initiatives.
- Undertake registration within categories and licensing of tourism establishments at the local level.
- Establish tourism development links to the central administration and private sector bodies and initiate local co-ordination.
- Support the protection of district level natural and cultural resources as the basis for tourism development.
- Give priority to infrastructural development in relation to tourism development areas and provide road signage.

5.2.2 Organisational Structure

Ministry of Tourism

- To reorganise the tourism department of the MTTI providing a more prominent and conducive role to tourism development. The organisational changes of MTTI shall be highlighted in the proposed Tourism Act.
- To reorganise the functions of the MTTI's tourism department to cover the following issues (1) licensing statistics, (2) tourism planning, (3) policy formulation, (4) international collaboration.
- Ensure that the statistical and management information system is fully introduced through collaboration with Uganda Bureau of Statistics and with UTB to undertake the analysis, processing and distribution of the information to the market and the consumers.
- Marketing and promotion functions shall gradually be taken over by the private sector in line with the proposed reconstituted UTB.
- Ensure the Global Code of ethics for tourism is implemented as a guide to tourism development.

Local Government

- Include the position of District Tourism Focal Point in the organizational structure.
- Provide specific district tourism plans including identification of cultural and natural resources for protection and possible development.
- Provide an internal tourism committee between the commercial, the environmental and the tourism focal point as well as an external development committee between the private and public sectors in the individual districts.
- Initiate the compilation of district tourism statistics.

5.3 Private Sector Role and Organisational Structure

The private sector shall play a leading role in future tourism development. For the sector to undertake this task it is essential that the sector develop a strong organisational structure with the participation of all major tourism stakeholders and that the sector improves its professionalism and general capabilities. The private sector will undertake the necessary investments and will ensure, through competition, that the sector is financially viable. The private sector will also have a social obligation as it will ensure that tourism will be a major contributor to poverty alleviation and the sector will also ensure a sustainable development including involving local communities in the tourism development.

Institutional

- The private sector shall develop a strong institutional framework with a high level of membership participation, payment of membership fees and support to an umbrella tourism association. This association is the Uganda Tourist Association (UTA).
- Through the proposed private sector funding mechanism (tourism levy), UTA shall establish a staffed office linked to the present marketing and promotion functions undertaken by UTB.
- Close working relations and collaboration shall be established with MTTI, UTB, Districts (Local Government and local tourism associations) and UWA in respect of tourism product development, tourism planning and protection of natural and cultural resources, and with UIA for investment development.
- UTA shall provide support to its members in order to improve the level of professionalism in the industry.

Human Resources

- Undertake a leading role in tourism training with direct involvement of the operation of the Hotel and Tourism Training Institute in Jinja.
- Provide good working conditions for the staff and ensure a system of staff training and skills upgrading.
- Provide support to community tourism development through providing know-how and skills development to community projects.

Product Quality

- Codes of conduct shall be introduced for all members of UTA.
- Accommodation and other tourism facilities shall develop a green profile aiming at sustainable tourism development. In the longer run an Agenda 21 approach to the tourism industry operations shall be introduced.
- Develop a voluntary grading system for accommodation facilities in collaboration with the central and local governments.
- Provide full support to the registration and licensing system.

Local Development

- Work with local communities and community associations to develop community based tourism projects with the possibility of providing partnership between the tourism industry and local communities to ensure product quality and international sales.
- Work with districts to develop new and sustainable tour routes/circuits and new tourism products supporting local protection and development activities.

Protection of Environment

- Active participation in protection of the environment and focus on sustainable tourism activities.
- Support the work of community projects initiatives through relevant organizations.
- Support the protection of the environment by UWA, Forest Department, NEMA and other government agencies

Marketing and Promotion

- Provide necessary statistical information to UTB and MTTI to undertake a proper tourism statistics and tourism management information system.
- Provide generic marketing, through financial support provided by a tourism marketing and training levy. The generic marketing shall be undertaken jointly with the government sector within the frame of a reconstituted UTB. The reconstituted UTB spearheaded by the private sector shall undertake the following

- functions: marketing and promotion to the domestic and international markets, tourist information, support to the international travel trade and journalists and tourism travel writers visiting Uganda.
- Undertake marketing and promotion co-ordination with UWA including specific joint marketing and promotion activities.
 - Undertake marketing and promotion co-ordination including joint promotion activities with individual private sector operators.

5.4 The Role of Development Partners

Development partners have played a very significant role in supporting the Government's policy on the tourism and wildlife sector. Strong support to the Ministry of Tourism, Trade and Industry has been provided through the World Bank, EU, German Government (e.g. GTZ) and USAID among others. This support has sustained the Government's policy on protection of natural resources, and has assisted in the development of tourism by UTB and MTTI.

However, it is envisaged that future support will focus on the private sector and on the districts to protect and develop their natural and cultural resources. Through Government initiatives over the next 4-5 years, and with the support of development partners, the Tourism Policy will bring the private sector into the lead position in developing tourism as a major sector of the economy.

The following activities are anticipated:

- Support to restructuring and enhancing the tourism functions of MTTI.
- Further support to UWA for the organisation to implement its business plan and enhance its organization as well as the field operations. UWA jointly with the private sector should take the lead role in the tourism product development strategy based on resources within national parks and protected areas.
- Support to institutional capacity building in the private sector for it to undertake its lead role in tourism development
- Support to the decentralisation process providing assistance to district tourism development. This support includes development of tourism plans at the district and zone level as well as training of tourism focal points in the districts and support to district tourism associations. The aim is to create institutional capacity building at the district level.
- Support to community participation in tourism development including cultural issues to form part of the tourism products.
- Develop a tourism marketing and promotion strategy for Uganda which will make tourism market led directly linked to the products. The generic marketing effort shall be focusing on image improvement for Uganda.
- Support the development of a "green" tourism profile for Uganda.

- Support to a new training strategy, which shall be private sector driven, focusing on the particular needs of the tourism sector coming out of the implementation of the Tourism Policy.
- Overall support to the implementation of the new Tourism Policy.

5.5 The Role of Non-Governmental Organizations (NGO's)

NGOs have been a major factor in supporting community and cultural tourism development, protection of the natural resource; environmental awareness and general support for sustainable development have been the focus of many initiatives by NGOs. NGOs often work at the grass root level and NGOs can strongly contribute to the development of sustainable tourism and protection of the natural and cultural resources for future development.

The present status of the tourism sector has largely been possible through support from Donors and NGOs. Tourism has been donor and NGO led more than led by a comprehensive tourism development policy and strategy.

- NGOs shall support the overall policy ideas included in the new tourism policy.
- Contribute to the implementation of the strategies and action plans coming out of the new policy. In this respect NGOs shall participate in a joint implementation strategy with other stakeholders.
- Continue to provide assistance to community based tourism projects and to protection of the environment including awareness creation.
- Enhance assistance to community tourism development and provide technical skills and know-how to the communities ensuring the product quality. NGOs shall also support the linking of community projects with tourism industry operators in order to get projects included in the international marketing and sales when the products have reached a sufficient quality level.

6. OVERALL STRATEGIC APPROACH

Timing and Phasing

The Tourism Policy will be implemented in two stages. The first stage named "Foundation Phase" will commence immediately after the Approval of Tourism Policy. The Foundation Phase will run up to year 2006. It will then be followed by the "Take off Phase", to cover a period from 2006 to 2015. The final timing of this phase will, however, be strongly dependent upon the success of the first phase.

(The implementation of the Policy is expected to be tailored to available donor funding in the period 2002-2006. Activities supporting the policy will be financed through anticipated donor support to the sector. Following this period of donor support, it is

expected that the institutional structures in the public and private sectors will have developed to the extent that they will be largely industry financed.)

Steering Committee for the Implementation

A Steering Committee to oversee and co-ordinate the implementation process should be formed. All stakeholders shall support the work of the Committee. This Steering Committee will furthermore ensure that all stakeholders work together towards a common task of enhancing the protection of natural and cultural resources using the resources for a sustainable and strong tourism development.

It is proposed that the Steering Committee should have a composition comparable to the Steering Committee for the policy formulation process but that the Committee should have stronger private sector participation.

Strategic Principles

The new way ahead described in the tourism policy document builds on the following key principles:

- Mobilisation and participation of stakeholders.
- Capacity building for the private sector enabling the sector to take a lead role.
- Formation of linkages between private and public sectors on all levels.
- Formation of linkages between the districts and the national centre.
- Introduction of a bottom-up principle with support to developments at district level and with focus on community based tourism development.
- Focus on sustainable development forming links between the parks and the surrounding districts/communities and focus on protection of natural and cultural resources in the districts aiming at present and future tourism development through a sensitisation process.

Interventions/Instruments

The implementation of these strategic principles will need a set of interventions. The proposed development will not take place by itself and the market cannot only drive it. The key instrument to introduce these principles will be the zonal planning process where key districts and district clusters undergo a planning, sensitisation and development process based on interlinked zone plans. Tourists do not appreciate official boundaries. Tourists think and react according to natural area to be covered during a visit. Area/zone plans are consequently highly important. In Uganda such plans should cover:

- Training of district tourism focal points in key districts.
- Sensitisation of districts and communities in respect of tourism development and protection of cultural and natural resources.

- Definition of priority tourism projects of importance for district and national tourism development.
- Definition of the profile of these projects for district, national or international finance.
- Formation of district tourism associations.
- Train MTTI tourism planners and form links between districts and MTTI/UTB.
- Define priority infrastructural projects to be included in district and national planning.
- Support security measures on an area basis.

The two maps presented in Annex III identify the focal districts as well as tourism development areas/zones. The zone boundaries given at the map are of limited significance. It is the development approach, which is essential.

ANNEX I: TOURISM DEFINITIONS/STATISTICS

Visitor: A person travelling to a country other than the country in which he/she has usual residence for a period not exceeding one year without seeking work in the country visited.

Visitors are divided into:

Day-visitors: Staying in the country visited less than 24 hours

Tourists: Staying in the country more than 24 hours (at least one overnight stay)

Tourists are divided into categories according to the travel purpose:

- *Pleasure or holiday tourists*
- *Business and official travellers.*
- *Participants in conferences, workshops or meetings.*
- *Visiting friends and relatives.*

Just to mention some of the typical reasons for travelling. Categories can then be further subdivided. For instance tourists can be divided into group and individual tourists. Tourism can also be divided according to type of products e.g. eco-tourism (tourism which is aiming of sustainable use of natural resources and community support and involvement), community tourism (tourism based on community development and operation of the product) and agro-tourism (tourism focusing on agricultural activities such as general farming practice, tea or coffee estates or other agricultural activities).

Different visitors have different characteristics (length of stay, expenditure pattern, need for facilities and services). In order to estimate future tourism development it is necessary to estimate the expected future development pattern for key visitor categories.

In Uganda reliable and adequate tourism statistics have not been available for the last 10 years. Even, for the year 2000 where more reliable statistics have been processed through donor assistance, the figures are dubious. The year 2000 figures thus show:

Tourist Arrivals to Uganda in year 2000

Tourist Category	All Border Stations		Arrivals Entebbe Airport	
	No. 000	%	No. 000	%
Holiday Travellers	22.1	12	11.5	15
Business & Off.	42.7	22	23.8	30
VFR	12.3	6	7.7	10
Others/undistributed	114.9	60	35.5	45
Total	192.0	100	78.5	100

Only few of the tourists visit national parks and protected areas as illustrated below:

Visitors to UWA managed National Parks in year 2001

Foreign Non-Residents 000	Foreign Residents 000	Ugandan Citizens 000	Total 000
14.6 (33%)	10.9 (24%)	19.3 (43%)	44.8 (100%)

ANNEX II: UGANDA AS AN UNIQUE TOURISM DESTINATION

Uganda has an extraordinary variety of landscapes, from arid savannas to swamps, lakes, tropical forests and high mountains. Its unique topography in the west is derived from great earth movements that, over a quarter of a million years, have faulted the earth's crust to create the Albertine rift valley and Rwenzori Mountains. Furthermore, within the last few thousand years, there has been intense volcanic activity, creating Mt Elgon in the east, the Virungas in the south-west and the craterlands around Fort Portal and Kasese.

Over the last 20,000 years, climate change associated with the glacial and interglacial periods has resulted in alternating wet and dry periods; great forests have turned to savanna, and then reverted back to forests again. During the savanna phase, forest species found themselves confined to smaller patches, whilst the following forest expansion 'captured' savanna animals. In this process, forests in the Albertine Rift in Uganda have become key refuges for a huge diversity of forest animals and plants. These forests are famous for their many regionally endemic bird and primate species including the highly endangered mountain gorilla.

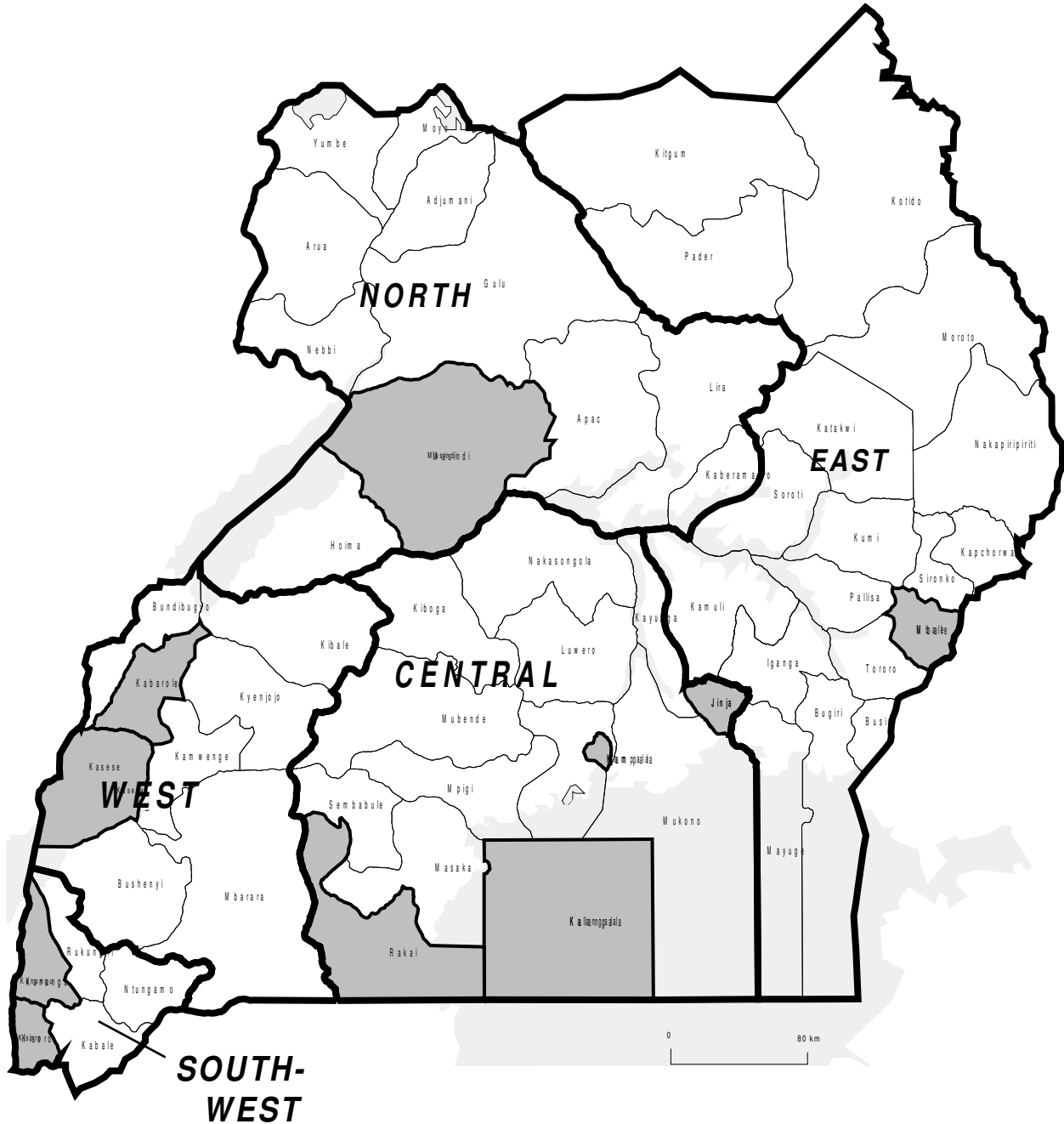
Uganda is at crossroads of vegetation types that take separate forms in central, eastern and southern Africa. Here, the *Acacia* woodlands of the east meet the forests of the west; forest species mingle with savanna species, further increasing the diversity of life. And there are some extraordinary biological paradoxes; giraffes are not found south of the Nile in Murchison Falls National Park; zebra, found in Lake Mburo, have never been recorded in Queen Elizabeth National Park just a short distance to the west.

The combined effects of geological and climatic history have thus created a country of great diversity and natural beauty, where the tourist interested in wildlife and scenery will be captivated. These attractions may be viewed to even greater effect from the many lakes and waterways, from Lake Edward in the East, to Lake Victoria, which dominates southern Uganda. In the wetland the visitors will be able to observe the rare shoebill. And Uganda is the source of the Nile, an immense river winding through farmland, forest and savanna from south to north of Uganda ending its journey in Egypt and the Mediterranean Sea.

The people of Uganda are as diverse as its landscapes. Excavations in various parts of the country have discovered a rich iron-age culture flourishing along the riverbanks and lakesides. More recently, over the past few hundred years, great ethnic migrations have resulted in a unique mix of cultures and traditions, from the Karamajong pastoralists in the east, to the Bakonjo people of the Rwenzoris in the west. Diverse systems of government have evolved, the north being dominated by the chiefdoms, and the south by Kingdoms. Many cultural traditions, monuments and relics may be explored, ranging from the tombs of the Kabaka (a World Heritage site), to the routes and meeting places of the early explorers Emin Pasha, Baker and Speke.

Over the last 40 years, Uganda has established a network of National Parks and Wildlife Reserves to protect its wildlife and special landscapes, covering over 10% of the country. The visitor has a wide range of opportunities, from game viewing in Queen Elizabeth and Murchison Falls National Parks to gorilla-viewing in Bwindi (a World Heritage site) and mountain climbing in the Rwenzoris (to become a World Heritage site). Fishing safaris are increasingly popular, and more extensive walking safaris will soon be available in the savanna parks. Away from the wildlife

III-B: TOURISM ZONE APPROACH



ANNEX IV: ABBREVIATIONS

ACT	Action for Conservation through Tourism
AUTO	Association of Uganda Tour Operators
EIA	Environmental Impact Assessment
EU	European Union
GDP	Gross Domestic Product
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
LG	Local Government
MTTI	Ministry of Tourism, Trade and Industry
MFED	Ministry of Finance and Economic Development
NEMA	National Environment Management Authority
NFA	National Forestry Authority
NGO	Non-Governmental Organisation
UCOTA	Uganda Community Tourism Association
UIA	Uganda Investment Authority
UMMA	Uganda Museums and Monuments Agency
UTA	Uganda Tourism Association
UTB	Uganda Tourism Board
UWA	Uganda Wildlife Authority
UWEC	Uganda Wildlife Education Centre
WCU	Wildlife Clubs of Uganda
WPASP	Wildlife Protected Area System Plan