Republic of Botswana
Ministry of Commerce and Industry
Department of Tourism

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BOTSWANA TOURISM DEVELOPMENT PROGRAMME
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BOTSWANA TOURISM MASTER PLAN

FINAL REPORT

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CONSULTING

BOTSWANA TOURISM MASTER PLAN

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EXECUTIVE SUMMARY

The Tourism Master Plan should serve as a basic guideline for development of tourism enabling the decision-makers to agree on the principles for the direction for the next decade. Its projection is based on a careful assessment of the possibilities within the country as well as the market trends abroad. The Plan forms the end of an opinion-building phase, but more essentially, it should be regarded as the starting point for an implementation process with the most important work still lying ahead.

I. ASSESSMENT

TOURISM AND THE ECONOMY

The tourism sector has experienced strong growth in recent years. The number of *holiday* visitors increased by some 90 percent from 106,800 in 1993 to 203,172 in 1998, while the number of rooms in tourist accommodation increased from an estimated 1,780 rooms in 1993 to an estimated 2,375 rooms in 1998 (+33 percent).

In 1997, an estimated P1.1 billion was spent by the tourists who visited Botswana. Of this gross visitor expenditure, it is estimated that some P605 million was retained outside Botswana and that a further P175 million represented (first-round) leakage due to imports.

It has been estimated that the initial injection of visitor expenditure (net of monies retained outside Botswana) would lead through successive waves of spending to an ultimate contribution of around P800 million to GDP in 1997, representing some 4.5 percent of GDP in 1996/97, or 7.0 percent of non-mining GDP. It is likely that this proportion has increased further in 1998.

Credits on the Travel Account of the National Bank amounted to an estimated P495 million in 1997 representing 4.5 percent of the total exports of goods and services. This would suggest that, even allowing for its relatively high import content, 'tourism' was the third largest export sector, after diamonds (P7,654 million) and vehicles (P748 million), and ahead of copper-nickel (P343 million) and beef (P243 million).

Direct employment in *core* tourism-related occupations is estimated to have amounted to 9,900 persons in 1998, or some 4.5 percent of the total number of paid employees in Botswana. Without tourism, the unemployment situation in the main tourist areas (such as the North and Northeast) would undoubtedly be considerably worse.

Tourism-related import duties are estimated to have contributed P30 million, followed by licences and fees (P11.2 million), sales tax on hotels and lodges (P10.4 million in 1998/99), lease rentals and resource royalties (P5.2 million). Excluding income taxes, total tourism-generated revenues would be P64 million.

PRESENT TOURISM POLICY AND ORGANISATION

The Government position on tourism is contained in the Tourism Policy, Government Paper No. 2 of 1990. The general objective of the tourism policy is to obtain, on a sustainable basis, the greatest possible net social and economic benefits for Batswana from their tourism resources, scenic beauty, wildlife and unique ecological, geological and cultural characteristics.

Specifically, the objectives are to
- increase foreign exchange earnings and government revenues;
- generate employment, mainly in rural areas;
- raise incomes in rural areas in order to reduce urban drift;
- generally promote rural development and to stimulate the provision of other services in remote areas of the country;
- improve the quality of national life by providing educational and recreational opportunities;
- project a favourable national image to the outside world.

The relevant legislation that regulates the tourism industry is:
- Tourism Act, 1992, as amended;
- Tourism Regulations, 1996;
- Tourism (Licensing) Order, 1996
- Finance (Tourism Industry Training Fund) Order, 1996;
- Financial Assistance Policy (FAP - Tourism), 1996;
- Casino Act, 1971

There are many other parts of legislation which have an impact on tourism but which are not specifically enacted for the benefit of tourism alone.

The Tourism Act (1992) makes provisions for regulating the tourist industry with a view to promoting its development and well being. It specifically
- regulates licensing of tourist enterprises and sets out the procedures in respect of applications, power of inspection, appeals etc.;
- defines categories of tourist enterprises;
- foresees the introduction of a grading system for tourist enterprises;
- establishes a Tourist Industry Licensing Board;
- makes provision for the possible introduction of a training levy and the establishment of a National Advisory Council on Tourism.

The Department of Tourism (DoT) within the Ministry of Commerce and Industry is responsible for pursuing the primary policy objective of maximising utilisation, on a sustainable basis, of existing natural resources in order to increase social and economic benefits to Batswana. More specifically, DoT is responsible for
- formulation and execution of programmes designed to promote tourism in Botswana;
- provision to the National Advisory Council on Tourism of such information, advice and assistance as it may require;
- provision to the Tourism Licensing Board of information, advice and recommendations on the licensing and grading of tourism operators;
- research and development, including the collection and analysis of statistical data;
- monitoring of tourism operators for adherence to the terms and conditions of licences, particularly with respect to progress made by the operators in pursuing localisation and other high-quality services to tourists;
- creation and maintenance of an up-to-date inventory of Botswana's tourist assets and of a system to ensure that these are prioritised for development and protection.

Although the overall structure of the Department of Tourism follows regional standards and specific national requirements, e.g. FAP, it is obvious that the Department has not yet achieved an acceptable level of effectiveness or the potential for development and growth.

However, the necessity to improve this situation has been recognised, and the intention to establish an autonomous institution, i.e. a National Tourist Board has resulted in a study to lay the foundation for such a body. Therefore, instead of investing time and money in the reorganisation of the existing Department of Tourism, efforts should concentrate on the establishment of such an institution.

As Botswana's tourism product is overwhelmingly dependent on its abundant wildlife, the Department of Wildlife and National Parks (DWNP) plays a leading role in the development and management of tourism over the past decades.

In the private sector, HATAB is the most representative organisation being considered and, therefore, consulted by the Government on policies, legislative issues and government regulations that affect its members. As an association of businesses it has a legitimate interest in marketing, product development and diversification, conservation issues and specific needs of its members such as manpower and training. With the development of the tourism industry and the consequent increase in numbers and variety of enterprises and operators, it may become difficult to represent a balanced view of the industry. Therefore, discussions are under way that each sub-sector should eventually form its own association and HATAB become a federation.

Several institutions and programmes facilitate investment in general in Botswana, but none is focusing only on tourism. The status of tourism in the past has led to very little attention for the sector in terms of investment promotion for a number of reasons. Although some of these apply specifically to the tourism sector, most are also relevant to investment promotion in Botswana in general.

General problems experienced are
- lack of emphasis on promotion of the tourism sector;
- lack of tangible project ideas;
- unavailability of land;
- lack of citizen involvement.

TOURISM PRODUCT

Tourist Attractions
Wildlife and wilderness are Botswana's outstanding tourism assets. Botswana's wildlife is regarded as one of the best, if not the best in Africa, both in terms of variety and numbers.

17% of the country has been designated as National Parks and Game Reserves and an additional 20% as Wildlife Management Areas. However, there are significant differences in their use for tourism. Unanimously, the Okavango Delta, the largest inland wetland habitat of this type in the world covering up to 13,000 km², is considered the most important attraction in Botswana followed by the Chobe National Park. The other national parks and game reserves, e.g. Central Kalahari Game Reserve and Kgalagadi Transfrontier Park (former Gemsbok National Park) are less known and visited. In addition, there are other places of natural or scenic interest spread over the country, but access is often difficult.

Cultural, archaeological and historical attractions do not play a remarkable role as components of the present tourism product, not only with regard to tourists from overseas, but also from the region, mainly South Africa. Although there are a number of sites in Botswana, it is felt that they are not in themselves sufficiently attractive to motivate tourists to visit Botswana for this reason alone. However, they can be used to add value and lengthen the average duration of stay to the existing ‘mainstream’ wildlife vacations. In addition, some sites and features could become the basis for special interest tours.

Accommodation

By 1998, it is estimated that the total number of rooms in serviced accommodation amounted to 2,375 rooms spread over 132 establishments.

There was a total of 840 rooms in the primary North and Northeast tourist area, including Maun/Okavango (494 rooms), Kasane/Chobe (245 rooms), Shakawe (41 rooms), Nata (30 rooms) and the Gweta area (30 rooms). In addition, a total of some 1,952 bed places are available in public and HATAB camp sites in the Protected Areas.

Avoiding double-counting, the hotels, lodges, fixed safari camps and campsites in the North and Northeast Tourist Area may have attracted in the order of 100,000 foreign stay-over tourists in 1997. In addition, there were an estimated 39,000 day visitors to the National Parks and Game Reserves in this area. Altogether visitors have totalled 139,000 in 1997, or around 75 percent of total holiday/tourist arrivals in that year.

A total of some 2,064 bed places are presently available within the Protected Areas. These are provided in a range of accommodation, including permanent lodges, non-permanent lodges, mobile (HATAB) camp sites, public campgrounds, wilderness camp sites, observation hides and educational group camp grounds.

According to information provided by DWNP, the number of *permitted* bed spaces in all forms of accommodation (lodges, private campsites, public campsites, etc) is 3,804. Based on information provided by DWNP on the number of permitted bed places in each of the Protected Areas and various assumptions derived from DWNP data regarding average occupancy and length of stay parameters, it is estimated that together the Protected Areas could accommodate a total of about 384,000 overnight visitors under existing carrying capacity criteria.

However, it is noted that some sites within the Protected Areas already experience extremely high levels of utilisation during the peak season, especially in Chobe National Park and Moremi Game Reserve. Existing pressures, both at public and HATAB campsites may to some extent be alleviated by the planned increase in the number of permitted bed places from 2,064 to 3,804.

MARKET EVALUATION

Visitor Arrivals

The number of *bona fide* tourists amounted to 796,651 in 1998. Of these, 203,172 (25.5 percent) came mainly for holiday reasons, 112,273 (14.1 percent) mainly for business reasons, 317,357 (39.8 percent) mainly as visitors (which may include day visits as well as to visit friends/relatives), and the remaining 163,849 (20.6 percent) for other reasons, including ‘unknown or not stated’. These figures include day visitors.

It is estimated that some 90 percent of all persons coming to Botswana for a vacation come primarily for a wildlife and wilderness-based vacation.

For holiday/tourist arrivals, South Africa was by far the largest single source market in 1998, generating over half (51.5 percent) of the total with arrivals from other African countries representing a further 15.4 percent.

Europe generated some 17 percent of total holiday/tourist arrivals in 1998, including the United Kingdom (6.3 percent), Germany (3.6 percent) and Other Europe (7.1 percent). The overall increase in holiday/tourist arrivals from Europe was 24.7 percent between 1994 and 1998, with most markets showing substantial gains. Other significant markets include the United States (3.7 percent of the total) and Australia (2.4 percent).

Holiday/Tourist was the only category to show an increase (90 percent) over the period 1993-98. For holiday/tourist visitors, the most popular months were July/August (23.2 percent of total arrivals), followed by April (10.4 percent), October (9.9 percent), May (8.9 percent) and September (8.8 percent). January, February and March were the least popular months.

Visitor Expenditure

Based on the findings of the Visitor Surveys, an estimated P1.1 billion was spent by the tourists who visited Botswana in 1997. The expenditure estimate does not include monies spent on international travel to and from Botswana. The average daily expenditure per person is calculated at P319, being highest for the American (P887) and European (P724) respondents and lowest for the Other African (P110) and South African (P185) respondents.

On average, survey respondents spent about 44 percent of their total expenditure on accommodation and a further 13 percent on meals and drinks outside their place of stay. The next largest categories were general shopping (10 percent), handicrafts/local items (4 percent) and organised tours (4 percent). Other unclassified expenditure, including such items as car rentals, internal air transport, etc. accounted for the remaining 25 percent.

Product Assessment

The evaluations of the Botswana tourism product and comments made by the survey respondents were almost uniformly positive. Vacation visitors generally gave high average ratings (on a scale from 0 to 5), especially as regards the wildlife (4.9), organised tours/ excursions (4.7), friendliness of people (4.6) and accommodation (4.5). They were less satisfied with shopping (3.3).

In terms of competition, several advantages are pointed out which Botswana enjoys, i.e.

- better wildlife in terms of number and variety,
- more attractive scenery,
- remote and less crowded parks,
- exclusive lodges and tented camps, and
- a network of efficient, though expensive ground operators.

On the other hand, Botswana suffers from several disadvantages:

- prices (competitors are cheaper);
- air connections with Europe and other source markets; and
- guide services (competitors have better trained and educated guides).

All tour operators are very satisfied with the country's safety and its political stability. Crime in Botswana is considered to be well under control. This is an important factor in view of the serious concerns about the rising crime rates in some neighbouring countries.

Demand Projections
Arrivals in the Southern African region which includes Botswana are projected to increase at a rate of 7.3 percent over the period 1996-2020 making it the Continent's fastest growing tourism sub-region. Currently, South Africa receives the bulk (65 percent in 1998) of all international tourist arrivals in Southern Africa and, together with Botswana and Namibia, has experienced the fastest growth in arrivals in recent years.

For planning purposes, it has been decided that the main focus should be on *holiday/tourist* arrivals as this category is (a) the main user of tourist accommodation in the tourist areas and (b) more susceptible to influence by promotional activities than all other categories. The number of holiday tourist arrivals increased at an average annual rate of 13.7 percent from 106,800 in 1993 to 203,172 in 1998.

The future growth potential for Botswana is likely to be concentrated on the holiday segment and in particular on the international (as opposed to regional) holiday market. The future number of business and other visitors is more volatile and less susceptible to marketing initiatives, and hence more difficult to predict.

II. DEVELOPMENT CONCEPT

KEY ISSUES
The results of various studies, mainly the visitor surveys and the tour operator surveys, as well as a number of discussions with industry stakeholders during the execution of the Botswana Tourism Development Programme identified the major critical issues for future tourism development, especially the strengths and weaknesses, but also the opportunities and threats.

Strengths	***Weaknesses***
• Wildlife and wilderness	• "Infancy" state of tourism development
• Political and economic stability	• Limited tourism awareness
• Friendliness of people	• Bureaucratic procedures
• Good physical infrastructure	• Weak tourism organisation

Opportunities	***Threats***
• Product diversification	• Unbalanced development
• Involvement of rural communities	• Negative socio-cultural impact
• Increase of industry standards	• Regional political instability
• Development of domestic tourism	• Negative environment impact

TOURISM POLICY GUIDELINES
The overall development strategy of the Botswana Government focuses on long-term export-oriented sustainable growth through diversification of the mining-dominated economy to improve the quality of life of the population. Tourism has been identified as one of the economic sectors with a potential to contribute to this process of diversification.

These development objectives are:
- generation of employment and consequently income for Batswana, predominantly in rural and remote areas and thus reduce the migration to urban areas;
- stimulation of the provision of other services and the strengthening of linkages to other economic sectors;

- increase of foreign exchange earnings;
- enhancement of government revenues; but also the
- improvement of the quality of life for the population through the provision of educational and recreational opportunities; and the
- creation and improvement of a favourable image to the outside world.

These objectives have to be achieved
- in an ecologically sustainable way, i.e. utilising the natural resources on a "yield" basis, but also strictly observing the rules for environmental protection and conservation; and
- by an increase of participation of Batswana in the ownership and management of tourism enterprises.

According to the overall objectives, four main guidelines will drive tourism development in Botswana, which are all interlinked to each other:
- Product Diversification;
- Citizen/ Community Participation/ Community empowerment
- Private/ Public Sector Partnership;
- Ecological/Economic Sustainability.

Product Diversification
Any substantial and sustainable development of tourism in Botswana requires the expansion of the product, either by increasing existing capacities and/or adding new components. The theoretical option, to only raise quality standards in order to obtain higher revenues would not allow for the achievement of the above objectives.

Product diversification is the only way for long-term tourism development in the country, both by identifying additional product components and new geographical regions, in particular the parks in the centre and south of the country with its still non-exploited potential for wildlife and wilderness oriented tourism. The unique wildlife will remain the outstanding tourist attraction for the international and regional markets.

In view of Botswana's topography as well as its socio-cultural background, the tourism potential is more or less confined to the country's natural attractions in terms of scenery, geology, fauna, flora etc. as well as to those of cultural, historical and archaeological appeal. Attempts to broaden the tourism offer have already started, subsumed under the heading "eco-tourism".

This potential can both complement the already well-marketed wildlife product, thus extending the length of stay in the country and reducing the pressure from respective areas. It can also be offered as independent products in the field of special interest markets. Packages and "theme" holidays can be developed on a professional scale together with specialised tour operators.

Community/Citizen Participation
The necessity for product diversification opens up possibilities to increase the participation of citizens in the productive ownership and management of tourism enterprises which is also set as an objective in the National Policy on Economic Opportunities. Because these enterprises in their majority will be of small and medium scale, business opportunities will be provided for a relatively large number of Batswana.

The fact that new developments will mainly take place in the rural and remote areas will support the active participation of communities in tourism, thus creating possibilities for employment and income. The distribution of economic benefits outside Botswana's urban areas could contribute to reducing socio-economic disparities among the country's different areas and mitigating the ongoing migration to the population agglomerations in the south.

However, although these opportunities exist, it has to be clearly pointed out that tourism will not be the tool to solve all problems in the rural communities. The creation of too high expectations would result in disappointment and consequently be counterproductive.

Private/Public Sector Partnership
It is unquestioned that any sustainable economic development has to be private sector-driven and the public sector's involvement should be kept to a minimum, at least its commercial activities.

The most significant tool for the strengthening of the collaboration between the public and private sectors and the establishment of a functioning partnership is an autonomous institution, generally named "National Tourist Board". Such bodies exists in most of the tourism destinations worldwide where the most important task of such an agency is tourism marketing abroad. However, subject to individual requirements, the Board's activities can also include other areas such as training, product development or grading/licensing, the latter as a self-regulatory task.

In general, increased private sector participation in the economy is necessary both to relieve Government of the administrative burden of a large bureaucracy and attendant budgetary costs, and to nurture the fledgling private sector itself. A vibrant, innovative and committed private sector that is not dependent on Government subsidies will be crucial to the future socio-economic success of Botswana.

Ecological/Economic Sustainability
The ultimate target of tourism development is its sustainability in ecological and economic terms. A sound ecology is the necessary background for Botswana's tourism, as other possibilities are limited. Because tourism has a tendency to destroy or at least endanger its own assets, the protection and conservation of its natural environment is imperative, not only under "green" aspects.

Options for Tourism Development
After analysis of the latest tourist arrival statistics, feedback from the tour operator survey regarding growth prospects for tourism to Botswana and the estimated carrying capacity of the Protected Areas, the following possible options can be evaluated:

OPTION A: LOW VOLUME/ HIGH PRICE
OPTION B: MEDIUM VOLUME/HIGH PRICE
OPTION C: HIGH VOLUME/MIXED PRICE
OPTION D: MODIFIED HIGH VOLUME/MIXED PRICE

It can be concluded from extensive discussions and analyses that Option D is clearly the preferred option, and there would appear to have been a clear rejection, both at the workshop and during the subsequent evaluations, of the former 'low volume; high cost' policy enshrined in various policy documents.

Option D: Modified high volume/mixed Price

- Maintain existing DWNP carrying capacity formulae in Protected Areas.
- Attract a mix of High Price/Medium Price/Low Price tourists to Protected Areas e.g. high Price in Chobe and Moremi; medium/low Price elsewhere, including self-drive campers, overland groups and domestic tourists.
- Attract more visitors out of season.
- Maximise product and geographical diversification throughout the country to reduce dependence on wildlife-based tourism, including tourism circuits around Gaborone
- Develop special interest and eco-tourism, including speciality tours – culture, history, archaeology, birds, etc.
- Exploit the business opportunities for the tourism sector afforded by the Trans Kgalagadi Highway
- Develop urban tourism: sport, music festivals/shows, conferences, school trips, etc.
- Develop cultural and community-based tourism
- Develop domestic and intra-regional tourism

Assumptions for 2010

Under the Preferred Option D

- The number of bona fide stayover tourists (excluding the category described as 'other') is projected to increase from 568,000 in 1997 to 803,000 in 2010;
- the number of holiday tourists is projected to increase from 184,475 in 1997 to 338,000 in 2010, with the average annual growth rate reducing from 6 percent (1997-2002) to 4 percent (2002-2010);
- non-wildlife vacation visitors are projected to increase from 10 % of total in 1997 to 15% in 2010 reflecting the special marketing initiatives that will be undertaken to enhance product and geographic diversification;
- an increasing proportion of wildlife vacationers is projected to do the bulk of their game-viewing in areas (such as WMAs) outside the Protected Areas;
- growth of wildlife-based tourism outside the Protected Areas would be encouraged through special product development and marketing initiatives;
- the projected number of visits made by overnight visitors to the Northern Parks and Reserves remains well below their estimated carrying capacity ceilings;
- day visitors would be restricted to or around existing numbers;
- gross visitor expenditure is projected to increase from an estimated P1.1 billion in 1997 to P1.6 billion (at 1997 prices) in 2010;
- net foreign exchange earnings from tourism are projected to increase from an estimated P495 million in 1997 to approximately P800 million in 2010;
- the total number of jobs generated by the tourism sector is projected to increase from an estimated 9,900 in 1997 to 16,500 in 2010;
- the average bed occupancy rate will increase from 40 percent in 1997 to 57 percent in 2010.

The number of beds needed to accommodate the projected numbers of tourists is estimated at about 8,000 in 2010. There are presently around 4,000 bed places available in hotels, lodges, safari camps, camp sites, etc. in *tourist areas and* a total of 6,600 in all areas. Thus, the number of *additional* beds needed by 2010 is estimated at 4,115 (just over double the existing number), or approximately half that number of rooms or tents.

It is concluded that the projected increases in visitor arrivals under the preferred option should be within the handling capacity of the Protected Areas, allowing a more gradual build-up to the carrying capacity ceilings and permitting the phased introduction of additional bed places, construction of new tracks/trails, implementation of management plans to alleviate seasonal overcrowding at certain locations and more time for the training of Batswana to play a more active role in tourism enterprises.

The preferred option has been shown to be feasible from the standpoint of market trends, trade opinion and the results of both in-house and external evaluations. It has also been demonstrated to be environmentally sustainable and within the handling capacity of the Protected Areas.

Adoption of this strategy for the future implies a departure from the former 'low volume/ high cost' policy which was perceived in the evaluations to be far too restrictive and doing little to spread the benefits of tourism more equitably throughout the country, both geographically and socially.

The recommended option is less restrictive and represents, it is believed, a more balanced approach to tourism development that will broaden Botswana's appeal in the marketplace, reduce its dependence on one product in one region and provide enhanced opportunities for Batswana to benefit from the fruits of tourism.

III. IMPLEMENTATION

ORGANISATIONAL FRAMEWORK

Institutional and Legislative Framework

The relationship between Government and business must develop into a "Stakeholder Partnership". Government regulations must recognise the vital contribution of business to the strategy of creating a greater prosperity. This requires a recognition by Government that the improvement of incentives for business and the removal of restrictions will allow the economy to grow, and will ultimately increase the resources of the Government itself. Government will, therefore, move from its present regulatory position to an attitude of active promotion of business and industry. This can be accomplished through changes in the taxation system, investment incentives or through schemes to improve the access to capital and the upgrading of skills and management expertise for small businesses and Botswana citizens. But the crucial step forward is the establishment of a National Tourist Board.

National Tourist Board

A semi-autonomous, and with respect to operational matters, independent tourist board should be established. The main benefit would be the provision of a more responsive and commercially-minded organisation for the development and promotion of tourism, based on a closer partnership between the public and private sectors, as well as on a wider range of stakeholders.

The new body should be created by legislation, launched in two phases, jointly funded by Government and the tourism industry and operated under the guidance of a Board of Directors, representing public and private sector interests. The body should be given responsibility for two of the existing DoT key operations, namely marketing and market research at the beginning. The bulk of the other DoT activities should be transferred to the Board within a period of maximum 5 years leaving the core Government functions, i.e. legislation, policy formulation, monitoring and control to a smaller Department of Tourism. Government funding within existing budget should be provided using increasing annual cash and in-kind contributions from the private sector.

The key tasks for the Board should involve:

- implementation of the tourism policy based on guidelines provided by DoT following approval by Cabinet;
- design and conduct of overseas marketing campaigns;
- establishment of product development services;
- collection, analysis and dissemination of tourism related data;
- development of a national tourist information network using modern technologies;
- administration of accommodation grading and inspection;
- improvement of training standards; and
- execution of tourism awareness campaigns.

It is obvious that the establishment and operation of a Botswana Tourist Board is of essential importance for many aspects of tourism development in the country. It should have priority over other policy issues including the revision of tourism related legislation, which might be required after the running-in period of the Board.

Licensing/Grading/Inspection

Licensing and grading of tourism enterprises were already included in the Tourism Act of 1992, but were not introduced satisfactorily, partly because of lack of a suitable system, partly because of inadequate operational procedures.

As is the case in several countries, grading and possibly the licensing of tourism enterprises can become a task of the Tourist Board as a self-regulatory activity. This would also allow the private sector to influence the setting and monitoring of industry standards.

Private Sector Organisations

Measures for the strengthening of HATAB are being discussed, for instance the breakdown into individual branches, but covered by an umbrella organisation. There are also attempts to move into advisory services for their members, thus supporting the growing number of small and medium sized enterprises. These efforts would complement the Government's direction of product diversification and active community participation as formulated in this Master Plan.

Tourism Investment (Tourism Development Fund)

As a result of the lack of tangible success of investment promotion in the tourism sector a study was conducted to investigate the setting up an autonomous statutory agency responsible for the management of a Tourism Development Fund for providing financial and technical assistance to Batswana in the tourism sector. Its recommendations go beyond the establishment of an institution with the main focus on funding projects in tourism, but addresses the need to provide technical assistance to potential small and medium scale entrepreneurs and communities who wish to invest in and manage their own facilities.

Its main recommendations are:

- Alleviation of constraints in order to increase the capacity of Batswana to plan, fund, sustainably manage and monitor tourism projects;
- Provision of a mechanism to assist the local authorities in the preparation of tourism development plans (TDP); provision of opportunities to invest in projects in conformity with TDPs;
- Provision of advisory support, training, including transfer of skills and support of entrepreneurs as individuals, members of local communities or in partnership;

- Provision of a suitable legislative and administrative structure, preferably under the national tourist board, thus complementing the efforts for product diversification and supporting the involvement of stakeholders in the decision-making process;

PRODUCT DEVELOPMENT

Wildlife

The wildlife segment in the North is already well-marketed and seems to have reached the carrying capacity limits or is at least close to them. However, the definitions for these ceilings need to be reviewed with regard to combine the interests of both conservation and tourism. Regulations are in place, but they need to be enforced more vigorously.

An increase of visitors appears to be possible through the extension of the season, the improvement of quality and the opening-up of Central Kalahari Game Reserve as well as in the Kgalagadi Transfrontier Park.

Product Diversification

Due to the constraints of the wildlife segment in the North-eastern part of the country, tourism in Botswana can only grow through product diversification, both by adding new components and opening-up new areas.

The character of the country in terms of its geographical location and topography as well as its social background limits the expansion to the use of natural and cultural resources, often named as eco-tourism. A *strategy on eco-tourism* is presently being developed within the Department of Tourism, which has established a specific section for this area. As no systematic inventory of existing and potential attractions is available, this is the first step for the design of such a strategy. It is recommended that overseas tour operators are involved in the assessment of the attractions in order to obtain first-hand information about the marketability of products. Eco-tourism is in accordance with the development and promotion of *special interest holidays* and is possible in a number of fields.

The development of new product segments will lead to the opening up of new regions for tourism, thus reducing the pressure on the north-eastern part. The identification of these regions will follow that of new products. A specific zoning of tourism development areas appears not to be necessary, as the development will focus more on individual projects than on well-defined areas.

Ideally, the private sector should take the lead in developing and marketing new tourism products. However, in view of a number of deficiencies, e.g. lack of awareness and professional skills in tourism, Government has to provide the environment (e.g. provision of infrastructure, financial assistance, training, marketing assistance, etc.) that will allow such initiatives to succeed.

This is especially important in view of the involvement of communities as major players of future tourism development through product diversification. Substantial technical assistance in the planning and development period as well as financial support during the building and operation of the businesses are required. Tourism Development Plans as suggested in context with the setting up of the Tourism Development Fund have to be designed on district or local level in order to guarantee proper implementation. The national strategy on eco-tourism will elaborate more detailed mechanisms for the involvement of communities in tourism development.

Domestic Tourism

Domestic tourism is presently under-developed. In 1998, citizens made 9,748 visits to national parks and reserves representing only 6.1 percent of all visits. There is an urgent need to increase the volume of citizen tourism, in order, not just to generate more jobs, but also to improve the quality of national life; to make people proud of their heritage, both cultural and natural, and to increase general awareness of tourism and its potential benefits at all population levels.

MARKETING AND PROMOTION

The foreseen establishment of a National Tourist Board will have significant influence on the organisation and the implementation of marketing and promotion in the tourism sector, as this is a major field of activity for such an institution.

Little efforts and investments have been made so far to create a brand identity and a corporate image of Botswana as a tourism destination. Few if any of the published tour operator programmes start in Botswana, demonstrating that the country cannot be regarded as an independent tourism destination in the international arena. Botswana is seen as only "one" of the destinations or sometimes not even a "destination" as the client's attention is captured by mentioning the "*Delta*" or "*Chobe*", minimising the fact that these outstanding attractions are located in Botswana.

Positioning Strategy

The positioning concept *(this is not a slogan)*: BOTSWANA - LAND OF KALAHARI should be visualised by world class emotional impressions of Botswana combining wilderness with African wildlife and cultural heritage as the Kalahari Desert itself is offering a range of different product components, e.g. adventure, wilderness, wildlife, culture/heritage, sand dunes, salt pans, camels etc. These different emotions shall, therefore, be transferred to the potential visitors/customers by the means of visual rationales. This would complement the efforts for product diversification as outlined above.

Communication Policy

DoT cannot directly reach all potential consumers of the identified markets and groups, as this will not be cost effective. Therefore, a marketing media strategy addressed to the travel trade as the intermediary must be designed.

Marketing Communication Mix

Four basic components will be utilised: (a) advertising, (b) public relations, (c) direct marketing, including Internet, and (d) promotional tools. The advertising objectives will aim at the building-up of a primary demand and a brand preference through an informative and persuasive advertising campaign. The consumer must be informed about the superiority of Botswana's tourist product and the trade must feel a new perception of Botswana tourists' attributes. Great care should be taken in the choice and selection of the advertising media, on media timing and geographical media allocation.

Promotion and Public Relation Policy

It is highly recommended to establish "Airport Welcome Centres" at the international airports in Gaborone, Maun and Kasane as well as at the busiest (from a tourism point of view) road border posts.

DoT has to attend the most important international tourism trade fairs, i.e. ITB Berlin, WTM London, BIT Milan and INDABA Durban. Agreements should define the joint participation of the private sector in these fairs, in order to share duties, charges and success.

Workshops in selected European regions are essential to launch the new Botswana product range to the trade. Educational and familiarisation tours organised for selected trade partners as well as media representatives will complement these workshops. For this activity, co-operative marketing should be developed with hotels and lodges as well as with Air Botswana and qualified local ground operators.

Product Packaging
The strategy is to clearly identify the products to be promoted in order to create an easy and understandable product profile. As few consumers have a clear idea of Botswana as a holiday destination a precise product profile must gradually be created in line with the new marketing concept. Focusing Botswana holiday propositions on those "high spots" which make the country fascinating will achieve the goal.

TRAINING AND EDUCATION

One major constraint to the development of tourism in Botswana is the quality of tourism services. Although service personnel are generally friendly, a lack in professional performance is obvious. Service skills are limited in all areas, crafts, supervisory, management and guiding.

In 1998, the number of people directly employed in Botswana's tourism sector could be estimated at 9,900. When taking into account the high labour turnover for the hotel and catering sector in Botswana, annual manpower needs can be estimated at 1,600 persons for the period 1997-2003. As could be expected, labour market demand is highest for skilled workers and, subsequently, at this level formal training programmes should be geared. Not taking into account unskilled labour and ancillary workers, it can be estimated that about 3,600 presently employed hotel and catering workers are potentially in need of refresher and upgrading courses. Of these about 2,900 (79%) are in catering occupations (food & beverage service and food production) and about 1,000 (28%) in first-line supervisory jobs.

The overall objective is to educate and train sufficient numbers of personnel to meet the needs of the sector, at all levels, for all occupations, and in all parts of the country at the right time. The long-term objective is to make Botswana self-sufficient in all matters of education and training for the development of human resources for the hotel, catering and tourism sector. Batswana should be enabled to acquire the necessary skills and qualifications to occupy positions at all levels, including management levels, eventually reducing foreign exchange leakage and dependency on expatriate staff.

Training has been identified as one of the primary concerns for the development of tourism in the country and as a bottleneck for further expansion. There is presently no specialised training facility for hotel, catering and tourism occupations in Botswana, except the Botswana Wildlife Training Institute (BWTI) which has been developed as an in-house training facility for the wildlife staff of the DWNP.

The development of an Integrated Tourism Training and Manpower Development Plan should be initiated. It falls into the field of competence of, and calls for co-operation and co-ordination with a number of partners, i.e.

- Ministry of Labour and Home Affairs that regulates the labour market;
- Ministry of Education that regulates the education and training sector;
- Ministry of Commerce and Industry including the Department for Tourism (DoT) and Department of Wildlife and National Parks (DWNP) that is responsible for tourism development and the management of wildlife and protected areas; and
- the employers who are the ultimate beneficiaries of the training system.

The basic components of the framework are
- training matrix for Hotel, Catering and Tourism occupations
- occupational profiles
- curricula outlines
- education and training system
- guidelines for education and training
- organisation
- implementation strategies and action plans

The proposed Education and Training System completes the National Vocational Qualifications Framework by adding Diploma and Management level courses. An "integrated" system should offer a comprehensive education-and-training path supporting career development at all stages. It is difficult for Batswana to accede to management positions until such a system is in place. As the establishment will require years, work in this direction has to start as soon as possible.

TOURISM AWARENESS

Tourism by its very nature is a complex phenomenon that pervades and profoundly impacts the natural, socio-cultural and economic environment of the host society. This is also the case for Botswana, despite the fact that tourism is not a major industry and is actually in its early stage of development. As a consequence, knowledge about tourism in general is limited, or even non-existent, within major parts of the Batswana society. This is particularly true with regard to its economic significance and the role which the sector can play in the future development of the country, especially in rural areas.

A number of issues have been identified in terms of tourism's impact on the economic, cultural, social, and environmental aspects. A National Tourism Awareness Programme should address the Botswana society as a whole, including international visitors as temporary members of such a society. Awareness campaigns need to be addressed to specific target groups such as: (a) policy and decision-makers; (b) opinion leaders; (c) the public in general and (d) the future generations. Initially, the following campaigns are proposed:
- Public Tourism Awareness;
- Tourism Awareness in Schools;
- Awareness in the Tourism Industry; and
- Visitor Awareness.

A National Tourism Awareness Programme should address the Botswana society as a whole, including international visitors as temporary members of such a society. Awareness campaigns need to be addressed to specific target groups such as policy and decision-makers; opinion leaders; the public in general and the future generations. Initially, the following campaigns are proposed:

- Public Tourism Awareness, also in rural communities;
- Tourism Awareness in Schools;
- Awareness in the Tourism Industry; and
- Visitor Awareness.

Such programme to develop public awareness towards tourism requires

- regular and objective public information about developments and performance of the tourism sector,
- organisation of socio-cultural events with tourism as the central theme ensuring multi-media coverage of events.
- educational information as to the character and needs of the tourism sector,

A full-fledged National Tourism Awareness Programme sustained over a number of years will require substantial resources both in terms of human resources and finance. As no officials with the required experience are presently employed in DoT to undertake the duties and responsibilities that such a campaign entails, significant outside expertise inputs will be required to train the specialised staff needed and to implement the campaign until it is well established and has reached its "cruising speed".

1. INTRODUCTION

The Botswana Tourism Development Programme (BTDP), funded by the Commission of the European Union, was launched in November 1997 and scheduled for two years. An extension of six months was granted in order to allow the completion of tasks which had been initiated during the execution of the BTDP as follow-up of recommendations.

The BTDP was aiming at supporting the objective of the Government of Botswana to diversify the country's mining-dominated economy through a partnership of the public and private sector ensuring that tourism becomes a significant generator of employment, income, foreign exchange earnings and government revenues and thereby contributing to the improved quality of life of the indigenous population. The involvement of local participation in tourism development is regarded as a particular goal.

The work on the BTDP carried out by an interdisciplinary team of tourism experts covering the areas of tourism planning, institution building, education and training, tourism awareness, marketing and promotion and research and statistics. A number of studies, reports, surveys and documents have been prepared in these areas over the past two years. The main papers are:

- Tourism Industry and Sector Performance
- Assessment of Tourism Economic Impact
- Employment Profile and Salary Structure in the Tourism Sector
- Business Viability, Economic Contribution and Taxation in the Tourism Sector
- Visitor Survey Reports
- Investment Promotion in Botswana's Tourism Sector
- Institution Building – Survey and Assessment of Existing Situation
- Outline of Marketing and Promotion Strategy
- Tour Operator Survey
- Inventory of Existing and Potential Tourist Attractions in Botswana
- Tourism Training and Education in Botswana – Concept and Implementation
- Tourism Awareness in Botswana – Evaluation and Implementation Concept

These documents laid the foundation for the tourism master plan outlining visitor and revenue projections and development strategies to attain these targets.

The Master Plan is also the result of various discussions with stakeholders during six reference group meetings and in two one-day workshops on "Tourism Development in Botswana - Options and Scenarios" held in Gaborone in June 1998 and August 1999. Therefore, the direction and the framework of the Master Plan are based on opinions of a vast majority of the industry players.

In a summary format, the Plan
- analyses the existing situation in the tourism sector;
- assesses the development potential;
- defines the policy framework for tourism development;
- outlines the development strategy including the design of projections;
- identifies an optimum option; and
- lays out a framework for implementation.

The Tourism Master Plan should serve as a basic guideline for development of tourism enabling the decision-makers to agree on the principles for the direction for the next decade. Its projection is based on a careful assessment of the possibilities within the country as well as the market trends abroad.

The Plan forms the end of an opinion-building phase, but more essentially, it should be regarded as the starting point for an implementation process with the most important work still lying ahead.

However, a number of activities have already been initiated in the course of the implementation of the BTDP. None of these initiatives or ongoing projects contradicts the overall direction of the Master Plan. On the contrary, they comply with the requirements for a successful implementation of the Master Plan. Examples are the establishment of a National Tourism Board, the design of a National Strategy for Eco-tourism, the establishment of overseas representations, the creation of a tourism-oriented web-site and the preparation of an industry grading system.

The BTDP Team would like to thank all partners who supported and contributed to the work during the implementation of the Programme, in particular the management and staff of the Department of Tourism, the representatives of the Delegation of the Commission of the European Union, the National Authorising Officer in the Ministry of Finance and Development Planning as well as the members of the Reference Group. Valuable input of ideas, suggestions, information, opinion and comments was provided.

2. EXISTING TOURISM IN BOTSWANA

2.1 THE COUNTRY

Botswana, a landlocked country in Southern Africa is approximately 582,000 km² in size, stretching 1,110 km from north to south and 950 km from east to west. It borders South Africa, Namibia, Zambia and Zimbabwe.

The country is generally flat, with two-thirds consisting of undulating, scrub-covered plains. Trees and shrubs have stabilised the sandy valleys and ridges of the Kalahari which covers approximately two-thirds of Botswana. There are still parts of the traditional sand desert in the Southwest of the country. The highest point is Otse Mountain near Lobatse in the South, 1490 metres above sea level. The land is predominantly arid to semi-arid experiencing some extremes in terms of temperatures and rainfall.

The population amounts to approximately 1.5 million concentrating in the south and south-east of the country with the capital Gaborone as the main population centre.

The country which obtained independence in 1966 is characterised by
- political stability and multi-party democracy;
- a well-managed and growing economy with relatively limited bureaucracy;
- protection of wildlife and natural resources and intensifying environmental awareness;
- ongoing expansion of infrastructure facilities;
- an educated English speaking labour force,

but also by
- high unemployment, especially in the rural areas and therefore
- migration from the countryside to the urban areas.

2.2 TOURISM AND THE ECONOMY

Economic Performance

Since 1966, Botswana has enjoyed one of the world's fastest rates of economic growth at 9.3 percent per annum. This is largely attributable to the discovery of diamonds immediately after independence, but it also reflects the economic policies pursued by successive governments, including investment in education, infrastructure and support services.

The economy continued to show sustained growth throughout the 1990s. Gross Domestic Product (GDP) at constant prices grew at an average annual rate of 5.1 percent from 1989/90 to1996/97. For non-mining GDP, the average growth rate was somewhat higher at 6.2 percent per annum. Over the same period, exports of goods and services increased by 33 percent in real terms compared with an increase of 11.2 percent in imports. In 1996/97, the main contributor to GDP was Mining (32.6 percent of the total), followed by General Government (17.3 percent), and Trade, Hotels and Restaurants (16.9 percent).

Despite the overall impressive economic performance, unemployment has persisted at very high levels. In 1995/96, the unemployment rate for those actively seeking work was 21.5 percent. Including the *discouraged job seekers*, the rate increased to 34.6 percent. The most affected age groups are the 15-19 and the 20-24 age groups. However, overall employment increased from 227,300 to 239,500 between March 1997 and March 1998 fuelled by strong demand growth in the construction sector.

map

Contribution of Tourism

Although still a relatively small contributor to GDP, tourism has been identified in National Development Plan 8 as a potential engine of future growth.

The tourism sector has experienced strong growth in recent years. The number of *holiday* visitors increased from 106,800 in 1993 to 203,172 in 1998, an increase of some 90 percent, while the number of rooms in tourist accommodation increased from an estimated 1,781 rooms in 1993 to an estimated 2,376 rooms in 1998.

Reflecting its growing importance, tourism is already making a significant economic contribution in terms of

- Visitor expenditure;
- Contribution to Gross Domestic Product;
- Contribution to foreign exchange earnings;
- Creation of employment;
- Contribution to government revenues.

Visitor Expenditure

In 1997, an estimated P1.1 billion was spent by the visitors to Botswana. This estimate is based on the findings of the visitor surveys carried out under the Programme in June 1998. Of the gross visitor expenditure of P1.1 billion, it is estimated that some P605 million, representing payments to external agents, was retained outside Botswana and that a further P175 million represented (first-round) leakage due to imports. This left a balance of P320 million to be spent in Botswana on local inputs, wages, taxes etc.

Contribution to the Gross Domestic Product

It has been estimated that the initial injection of visitor expenditure (net of monies retained outside Botswana) would lead through successive waves of spending to an ultimate contribution of around P800 million to GDP in 1997, representing some 4.5 percent of GDP in 1996/97, or 7.0 percent of non-mining GDP. It is likely that this proportion has increased further since 1996/97 given the increase in visitor arrivals recorded in 1998.

It was also found that the Hotels and Restaurants sub-sector (which has traditionally been regarded as coterminous with the 'tourism industry') generated only 43 percent of the total Tourism GDP in 1997, with the remaining 57 percent embedded in other economic sectors, especially Social and Personal Services (12.2 percent of tourism GDP), Wholesale Trade (9.1 percent), Transport (8.9 percent), Banks, Insurance and Business Services (8.6 percent) and General Government (8.4 percent).

Foreign Exchange

According to the Bank of Botswana, the credits attributed to the 'Travel Account' in the Balance of Payments statistics are believed to serve as "the closest proxy for tourism expenditure, although in principle the transportation account also does involve some elements of tourism activity".

Credits on the Travel Account amounted to an estimated P495 million (revised figure) in 1997 and represented 4.5 percent of the total exports of goods and services in that year. This would suggest that, even allowing for its relatively high import content, 'Tourism' was the third largest export sector in 1997, after diamonds (P7,654 million) and vehicles (P748 million), and ahead of copper-nickel (P343 million) and beef (P243 million).

Preliminary estimates for 1998 indicate a further substantial increase (probably over 20 percent) in credits attributable to Travel.

Tourism is also a consumer of foreign exchange, both directly and indirectly. Leakage of foreign exchange due to imported goods and services is estimated to have amounted to approximately P175 million in 1997, representing some 35 percent of the credits on Travel in that year.

Nevertheless, despite these leakages, the foreign exchange generated by tourism could become increasingly important for balance of payments purposes.

Employment
Perhaps, the most important effect of tourism in Botswana is that it can be a vehicle for creating jobs, particularly in the rural areas where most tourists go.

Direct employment in *core* tourism-related occupations is estimated to have amounted to 8,536 persons in 1998, or some 3.8 percent of the total number of paid employees in Botswana in September 1997. This is believed to be a *conservative* estimate to the extent that no employment has been calculated for staff employed by tourist shops, foreign exchange bureaux, and other tourist-related services provided through, or embedded in, other sectors (e.g. retailing, banking, personal services, etc.).

Approximately half (4,200 persons) were employed in the accommodation sector. Further details are given in Table 1.

Table 1: Estimated Direct Employment Generation in Tourism (1999)

Sector	**Number of Establishments**	**Persons Employed**
Accommodation	130	4,200 *
Restaurants, bars and night clubs (outside hotels)	40 (tourism-related only)	400 *
Tour and Safari Operators	145	1,004 **
Professional Hunters and Guides		904 ***
Travel Agencies, Air Charter, Car Hire	45	300 *
Department of Tourism		84
Department of Wildlife and National Parks		1,131
Customs and Immigration		513
TOTAL		**8,536**

Sources: *) Consultant's Estimates **) Central Statistics Office ***) Dept. of Wildlife & National Parks

Approximately 1,550 persons were employed in the tourist accommodation sector in Gaborone, 882 in Maun/Okavango and 449 in the Kasane/Chobe area. This excludes persons employed in tour operator communications and operations centres which are based mainly in Maun, as well as persons employed in the tourism ancillary sector (e.g. shops, handicrafts, banks, etc.).

Without tourism, the unemployment situation in the main tourist areas (such as the North West) would undoubtedly be considerably worse. The demographics of the unemployed (age, sex, educational levels) indicate that many would be quite capable of finding work, especially unskilled work, in the tourism sector.

The shortage - whether real or imaginary - of some skills within the tourism sector has led to the engagement of some *expatriates*, generally in key positions such as Managing Director, General Manager, Food and Beverage Manager, Executive Chef, Professional Guide etc., in some of the larger hotels and game lodges/safari camps. According to a BOCCIM survey (May 1996), non-citizens formed just over 4 percent of total employees in the Hotel, Catering and Tourism (HCT) sectors. Other more recent surveys have indicated higher proportions of non-citizens: CSO (5.6 percent) and BTDP (7.1 percent).

Government Revenues

With Botswana experiencing in 1999 its first budget deficit in fifteen years, tourism has the potential to make a significant contribution to government finances. Altogether, it is estimated that tourism *should* have contributed some P81 million to central and local government revenues in 1996/97.

Tourism-related import duties are estimated to have contributed P30 million, followed by licences and fees (P11.2 million), sales tax on hotels and lodges (P8.8million, which increased to P10.4 million in 1998/99), lease rentals and resource royalties (P5.2 million).

In addition to central government revenues, Land Boards are estimated to have received a total of P1.3 million for hunting concessions in 1997/98.

Tourism-related government expenditure (comprising the recurrent expenditure of the Department of Tourism and the Department of Wildlife and National Parks as well as part of the expenditure of the Departments of Civil Aviation, and Immigration and Citizenship) was estimated at around P48 million in 1996/97.

Conclusion

Comparing the estimated tourism-related government expenditure (P48 million) with the estimated tourism-related revenues (P64 million), it may be concluded that tourism is already making a positive contribution to the Government budget – as well as to GDP, foreign exchange earnings, and employment - and is capable of making a considerably greater contribution in the future (especially if sales tax yields are maximised).

3. TOURISM POLICY AND ORGANISATION

3.1 OVERALL POLICY GUIDELINES

Vision 2016

Botswana has enjoyed many years of political stability and has a sound public policy making machinery. It has a long tradition of internal peace, and peaceful relations with its neighbours. These factors can be seen as assets that will inspire confidence in investors and serve as a necessary platform for any sustainable process of national development coupled with social justice.

Vision 2016: Towards Prosperity For All (Government Strategy and Policy Statement) estimates that by the year 2016 Botswana will have trebled its per-capita income to the equivalent of US$ 8,500 in real terms, maintaining an annual net growth rate of 6 per cent, whilst at the same time accommodating a population growth of 2.1 percent per year. The country will have diversified its economy, with mining, agriculture, industry, services and tourism all making a substantial contribution and reached full employment. Botswana will have a more equitable income distribution and will have eradicated absolute poverty, so that no part of the country will have people living with incomes below the poverty line. A number of measures will be needed to achieve this target, foremost the creation of jobs in rural areas and the development of human resources.

The principles and goals of *Vision 2016* will form the starting point for all future *National Development Plans* and will guide the formulation of future national policies. Many of the goals and objectives of the *National Development Plan 8* (1997/98 - 2002/03) are in keeping with the long term *Vision 2016* for Botswana. These include the theme of sustainable economic diversification, the thrust given to employment creation, the need for increased international competitiveness of the economy and export promotion. The prospects for NDP 8 are that real GDP will grow at an average of 5.2% p.a. over the six-year period underpinned by strong growth in the manufacturing, trade and financial services sectors. This will be achieved through, among others, aggressive implementation of policies necessary to accelerate the growth of existing non-diamond industries and the development of a range of new, private sector activities. In order to be sustainable, the new enterprises will need to utilise the resource base of the country; have adequate linkages among themselves; and be less reliant on Government support.

The Government will continue to facilitate the provision of infrastructure, identification and promotion of utilisation schemes, manpower development and training and provision of legal control, monitoring and policy guidance.

The development and improvement of the tourism sector will take place within this overall political framework.

The Role of the Public Sector

The performance of the public service in the implementation of policies has become a matter of concern, and the reform of the public service is a major challenge to the nation. The reform of the public service is central to the realisation of *Vision 2016.*

The Government sees improving efficiency within the current structures only as a short-term solution. More radical measures need to be reviewed to see if a different organisation of ministries would be more effective in terms of implementing policies. This may include the employment on fixed term contracts of public sector employees at all level with performance-based pay and monitorable objectives. The organisation of Government must become more decentralised, so that more of the budget is controlled at a local level.

During *NDP 8* Government will continue to review its role in order to avoid crowding out the private sector. It will therefore reconsider the relationship between the private and public sectors to ensure that it is complementary and allows room for the development of skills and management experience.

Tourism Policy
Tourism policy provides the basis for planning, developing and managing tourism. Policy determines the reasons for developing tourism, the desired benefits of tourism and the approach to development. Development strategy sets forth the structural means to implement the policy. Tourism policy and strategy provide the framework for decision-making on tourism development.

The Government position on tourism is contained in the Tourism Policy, Government Paper No. 2 of 1990. The policy was based on an assessment that the country's unique wildlife and natural resources were being exploited in an unprofitable manner through the development of the lower end of the tourism market (campers, backpackers etc) and that, unless a number of important policy changes were made, substantial growth in the number of tourists coming to Botswana would probably offer few if any benefits to the nation and its people and, indeed, could cause substantial degradation of the fragile ecology on which both the wildlife resource and the potential of tourism depend.

In the eighties it was assumed that expansion to exploit the large and growing international tourism market would be inadvisable, unless the mix of tourists could be substantially changed. The proportion of tourists occupying relatively permanent accommodation should be increased, the proportion of tourists who are casual campers reduced and the public revenues derived from wildlife lands utilised by tourists substantially raised. This has come to be seen as a "low volume - high value" policy, with the latter part often also incorrectly called "high cost".

The general objective of the tourism policy is to obtain, on a sustainable basis and within the carrying capacity limits, the greatest possible net social and economic benefits for Batswana from their tourism resources, scenic beauty, wildlife and unique ecological, geological and cultural characteristics. Specifically, the objectives are to

- increase foreign exchange earnings and government revenues;
- generate employment, mainly in rural areas; thus
- raise incomes in rural areas in order to reduce urban drift;
- generally promote rural development and to stimulate the provision of other services in remote areas of the country;
- improve quality of national life by providing educational and recreational opportunities;
- project a favourable national image to the outside world.

In addition to these objectives, the tourism policy is designed to ensure that tourist activity is carried out on an ecologically sustainable basis. It should provide local communities with direct and indirect benefits from tourism. The policy will encourage these communities to appreciate the value of wildlife and its conservation and the growing opportunities in rural areas for participation in wildlife-based industries, including tourism.

These objectives are to be pursued in context with other Government policies, two of which are most important. The first is the "Wildlife Conservation Policy" of 1986, which calls for the practice of complete preservation in the National Parks and Game Reserves, which together account for about 17% of the total land area of the country. It also calls for the practice of conservation, meaning "utilisation on a sustained yield basis" in Wildlife Management Areas (WMAs).

Generally speaking, these preservation and conservation goals are consistent with the tourism objectives. However, there are potential conflicts, which could be exacerbated by increases in the number of tourists visiting Botswana, a possible consequence of increased tourism promotion. Policy implementation must, therefore, aim to minimise the situations in which conflicts occur.

The second related policy is the National Policy on Economic Opportunities, which makes it clear that economic activities like tourism must aim to increase the participation of Batswana in the ownership and management of tourism enterprises. Here, too, conflicts may be unavoidable. It should be noted that any constraints on ownership and control are likely to have inhibiting effects on foreign investment in tourist facilities, and on the effective management of such facilities, until adequate training and experience in the management of tourism enterprises is available to citizens. An attempt must therefore be made to minimise any negative effects on foreign investment while at the same time ensuring that progress is made towards the realisation of the citizen empowerment objective. Under the terms of their licences, tourism operators will be expected to pursue a number of objectives, one of which will require them to provide Batswana with genuine opportunities for investment and employment. Among other things, the Government encourages joint ventures that will provide citizens with a means of increasing their participation in the industry.

Legal Framework for Tourism

Appropriate laws and regulations for tourism are necessary to provide the legal basis for development and management of this sector. Some laws and regulations relate directly to tourism while others affect tourism development. Both types must be considered in establishing the legal framework for tourism. The scope of such legislation is dictated by the needs of tourism development as defined by policy objectives and strategy, and the range of executive functions required implementing these.

The purpose of regulatory legislation for the industry is to: (a) provide an environment in which business may be carried out within the framework of law; (b) provide mechanisms for arbitration in the event of disagreement; (c) provide consumer protection; (d) ensure health and safety; and (e) facilitate revenue collection. To be effective, legislation must be transparent, equitably enforced, relevant and conducive to the development of business.

There are many pieces of legislation which have an impact on tourism but which are not specifically enacted for the benefit of tourism alone. These include laws in such areas as taxation, customs and immigration, transport, public safety, health, environment and planning. Legislation in these fields is the responsibility of the relevant ministries and not of the Ministry of Commerce and Industry or the Department of Tourism (DoT) respectively.

The relevant legislation that regulates the tourism industry is:

- Tourism Act, 1992, as amended;
- Tourism Regulations, 1996;

- Tourism (Licensing) Order, 1996
- Finance (Tourism Industry Training Fund) Order, 1996;
- Financial Assistance Policy (FAP - Tourism), 1996; and
- Casino Act, 1971.

The Tourism Act (1992) makes provisions for regulating the tourist industry with a view to promoting its development and well being. It specifically (a) makes provision for the licensing of tourist enterprises and sets out the procedures in respect of applications for licences, power of inspection, appeals etc.; (b) defines categories of tourist enterprises; (c) makes provision for the introduction of a grading system for tourist enterprises; (d) establishes a Tourist Industry Licensing Board; (e) makes provision for the possible introduction of a training levy and the establishment of a National Advisory Council on Tourism.

The Tourism Regulations (1996) established the National Advisory Council on Tourism and a training levy. The main body of regulations concerns the hotel sector. These regulations set out the minimum standards with which the operations of any hotel (graded or non-graded) must comply, viz. lighting, ventilation, equipment in bathrooms, fire and first aid etc. It then sets out the additional requirements for hotels graded from 1 to 5 stars and defines the annual licence fees to be paid by Category A enterprises.

These regulations have been amended as follows:
- until further notice, wholly citizen owned tourist enterprises which comprise five bedroom or less are exempted from the requirement of holding a licence;
- until further notice, all tourism enterprises are exempted from the grading requirement;
- the Licensing Board may issue a provisional licence subject to such conditions as it may in each case determine;
- the training levy is established at one Pula per occupied bed per night.

The amendments have practically put on hold the enforcement of the most important regulations of the industry, which, therefore, remains largely unregulated. A review of the licensing and hotel grading regulations shows that they are adequate in general terms, with the notable exception of the licensing fees and the training levy which need rethinking and revision.

The Casino Act (1971) provides for the licensing, regulation and supervision of casinos as well as for the establishment of a Casino Control Board. According to the present regulations the Government shares 50% of entrance fees and a 15% levy on net revenues.

Given the rapid growth of casinos, the Casino Control Board decided that the Casino Act be reviewed to align it with the changes which have taken place. This was in recognition that the Act in its present term did not have a strong enough mechanism to ensure effective control on casino operations. The Act is presently being reviewed by a consulting firm.

3.2 INSTITUTIONAL FRAMEWORK FOR TOURISM

Effective organisation of tourism is an essential institutional element to achieve proper development and continuous management of the tourism sector. Although organisational structures for tourism in Botswana currently exist, they can be improved to be more effective. An important aspect of organisation is achieving close co-ordination among government agencies and between the public and private sectors on tourism.

Public Sector

Ministry of Commerce and Industry
Under Tourism Policy (Government Paper No. 2 of 1990), the central responsibility for the development of tourism and for the management of the wildlife resource that serves as its principal attraction rests with the Ministry of Commerce and Industry (MCI). A study on the reorganisation of the Ministry is presently being finalised, and without anticipating its final results, MCI will continue to bear responsibility for development of Botswana's tourism industry and for the administration and co-ordination of policies relating to tourism. As tourism is regarded as an economic activity, it should be accommodated in a ministry dealing with commercial affairs.

Department of Tourism (DoT)
The Department of Tourism (DoT) within the MCI is responsible for pursuing the primary policy objective of maximising utilisation, on a sustainable basis, of existing natural resources in order to increase social and economic benefits to Batswana. More specifically, DoT is responsible for:

- formulation and execution of programmes designed to promote tourism in Botswana;
- provision to the National Advisory Council on Tourism of such information, advice and assistance as it may require;
- provision to the Tourism Licensing Board of information, advice and recommendations on the licensing and grading of tourism operators;
- research and development, including the collection and analysis of statistical data;
- monitoring of tourism operators for adherence to the terms and conditions of licences, particularly with respect to progress made by the operators in pursuing localisation and other high-quality services to tourists;
- creation and maintenance of an up-to-date inventory of Botswana's tourist assets and of a system to ensure that these are prioritised for development and protection.

The Department of Tourism is the smallest department within the MCI. The 1999/2000 Recurrent Expenditure budget is Pula 12 million.

The DoT has to service three Statutory Boards:
- National Advisory Council on Tourism, whose functions include providing Government with advice and specific recommendations on all aspects of tourism policy and administration;
- Tourism Industry Licensing Board, whose functions include formulation and application of a system of licensing, regulating and grading of hotels, motels, lodges, permanent camps, safari operators, tour operators and travel agents;
- Casino Control Board, whose functions include licensing and regulation of the casino gaming sub-sector; and
- Tourism Industry Training Fund.

The Directorate of Public Service Management (Directive No 43 of 1993) established the following structure:

<u>Division of Research & Development</u> responsible for (a) policy and legislation development; (b) preparation of national tourism development plans; (c) development of tourism enterprises; (d) research and inventory of Botswana's tourism assets and (e) co-operation

with the Central Statistics Office (CSO) on the design of statistical information.
Division of Marketing and Promotion responsible to plan, organise and manage in collaboration with the private sector all tourism promotional activities in the national, regional and international markets through the use of audio-visual aids, publicity materials, workshops and participation at major international trade exhibitions.

Division of Licensing, Grading and Inspections responsible to (a) monitor the adherence to set rules and standards for the provision of tourist services and facilities; (b) to develop appropriate criteria for the grading and classification of tourist enterprises; (c) licensing and inspection of premises and (d) making recommendations to the Tourist Industry Licensing Board.

Training and Education Section responsible for (a) identifying suitable training institutions and programmes, at home and abroad, of interest to the DoT and the industry in general; (b) make recommendations on the best use of Vocational Training Centres (VTCs) and the University of Botswana to train for the tourism industry; (c) to plan and implement training programmes for the tourism industry; and (d) to raise tourism awareness in the country.

The DoT is also operating additional units:

- Financial Assistance Policy (FAP) Division
  This Division is responsible for the implementation of the Financial Assistance Policy (FAP). The Division is staffed by four officials at DoT headquarters in Gaborone, two at the DoT Regional Office in Maun and one at the DoT office in Kasane. The field staff is functionally accountable to the FAP Division and hierarchically to the local office director.

- Regional Offices Maun & Kasane
  The DoT operates two Regional Offices. These offices are managed by a Regional Tourism Officer who covers them both. They are each staffed by two Assistant Tourism Officers (FAP), two administrative support staff and ancillary staff, for a total of 16 persons. They provide information services to tourists, but mainly handle FAP requests, especially for small enterprises, which are dealt with locally. As a Regional Tourism Officer, the Director sits on the District Development Committee and the District Land Use Planning Unit. The function of these offices seems to need some clarification. The Marketing Division sees them in a marketing function, but the FAP staffing clearly shows their main function.

  Another office is in operation in Selibi-Phikwe and a similar facility is due to be opened in Tshabong.

Overall Assessment
Although the overall structure of the Department of Tourism follows regional standards and specific national requirements, e.g. FAP, it is obvious that the Department has not yet achieved an acceptable level of efficiency and effectiveness or the potential for development and growth.

Major shortcomings and weaknesses that should be addressed are the
- incomplete staffing structure due to lack of suitable candidates,
- somewhat uncertain organisational structure,
- inability to secure sufficient financial resources for its activities

- still incomplete state of some functions, mainly licensing, grading and inspection, and
- incorporation in a bureaucratic environment with its limited room to operate with some flexibility.

However, the necessity to improve this situation has been recognised for some time, and the intention to establish an autonomous institution, e.g. National Tourist Board has resulted in a study to lay the foundation for such a body. Therefore, instead of investing time and money in the reorganisation of the existing Department of Tourism, efforts should concentrate on the establishment of such an institution.

National Advisory Council on Tourism (NACT)
The National Advisory Council on Tourism has been established by statute and reports to the Minister of Commerce and Industry, who will be responsible for appointing its members and an officer of the Ministry to serve as its Secretary. Its members are drawn in roughly equal proportions from the tourism industry, other elements of the private sector with a substantial interest in the development of economy and appropriate agencies of the government, with due regard for regional interests. The Council is authorised to provide the Minister with general advice and specific recommendations on all aspects of tourism policy and administration.

Tourism Industry Licensing Board (TILB)
The TILB is a statutory body consisting of the Director of DoT and five members nominated by the Minister of Industry and Commerce for a period of three years, but eligible for re-appointment. The Board is in charge of the definition and amendment of the licensing and grading policy of tourism sector enterprises, as well as the issue of licences.

Casino Control Board (CCB)
The Casino Control Board was established by the Casino Act (1971) with the function to regulate and control the development of casinos, as well as to define and amend related policies. A study has been completed to present recommendations for an improvement of the sector.

Department of Wildlife and National Parks (DWNP)
As Botswana's tourism product is overwhelmingly dependent on its abundant wildlife, the Department of Wildlife and National Parks (DWNP) plays a leading role in the development and management of tourism over the past decades.

Within the MCI, it is responsible for all aspects of wildlife management in the Parks and Reserves and for the implementation of the Government's policy of wildlife conservation. As manager of the National Parks and Game Reserves, DWNP is primarily responsible for the provision of tourism facilities in these Parks and Reserves and to take the lead in recommending and charging entrance and other fees and charges. It also takes the lead in recommending hunting fees and in setting annual hunting quotas for Controlled Hunting Areas (CHAs). In carrying out these responsibilities, DWNP cooperates with the Department of Tourism in all aspects of tourism policy or administration that are likely to affect wildlife conservation or utilisation.

The establishment of a separate department of tourism outside DWNP was justified on the ground that the marketing of other tourism products (such as cultural heritage) was a task falling outside the scope of DWNP. However, wildlife will remain the main tourist attraction of Botswana to which cultural and historical points of interest may be developed and attached for product diversification. The Department still retains some tourism-related functions and expertise, since tourism was a Unit of this department before it became a separate Department by itself. It appears that a grey area of overlapping functions was inadvertently created and still needs clarification.

Whereas DoT will continue to be accommodated within the MCI, discussions arose in the course of the execution of the reorganisation study, if DNWP with its emphasis on conservation and protection issues on the one hand and limited commercial activities on the other hand should not be incorporated in a ministry more appropriate to the overall targets and tasks of this department. A final decision has not yet been taken.

Local Government Level
The Ministry of Local Government, Lands and Housing is responsible for the efficient operation of Local Authorities. All Council and Land Board Staff are employed by the Unified Local Government Service (ULGS). In addition, it has been agreed that all Tribal Administration (TA) Staff shall be transferred to ULGS.

There are four different types of Local Authorities, viz:
- District and Urban Councils;
- Tribal Administration;
- Land Boards;
- District Administration.

District and Urban Councils have delegated functions stipulated by law. There are nine District Councils and six Urban Councils. Their statutory responsibilities include provision of primary education, primary health care, tertiary and access roads and water supplies.

Tribal Administration is composed of Chiefs, Sub-Chiefs, Headmen, Administrative staff and the Local Police Force. It has traditional and development duties. Elections of the Village Development Committees (VDCs) are done at the kgotla every two years. The VDCs co-ordinate development activities in their village through self-help efforts and by proposing projects for the district councils' consideration and inclusion in the District Council Development Plans.

Land Boards were created under the Tribal Land Act of 1970. There are 12 Land Boards with statutory powers to allocate tribal land for residential, commercial, industrial, arable and grazing use.

It is apparent that local Government institutions play an important role in the socio-economic development of the country. But as tourism is a rather new phenomenon, limited experience and expertise can be expected on district and community levels resulting in a potential obstacle for the planning, implementation and operation of tourism projects. Therefore, the creation of awareness on these government levels is a requirement for the successful development together with the simplification of bureaucratic procedures, which are generally considered an obstacle. The harmonisation of the regulating framework is necessary for the future development of tourism in this area.

The Private Sector

Hotel and Tourism Association of Botswana (HATAB)

The Hotel and Tourism Association of Botswana (HATAB) is a private, non-profit organisation registered under the Societies Act. Its 1999 membership stood at 112, representing 98.5% of the private sector.

The Association classifies its members in nine sectors: (a) airline; (b) air charter; (c) lodges/ camps; (d) mobile safaris; (e) tour operators; (f) hotels; (g) services; (h) restaurants; and (i) hunting. It is trying to expand to include the casino & gambling sector and community sector covering community-operated, tourism-related commercial activities.

HATAB is very much representative of the private sector and aims at being considered, and therefore consulted, by the Government on policies, legislative issues and government regulations that affect its members. As an association of businesses it claims to have a legitimate interest in marketing, product development and diversification, conservation issues and specific needs of its members such as manpower and training. With the development of the tourism industry, and the consequent increase in numbers and variety of enterprises and operators, it may become difficult to represent a balanced view of the industry. Discussions are under way that each sub-sector should eventually form its own association and HATAB become a confederation.

The cooperation between HATAB as the major representative of the private sector and public sector institutions, mainly the Department of Tourism was not always free of tensions, but has apparently improved. HATAB has declared to strengthen the relationship between the sectors and would regard the establishment of a national tourism board as the ideal tool for such a cooperation.

Travel Agents Association of Botswana (TAABOT)

This Association has 16 members whose main line of business is outbound tourism, mainly ticketing. Only four of its members are IATA agents. Some of its members are also tour operators and as such are members of HATAB. TAABOT is recognised by the Airline Association and does some self-policing among its members. In terms of staff training and qualifications, TAABOT recognises the IATA/UFTAA certificates, for which examinations are organised twice a year in Gaborone.

Botswana Wildlife Management Association (BWMA)

The Botswana Wildlife Management Association has 52 members between concessionaires and professional hunters. The Association is part of HATAB.

BWMA is in favour of "high value - low volume" tourism and considers that the (hunting) tourism product in Botswana is far better than in neighbouring countries. This policy is directly linked to the total number of beds allowed on a concession (presently only 32 beds are allowed in a concession of up to 3,000 km²). Therefore, the concessionaire is economically obliged to target the "high Price" segment of the market.

Botswana Confederation of Commerce, Industry and Manpower (BOCCIM)

The Botswana Confederation of Commerce, Industry and Manpower (BOCCIM) is a private, non-profit organisation registered under the Trade Unions and Employers' Organisation Act, 1983. BOCCIM is an independent representative private sector organisation. Its mission is to promote the sustained development of the private sector in Botswana. BOCCIM accomplishes its mission through credible representation of the views of its members to the Botswana Government and to other relevant bodies in an advocacy capacity and through the provision of support services to its members and the business community generally on a financially sustainable basis.

Total membership in 1999 stood at around 1,700 members totalling more than 70,000 employees. BOCCIM has representatives on thirteen Government or other Boards/ Committees in addition to being represented on the High Level Consultative Committee (HLCC) chaired by the President of the Republic through which socio-economic priorities are debated and guidance to ministries are passed on.

BOCCIM strongly supports the establishment of a private-sector driven Tourist Board with executive powers. HATAB is represented on the Executive Council and, therefore, has access to the Presidential High Level Consultative Committee (HLCC).

Non-Governmental Organisations (NGOs)

There are several non-governmental organisations whose activities are related to tourism, mainly in terms of conservation and community-based projects.

Botswana Society
The objectives of the Botswana Society are the encouragement of interest in and research on subjects in the fields of the natural sciences, humanities and arts, especially where such subjects relate to Botswana. The Society aims to cater for such wide interests as history, archaeology, conservation of wildlife, anthropology, geology and biology.

Over the years the Society has organised workshops and symposia and published a number of papers on a wide range of subjects in the above areas of interest. The Society held a Symposium on “Tourism in Botswana” in 1990 which covered many aspects of tourism development both in neighbouring countries and Botswana and substantially contributed to the understanding of the many facets of tourism and its socio-economic impact.

Kalahari Conservation Society (KCS)
The Kalahari Conservation Society (KCS) is an independent non-profit organisation aiming at all aspects of day-to-day conservation of Botswana’s environment. KCS receives funds from corporate and individual members as well as from international and national donor organisations.

Conservation International (CI)
Conservation International (CI) is a NGO based in Washington whose mission is to conserve the earth’s living natural heritage, the global biodiversity, and to demonstrate that human societies are able to live harmoniously with nature.

CI is active in Botswana in the Okavango Delta with a number of projects in its main field of education on environment, science and research and enterprise development for local communities is a key objective, ensuring that communities benefit from using natural resources without harming the ecosystem. The latter target has also special relationships to tourism development.

Botswana Community-based Organisation Network (BOCOBONET)
BOCOBONET aims to promote institutions involved in Community-based Natural Resource Management by playing a meditating role between communities and providers of services, i.e. Government, private sector, NGOs and training institutions. It engages itself in the establishment of an information and communication network between members and in the support and coordination of capacity building. It ensures that appropriate technical services and advice as required by its members are delivered.

3.3 TOURISM INVESTMENT

Background
The objective of Botswana's industrial development policy is to develop the country's industrial sector which will contribute to the national objectives of job creation; training of citizens into occupations with higher productivity; diversification of the productive sectors of the economy and thereby reduce dependence on the two major sources of income, i.e. minerals and beef industry. To achieve these objectives government had to identify those sectors of the economy that can help in the attainment of the industrial policy objectives.

Botswana has almost all the components that make up an attractive investment climate, especially political and economic stability and an open door policy to investment. This allows investors both local and foreign to invest in any sector of the economy and in any project of their choice, with no restriction on ownership, size of investment, sources of funds, technology, methods of training etc. Other factors that are looked at for investment purposes are labour and input costs, taxation and incentives, government subsidies as well as regulatory requirements.

Institutions Facilitating Investment in the Tourism Sector

Botswana Export Development and Investment Authority (BEDIA)
BEDIA is an institution established in 1997 through an Act of Parliament as a national trade and investment promotion organisation. Prior to its establishment, the task of investment promotion was implemented by the Ministry of Commerce and Industry through its Department of Trade and Investment Promotion (TIPA). The establishment of BEDIA is expected to enhance government's efforts of promoting local and foreign direct investment in Botswana. Specifically the organisation is to

- undertake investment and, only formally, export promotion within and outside Southern Africa;
- identify partners in and outside Botswana for business joint ventures in Botswana;
- recommend to government changes in the statutory and administrative framework relevant to investment and export climate of Botswana; and
- ensure that all aspects of the investment processes in Botswana are facilitated.

Like its predecessor, BEDIA's main area of concentration, according to its Promotions Manager, is currently manufacturing. Other sectors such as tourism are not a priority. Since BEDIA is relatively new, its operation cannot be assessed at this stage.

Botswana Development Corporation (BDC)
BDC was established in 1970 as a state-owned development finance institution. The corporation acts as the country's main agency for commercial and industrial development. It

provides

- long term loan financing
- guarantees
- investment advice
- equity participation
- provision of factory shells

The corporation has four operating divisions, namely Agriculture; Property Development & Management; Industry; and Services. Tourism falls under the Services division. BDC has recently been re-organised. Prior to its re-organisation the Corporation had a division that was responsible for overall investment promotion, but that division has since been dissolved. The plan in place now is that each division will be responsible for its investment promotion. According to the Manager of the Services division, there is currently no specific marketing strategy. After the corporation's overall strategy has been developed, divisional strategies will be derived.

In terms of projects BDC has financed about nine tourism projects, mainly in the accommodation sector, i.e., hotels, safari camps, lodges, but also car rentals. The type of financing for these was equity, loans and guarantees. According to BDC's observation, the major problem facing tourism projects is that most of them are located in areas, which are difficult to access, and, therefore makes transport expensive, especially by road. The other problem is lack of proper management, especially in safari camps which are often operated as family businesses.

Financial Assistance Policy (FAP)

FAP is the main incentive programme of the government of Botswana. It is a system of grants that are available to both citizen and foreigners. It was established in 1982 and designed to assist with setting up or expansion of private sector businesses in the sectors of manufacturing, agriculture, small mining, mineral processing, tourism and linking services. However, FAP for tourism only started in 1996.

The grants are for a period of five years and are divided into three categories on the basis of fixed investment as follows:

- Small scale projects - up to P75 000;
- Medium scale projects - P75 001 to P2m; and
- Large scale projects - over P2m.

Components of the grant are:

- Capital grant, which is calculated on the basis of the number of jobs created as follows: P1500 per job created for a citizen owned project and P1000 per job created for foreign owned project and joint ventures;
- Training grant, which is the reimbursement of 50% of the training costs;
- Unskilled labour grant, which is partial reimbursement of wages paid to unskilled employees as follows: 80% in years 1 and 2; 60% in year 3; 40% in year 4; 20% in year 5.

When FAP was extended to tourism in 1996, the following projects were identified to benefit from the scheme:

- Accommodation providers such as hotels, lodges, motels, guest houses, tourist apartments, tourist camps, caravans, hunting camps, and tented tourist camps;
- Safari or tour operators;
- Any enterprise that receives and transports travellers and guests; and
- Transport companies that provide service exclusively for tourists.

In the three years in operation, a total of seventy-seven applications have been received. The table below gives a summary of the status of these applications:

Number	*Small scale*	*Medium scale*	*Large scale*
Total Applications	**54**	**18**	**5**
Approved	29	12	5
Operational	10	2	2

From this table it is apparent that more than half of the approved projects are not operational. This situation is even worse for the medium and large-scale category. The reasons for this as advanced by the investors themselves and supported by an in-house assessment of the scheme by the Department of Tourism are:

- High contribution required from investors which render grants negligible. For medium and large-scale projects contribution accounts for over 90% of total investment. The reason for this high contribution is said to be the use of the labour intensity in determining grants.
- The training grants are also said to be of very little help to investors in the tourism sector. These grants are only for a period of five years and are limited to unskilled labour, although in the tourism sector there is a need for continuous training and upgrading of skills to improve the quality of service and thereby ensure a continuous flow of customers.
- In addition to the approved non-operational projects there is also the issue of inquiries that cannot be turned into concrete applications. The FAP unit of the Department of Tourism is said to receive on average five inquiries per day. This is as a result of the fact that although the small-scale category is easier to apply for and yields a higher grant, the investment limit is too low for tourism projects. With the prices of capital equipment increasing, P75,000 is a relatively small amount.
- Although medium and large scale projects yield very low grants, the costs of applications are high as medium and large-scale project promoters are required to submit detailed business proposals including environmental impact assessments mostly to be prepared by consultants.

Because of these obvious deficiencies, FAP is currently being reviewed.

Policy on the Small, Medium & Micro Enterprises (SMME)

The Ministry of Commerce & Industry appointed a task force in May 1997 to comprehensively address the small, medium and micro enterprises (SMMEs) issues and steer the development of an SMME policy. As a consequence, a "Policy on Small, Medium & Micro Enterprises in Botswana" Government paper No. 1 of 1999 was put in place. In the task force's view the fundamental constraint for businesses in SMMEs in Botswana is more "a lack of entrepreneurial skills rather than a lack of finance". The thrust of the policy is, therefore, to provide specific assistance to this sector. The following has been put in place:

- Micro credit scheme, which provides loans at market interest rates and repayment period of 36 months. The loans range from P5,000 to P20,000.
- Credit guarantee scheme which guarantees loans to citizen-owned businesses up to a maximum of P250,000. The guarantee is up to 60% of the bank's exposure.

Other Sources of Assistance

In addition to the above there are other sources of funding such as commercial banks and the National Development Bank. There is a general reluctance by commercial banks to assist small businessmen, because they are viewed as being a high-risk category.

Conclusions

The status of tourism in the past has led to very little attention for the sector in terms of investment promotion for a number of reasons. Although some of these apply specifically to the tourism sector, most are also relevant to investment promotion in Botswana in general.

Lack of Emphasis of Promotion on the Tourism Sector

Even after government has identified tourism as a potential engine of growth, there are still very minimal efforts to promote investment in the sector. For instance, BEDIA, a body established to promote investment in the country in general, has indicated that it is presently focussing only on the manufacturing sector.

Lack of Tangible Project Ideas

Even if the general policy conditions for foreign businesses are in place, the most important variable for firms is to find an appropriate target for investment. In Botswana there is an absence of ready projects that an investor can approach. The promotion is general and geared to market opportunities. The development of projects would make promotion easier and more focused, as can be experienced in countries like Kenya and Malawi. Ready projects can also facilitate development of joint ventures and even the sourcing of technical and financial assistance from outside organisations.

Lack of Incentives

Currently there are no special incentives for the tourism sector. The current incentive programme FAP is not effective in facilitating investment in the tourism sector because of the limitations identified. It has, however, been argued that incentives alone are not effective in attracting investment. As already indicated the tourism industry is sensitive to the socio-political environment. Investment security, therefore, must be provided to win confidence. Without this confidence, incentives alone would be of little value in attracting investment.

Unavailability of Land

The other issue is that tourism depends on the availability of land. Botswana government and tribal administrations own big tracts of land. Government can make land available to investors and provide the necessary infrastructure such as access roads, water and power.

Lack of Citizen Involvement

The Botswana tourism industry is largely dominated by foreigners. This fact is, however, not peculiar only to the tourism sector, but it applies to most of the other sectors. The major problem identified has been mainly lack of entrepreneurial tradition and managerial skills. So far, numerous initiatives by government to encourage local participation in business have not achieved significant results. There is, therefore, a need for continuous training, which should encompass issues of project preparation and management.

Other ways of imparting skills are through joint ventures and linkages. In the tourism sector there is very little of these happening. BDC as a joint venture partner with the aim of divesting after some time and selling its shares preferably to citizens has not been effective. These shares usually end up in the hands of foreigners, as locals have not been able to raise the capital required.

4. TOURISM PRODUCT

4.1 TOURIST ATTRACTIONS

Natural Attractions
Wildlife and wilderness are Botswana's outstanding tourism assets. The BTDP Tour Operator Survey indicated that Botswana's wildlife is regarded as one of the best, if not the best in Africa, both in terms of variety and numbers.

17% of the country has been designated as National Parks and Game Reserves and an additional 20% as Wildlife Management Areas (WMAs).

However, there are significant differences in their use for tourism. Unanimously, the Okavango Delta, the largest inland wetland habitat of this type in the world covering up to 13,000 km², is considered the most important attraction in Botswana followed by the Chobe National Park. This destination is often combined with a visit to the Victoria Falls in neighbouring Zimbabwe.

Both the Okavango Delta and the Chobe National Park are well developed for tourism in terms of access, accommodation and tourism services and, therefore, attract a significant number of international tourists.

The other national parks and game reserves are less known and visited:

- Central Kalahari Game Reserve (CKGR), which is amongst the largest protected areas in the world at 52,000 km²;
- Khutse Game Reserve south of the CKGR, the smallest reserve in size and the nearest to Gaborone;
- Makgadikgadi and Nxai Pan National Parks, because of their proximity to Maun sometimes included in tour operator circuits; and
- Kgalagadi Transfrontier Park (formerly Gemsbok National Park) in the Southwest bordering South African Gemsbok Park.

There are other places of natural or scenic interest spread over the country, but access is often time-consuming and difficult.

This does not only apply to remote areas like
- Tsodilo Hills,
- Gcwihaba Caverns (also known as Drotsky's caves),
- Aha Hills,

but also to potential sightseeing spots in the southern areas, e.g. around Gaborone.

In summary, apart from the outstanding wildlife and wilderness in the north of Botswana, the country offers only a limited number of natural tourist attractions.

Historical and Cultural Attractions
The BTDP Tour Operator Survey revealed that cultural, archaeological and historical attractions do not play any remarkable role as components of the present tourism product, not only with regard to tourists from overseas, but also from the region, mainly South Africa.

Although there are a number of historical and cultural attractions in Botswana, it is felt that they are not in themselves sufficiently attractive to motivate tourists to visit Botswana for this reason alone. However, there are discussions that they can be used to add value and lengthen the average duration of stay to the existing 'mainstream' wildlife vacations. In addition, some sites and features could become the basis for special interest tours.

Currently, very little information has been published about easily accessible sites. One reason for this is that they are unprepared for tourism and unprotected against possible vandalism; another is that adequate funds to develop these sites were not available. Apparently the vicious circle "no knowledge – no demand - no funds - no or inadequate presentation – no visits etc" could not be broken yet.

If the tourism industry is to expand outside its present narrow base, there is a need *inter alia* to develop and promote Botswana's archaeological, cultural and historic sites as well as traditional folklore including music, dance, handicraft, cuisine etc.

Activities and Sports

Visitors to Botswana can enjoy a wide range of nature-based activities, especially at camps and lodges in the Delta and the Northeast. Beside game viewing, bird watching and trail walks, they include elephant rides, canoeing, horse-riding, fishing, motor-biking and others. These activities can be undertaken on their own or combined with others. Otherwise, opportunities for sporting and recreational activities, both for visitors and citizens, are limited. Golf clubs exist in the cities and major towns, but these are used mostly by residents. The same applies to the limited water sport activities on the Gaborone Dam.

Seven gambling casinos exist in Gaborone and other major towns in the country. Gambling may be considered a tourist attraction for South African visitors to a certain extent, but it is definitely no asset for overseas visitors, also in view of the proximity to Sun City.

Visits to the diamonds mines in Orapa and Jwaneng can be organised, but knowledge about this opportunity is not widespread and no promotion is made so far.

Conference Facilities

Conference facilities are found in most of the large hotels, especially in Gaborone and Francistown. The largest facilities are at the Botswana Conference & Exhibition Centre in Gaborone (maximum of 4,000 persons), the Gaborone Sun (maximum 500 persons) and the Grand Palm Hotel (maximum 350 persons). Facilities for smaller conferences, meetings and retreats exist at a large number of other locations throughout the country.

The facilities serve the local and to a certain extent the regional markets and are well occupied, as demand seems to exceed supply.

Tour Companies

Several companies, especially in Maun offer tours in and out of Botswana, but most of the tours available from Gaborone are to resorts and destinations in South Africa rather than to those inside Botswana. The fact that tourists especially, from South Africa, arrange their trips individually also limits the services of those companies.

A number of companies act as ground handlers for overseas tour operators and provide high level services to their clients as confirmed by the Tour Operator Survey.

4.2 TOURIST ACCOMMODATION

Supply of Tourist Accommodation

By 1998, it is estimated from a survey carried out under the BTDP that the total number of rooms in serviced accommodation amounted to 2,376 rooms spread over 132 establishments.

There was a total of 840 rooms in the primary North and Northeast tourist area, including Maun/Okavango (494 rooms), Kasane/Chobe (245 rooms), Shakawe (41 rooms), Nata (30 rooms) and the Gweta area (30 rooms).

The rooms in serviced accommodation in 1998 were split down into the following:

- Small lodges and safari camps – 699 rooms in 91 establishments.
- Large lodges – 201 rooms in 3 establishments
- Small hotels/guest houses (less than 40 rooms) – 427 rooms in 27 establishments
- Large hotels (40 rooms or more) – 1,049 rooms in 11 establishments

In addition, a total of some 1,952 bed places are available in public and HATAB camp sites in the Protected Areas.

Table 2: Regional Distribution of Tourist Accommodation (1998)

Location	**1998**	
	Rooms	**% of total**
Gaborone	895	37.7
Francistown	201	8.4
Other Towns and Villages	475	20.0
Maun/ Okavango	494	20.8
Kasane/ Chobe	245	10.3
Tuli Block	66	2.8
Total	**2376**	**100.0**

Sources: BTDP estimates (1998 data)

Bed-nights

In 1997, an estimated total of around 527,000 bed-nights were sold to guests staying at the surveyed hotels and safari camps in Botswana. Of these, approximately 62 percent were sold to non-citizens. According to the CSO data, the proportion of bed-nights occupied by citizens increased from 26 percent in 1996 to 38 percent in 1997**.** It should be noted that these figures are for responding establishments only.

In addition to hotels and lodges, some 90,000 nights were spent by campers in the National Parks and Game Reserves in 1997. This figure includes citizens and residents of Botswana.

No data is available for nights spent in privately-owned campsites.

Occupancy Rates

For responding establishments, the average room occupancy was 57.9 percent in 1997 and the average bed occupancy was 40.1 percent. Average occupancy rates declined between 1991 and 1995 but rose in 1996 and (more sharply) in 1997.

Average bed occupancy rates have increased for each month between 1995 and 1997, especially for the period September to December with December alone showing a remarkable increase from 32.9 percent in 1995 to 52.4 percent in 1997.

In each year, the lowest average bed occupancy rates were recorded in the months of January, February, March and May.

Occupancy by Region

Average room and bed occupancy tended to be highest for responding hotels in the Gaborone area, and lowest for establishments in the Tuli Block area. The North West enjoyed above-average bed occupancy in January, March/April, June/July and October.

Visitors to North West Tourist Area

The available data would seem to indicate that some 45,000 foreign visitors stayed at hotels, lodges and fixed safari camps in the North and Northeast Tourist Area in 1997. A further 93,000 overnight visitors stayed in the Northern National Parks and Reserves in, but of these more than half were clients of fixed lodges or camps and would therefore have been wholly or partially included in the CSO accommodation survey.

Avoiding double-counting, the hotels, lodges, fixed safari camps and campsites in the North West Tourist Area may have attracted in the order of 100,000 foreign stayover tourists in 1997. In addition, there were an estimated 39,000 day visitors to the National Parks and Reserves in this area.

Altogether, therefore, visitors to the North West Tourist Area may have totalled 139,000 in 1997, or around 75 percent of total holiday/tourist arrivals in that year.

Ownership and Management

One of the major ownership companies is Botswana Hotel Development Ltd., a wholly-owned subsidiary of the Botswana Development Corporation (BDC). Its primary assets are Thapama Hotel/Francistown (96 rooms), Rileys Hotel/Maun (51 rooms), Cresta Lodge/Gaborone (160 rooms) and Gaborone Travel Inn/Gaborone (44 rooms).

In addition, BDC has invested in Global Resorts (Botswana), which operates the Grand Palm Hotel and Casino in Gaborone, Mashatu Game Lodge in the Tuli Block, Cumberland Hotel in Lobatse, Centre Hotel in Kanye, Into Africa Safaris based at the Mowana Safari Lodge in Kasane and Skatul Safaris in Maun.

In 1996, the number of rooms in BDC-assisted properties amounted to 877 or 37 percent of the estimated total tourist accommodation in Botswana in 1998.

The major management company is Cresta Marakanelo. The Botswana Development Corporation (BDC) holds 60 percent of the shares in Cresta Marakanelo; the remaining 40 percent is held by TA Holdings of Zimbabwe.

Cresta Marakanelo manages the following properties:

- Best Western (Thapama Hotel/ Francistown, Rileys Hotel/ Maun, President Hotel/ Gaborone, Bosele Hotel/ Selibi-Phikwe);
- City Lodges (Cresta Lodge/ Gaborone);
- Travel Inns (Gaborone Hotel. i.e. Gaborone Travel Inn), Botsalo Hotel/ Palapye);
- Safari Lodges (Mowana Safari Lodge/ Kasane)

The total number of rooms in Cresta-managed properties is 614, or approximately 26 percent of the estimated 1998 total.

Among the largest companies operating in the Okavango Delta are Wilderness Safaris (91 rooms), Desert & Delta Safaris (44 rooms) and Gametrackers (39 rooms).

4.3 NATIONAL PARKS AND RESERVES

Visitors

It is estimated that some 90 percent of all persons coming to Botswana for a vacation come primarily for a wildlife-based vacation. This proportion varies according to country of origin, with visitors from South Africa (20 percent) and other parts of Africa (21 percent) more likely to come for other vacation purposes such as sporting occasions or special interest field trips. The majority visit the national parks and reserves.

Paying Visitors

In 1998, a total of 159,652 *visits* were made by paying visitors to the national parks and reserves. Of these, 51,654 (32.4 percent) were private, self-drive visitors, 46,502 (29.1 percent) were clients of mobile operators and 61,496 (38.5 percent) were clients of fixed camps or lodges. It may be noted that the actual number of *visitors* would be less than the number of visits as some persons would make more than one visit.

Table 3: National Parks and Reserves: Number and Category of Visits (1998)

Park and Reserve	Private	Mobile	Fixed	Total
Central and Southern Parks and Reserves				
Gemsbok NP	1,835	38	-	1,873
Central Kalahari GR	2,495	581	-	3,076
Khutse GR	3,208	84	-	3,292
Sub-total	**7,538**	**703**	**-**	**8,241**
Northern Parks and Reserves				
Chobe NP	26,627	27,028	44,390	98,045
Moremi WR	14,560	17,890	17,106	49,556
Makgadikgadi GR/Nxai Pan GR	2,929	881	-	3,810
Sub-total	**44,116**	**45,799**	**61,496**	**151,411**
TOTAL	**51,654**	**46,502**	**61,496**	**159,652**

Source: Department of Wildlife and National Parks

The Northern Parks and Reserves attracted 95 percent of total visits by paying visitors in 1998, with Chobe National Park (61 percent of the total) and Moremi Wildlife Reserve (31 percent) the most visited individual parks or reserves.

Country of Residence

Analysis by country of residence shows that visitors from Europe (excluding the United Kingdom) formed the largest single category, accounting for 31.9 percent of the total visits. Next in order of size were visitors from South Africa (17.9 percent), United Kingdom (10.3 percent), North America (10.3 percent) and Australia/New Zealand (6.5 percent).

Botswana citizens and residents accounted for 6.3 percent and 8.8 percent, respectively, of total visits.

Table 4: National Parks and Reserves: Visitors by Country of Residence, 1998

Country of Residence	Northern Parks and Reserves	Central/ Southern Parks/ Reserve	Total	% of total
Day Visitors	46,987	658	47,645	29.8
Overnight Visitors	104,424	7,583	112,007	70.2
Total Visitors	**151,411**	**8,241**	**159,652**	**100.0**
Citizens	9,043	705	9,748	6.1
Residents	10,015	2,411	12,426	7.8
South Africa	23,246	3,451	26,697	16.7
Other Africa	3,284	155	3,439	2.2
United Kingdom	15,216	198	15,414	9.7
Other Europe	55,691	1,007	56,698	35.5
North America	18,379	128	18,507	11.6
South America	3,275	26	3,301	2.1
Asia	3,869	5	3,874	2.4
Australia/New Zealand	8,451	65	8,516	5.3
Other	942	90	1,032	0.6
Total Visitors	**151,411**	**8,241**	**159,652**	**100.0**

Source: Department of Wildlife and National Parks (totals derived by Consultant)

When one compares visits to the national parks and reserves by country of residence with the number of holiday/tourist arrivals from each country, it would appear that whereas the great majority of the visitors to Botswana from Europe, North America and Asia/Pacific make one or more visits to the national parks and reserves, the same is not true for the visitors from South Africa whose total visits to these areas represented only 25 percent of total holiday/tourist arrivals from South Africa in 1998.

The implication is that most of the South African visitors visit other parts of the country outside the national parks and reserves; some may also be in transit through Botswana.

Average Length of Stay and Number of Persons per Vehicle

Average length of stay has been estimated at 2.3 to 2.7 nights for visitors to the central and southern parks and reserves, and slightly lower - 1.3 to 2.1 nights - for the Northern parks and reserves. The average number of persons per vehicle varied from 2.7 to 3.5 for private visitors and from 4.5 to 5.2 for mobile visitors.

Revenue

In 1998, a total of P10.6 million was collected in revenues from visitors to the national parks and reserves. Of this amount some 46 percent was generated by visitors to Chobe National Park and 41 percent by visitors to Moremi Wildlife Reserve. It should be noted that most of the accommodation facilities are situated outside the parks

Park and game reserve entrance fees for 1998 were 83 percent higher than the total entrance fees collected in 1995. It is believed that these figures could under-estimate the total amount of revenue payable by visitors.

Trend in Visitor Numbers

The number of visits increased from 100,668 in 1995 to 159,652 in 1998, an increase of 59 percent. The largest increase, both in percentage and absolute terms, occurred at Chobe National Park.

Day visitors increased by 20 percent in 1998 compared with an increase of 10.6 percent in the number of overnight visitors.

Table 5: **Northern Parks and Reserves - Number and Category of Visits by Paying Visitors (1995-98)**

Park or Reserve	**1995**	**1996**	**1997**	**1998**	**% change 1995-98**
Northern Parks and Reserves					
Chobe NP	62,429	70,863	85,918	98,045	57.1
Moremi WR	36,074	38,204	42,987	49,556	37.4
Magadikgadi GR/Nxai Pan GR	2,165	3,338	3,344	3,810	76.0
Total	**100,668**	**112,405**	**132,249**	**151,411**	**50.4**
of which :Day Visitors	n. a.	n. a.	**39,167**	**46,987**	n. a.
Overnight Visitors	n. a.	n. a.	**94,402**	**104,424**	n. a.
Total	**100,668**	**112,405**	**132,249**	**151,411**	**50.4**

Source: Department of Wildlife and National Parks

Carrying Capacity

A total of some 2,064 bed places are presently available within the Protected Areas. These are provided in a range of accommodation, including permanent lodges (e.g. Chobe Game Lodge), non-permanent lodges, mobile (HATAB) camp sites, public campgrounds, wilderness camp sites, observation hides, educational group camp grounds.

According to information provided by DWNP, the number of *permitted* bed spaces in all forms of accommodation (lodges, private campsites, public campsites, etc) is 3,804.

Based on information provided by DWNP on the number of permitted bed places in each of the Protected Areas and various assumptions (derived from DWNP data) regarding average occupancy and length of stay parameters, it is estimated that together the Protected Areas could accommodate a total of about 384,000 overnight visitors annually under existing carrying capacity criteria.

However, it is noted that some sites within the Protected Areas already experience extremely high levels of utilisation during the peak season, especially in Chobe National Park and Moremi Game Reserve.

Existing pressures, both at public and HATAB campsites may to some extent be alleviated by the planned increase in the number of permitted bed places from 2,064 to 3,804.

Table 6: National Parks and Reserves: estimates of carrying capacity

Park or Reserve	Total Permitted Beds/Visitors	Assumed Occupancy Rate (%)	Average Length of Stay (nights)	Overnight Visitors (maxi-mum)	Overnight Visitors 1998
Central/ Southern Parks and Reserves					
Gemsbok NP	174 beds[1)]	20	2.4	5,293	1,437
Central Kalahari GR	342 beds[2)]	25	2.7	11,558	2,990
Khutse GR	67 beds[2)]	20	2.3	2,126	3,156
Sub-total	**583 beds**			**18,977**	**7,583**
Northern Parks and Reserves					
Chobe NP	1,511 guests[3)]	60	1.7	194,652	62,302
Moremi WR -West -East	1,490 guests 978 guests[4)] 512 guests[5)]	60	2.1	155,386	39,053
Nxai Pan GR	138 guests[6)]	30	1.7	8,889	3,072*
Magadikgadi GR	82 guests[7)]	25	1.3	5,756	
Sub-total	**3,221 guests**			**364,683**	**104,427**
TOTAL	**3,804 guests**			**383,660**	**112,010**

Source: Department of Wildlife and National Parks/ Consultant's estimates * includes Makgadikgadi Pan

1) Existing capacity for about 150 people; to this will be added a lodge of up to 24 beds; carrying capacity is to be addressed in the next edition of the Kgalagadi Transfrontier Park plan (DWNP personal communication, 24 September 1999);.
2) Central Kalahari and Khutse Game Reserves, Second Draft Management Plan, 12 November 1998
3) Number of visitors permitted allocated according to accommodation type;
4) The maximum number according to the allocation proposed is actually below the number specified in the estimate of visitor carrying capacity (2,339 visitors, including both overnight and day visitors) in the Chobe National Park Management Plan, Draft No. 3, March 1997
5) Carrying capacity, West Moremi, Phase I (data supplied by DWNP 24 September 1999)
6) Number of guests that can be accommodated at *existing* HATAB and public campsites plus Camp Moremi, Camp Okuti and Moremi Safaris (data supplied by DWNP 24 September 1999)

4.4 TOURISM INFRASTRUCTURE

Air

The main point of entry by air is through Sir Seretse Khama Airport which is situated 10 kilometres north of Gaborone. With a runway of 3000 metres in length and 45 metres wide, the airport is capable of handling wide-body aircraft. However, with the suspension of British Airways direct flights from London in March 1999, no international airline is serving Gaborone, so that all overseas visitors have to use other gateways, mainly Johannesburg.

The principal source and destination of flights to Sir Seretse Khama Airport is Johannesburg. On average, the airport handles eight inbound and outbound flights to and from Johannesburg daily. Because of this low number of aircraft turnarounds, no significant terminal congestion exists. The airport had almost 59,000 international arrivals in 1998.

Sir Seretse Khama Airport also handles domestic flights to the other airports in Botswana, mainly Maun, Kasane and Francistown. These airports also facilitate international arrivals and departures in Botswana (mainly from South Africa, Namibia and Zimbabwe) but numbers of flights and passengers are much lower than those passing through the airport at Gaborone. The above mentioned airports have recently upgraded their facilities. Maun airport is an important gateway for tourists visiting Botswana.

Except for some regular charters to Ghantsi and Selibi-Phikwe, all scheduled domestic flights are operated by Air Botswana.

All airports in Botswana handle air charters from various destinations. Air charters can also be arranged to various remote destinations within Botswana and landing strips for small twin engined-aircraft are spread across the country, mainly in the major tourist areas of the Okavango Delta and Chobe.

Rail

With only one main rail track in Botswana, trains operate between Lobatse (via Gaborone) to Francistown. The service is scheduled twice daily. Botswana Railways operate these trains and schedules are mostly reliable. The trains have first and second classes and include comfortable and air-conditioned sleeping compartments in first class. All trains have light refreshments and bar facilities on board. The travel time between Gaborone and Francistown is approximately nine hours at night and 6½ hours by day.

Fares are relatively low when compared with European standards with a first class return fare Gaborone-Francistown-Gaborone costing Pula 212 inclusive of sleeping berth. All sleeping compartments are for four passengers. However the rail network is not used very much by tourists. Attempts to establish a tourist route like the "Blue Train" have failed.

A trans-national train operated by South African Railways from Johannesburg to Bulawayo has terminated service.

Road Network

Since gaining independence, the Government of Botswana has invested heavily in the country's road network. High quality tarred and well-maintained roads connect all major centres of population. It is possible to drive from South Africa (Tlokweng in the south) through Botswana to Zimbabwe (Kazangula in the north) and from east to west to Windhoek in Namibia on the Trans Kgalagadi highway.

Secondary routes, mainly constructed from gravel, cover many rural areas. Most of these roads can be driven by normal saloon cars. However certain routes and particularly those in the Tuli Block, the Okavango Delta, Chobe and Moremi Game Reserve, i.e. the main tourist areas can only be travelled using 4-wheel drive vehicles.

As Botswana is a landlocked country surrounded by Namibia, South Africa and Zimbabwe, access by road is of crucial importance. For this reason there are in excess of 20 land border crossings the main ones being Tlokweng, Ramatlabama, Martin's Drift, Pioneer Gate (all South Africa), Kazangula Road, Ramokgwebane (all Zimbabwe) and Mamono (Namibia). The vast majority of international arrivals gain access to Botswana using these land border posts as opposed to flying to one or other of the airports already mentioned above.

5. MARKET EVALUATION

5.1 TOURIST ARRIVALS

Tourism Statistics
Some deficiencies still exist in the timeliness and coverage of the tourism statistical information available in Botswana, despite ongoing work by the Central Statistics Office on the computerisation of the processing of tourism statistics and the development of new forms (including the entry/departure form and accommodation establishment form).

WTO/UNDP, in collaboration with the BTDP, is also providing assistance to the Department of Tourism on the development and implementation of an improved tourism information system.

When compiling and analysing tourism statistics, the international definitions of visitor advocated by the World Tourism Organisation should be followed, namely: *Any person travelling to a place other than his/her usual environment for less than 12 consecutive months and whose main purpose of trip is other than the exercise of an activity remunerated from within the place visited.*

The existing published data include a number of categories which, according to international definitions, should be *excluded* from the definition of 'visitor', namely

- persons coming to Botswana for employment purposes,
- persons staying within the country for not more than 48 hours for 'transit' purposes.

Another weakness is that there is no breakdown between day visitors and stayover tourists.

Visitor Numbers to Botswana
According to the latest figures provided by the Central Statistics Office, the total number of arrivals to Botswana in 1998 was 1,234,635 compared with 1,162,774 in 1997 and 961,844 in 1993.

When transit visitors, residents and persons coming to Botswana for employment purposes are excluded from the total, the number of genuine tourists is considerably less than the total number of arrivals.

It is estimated that the number of *bona fide* tourists amounted to 796,651 in 1998. Of these, 203,172 (25.5 percent) came mainly for holiday reasons, 112,273 (14.1 percent) mainly for business reasons, 317,357 (39.8 percent) mainly as visitors (which may include day visits as well as to visit friends/relatives), and the remaining 163,849 (20.6 percent) for other reasons, including 'unknown or not stated'. These figures include day visitors.

Holiday/Tourist was the only category to show an increase (90 percent) over the period 1993-98. Persons visiting friends or relatives may be included in the 'holiday/tourist' category in which case the published statistics would overstate the number of tourists coming to Botswana purely for holiday reasons, i.e. tourists having no personal or ethnic connections with Botswana.

Table 7: Visitor Arrivals by Purpose of Visit (1993-98)

Category	1993*)	1994	1995	1996	1997	1998	Change 1993-98 (%)
Holiday/Tourist	106,800	111,776	148,160	163,687	184,475	203,172	+90.2
Business	169,566	113,850	78,381	78,894	86,442	112,273	- 33.8
Visitor	354,662	253,899	238,385	216,150	297,175	317,357	- 10.5
Other	204,319	150,433	134,751	172,557	163,135	163,849	- 19.8
TOTAL	**835,347**	**629,958**	**599,677**	**631,288**	**731,227**	**796,651**	**- 4.6**
TOTAL (excluding Other)	**631,028**	**479,525**	**464,926**	**458,731**	**568,092**	**632,802**	**0.3**

Source: Central Statistics Office * includes persons stating Botswana as their country of residence

Market Trends

Table 8 shows the trend in arrivals classified by purpose of entry and country of residence for the period 1994-98 (purpose of entry classified by country of residence data was not available for 1993).

For holiday/tourist arrivals, South Africa was by far the largest single source market in 1998, generating over half (51.5 percent) of the total with arrivals from other African countries representing a further 15.4 percent. The second largest market after South Africa is Zimbabwe (9.9 percent of the total) but, although recorded as holiday/tourist visitors, this number may include traders as well as bona fide holiday tourists. This is particularly true of Zimbabweans using the Ramokgwebana border post.

However, analysis of visits to National Parks and Reserves (by both day and overnight visitors) shows South Africans forming a much smaller proportion of the total (17 percent in 1998) and Europeans a much higher proportion (45 percent) suggesting that some of the South African holiday tourists may be visiting Botswana for other than wildlife holiday reasons.

Having increased by a remarkable 58 percent in 1995, holiday/tourist arrivals from South Africa grew by a much more modest rate of 3.3 percent in 1996 and 5.8 percent in 1997. Unlike most other markets (which suffered a decline in 1998) the growth rate for South African arrivals accelerated to 16 percent in 1998.

Europe generated some 17 percent of total holiday/tourist arrivals in 1998, including the United Kingdom (6.3 percent), Germany (3.6 percent) and Other Europe (7.1 percent). The overall increase in holiday/tourist arrivals from Europe was 24.7 percent between 1994 and 1998, with most markets showing substantial gains - except Germany, where arrivals fell by 17.8 percent over this period. Arrivals from most European markets fell in 1998.

Other significant markets include the United States (3.7 percent of the total) and Australia (2.4 percent).

'Visitor' arrivals grew by a more modest 25 percent between 1994 and 1998, while the number of business visitors actually declined by 0.8 percent.

Table 8: Tourist Arrivals in Botswana by Country of Residence (1994-98)

COUNTRY OF RESIDENCE	1994	1995	1996	1997	1998	Change 1994-98 (%)
Holiday/Tourists						
South Africa	52,141	82,397	85,122	90,082	104,700	100.8
Zimbabwe	13,932	16,921	16,736	20,090	20,091	44.2
Zambia	2,289	3,580	4,235	3,960	3,464	51.3
Namibia	2,060	3,264	2,996	3,647	4,430	115.0
Other Africa	2,530	3,194	4,199	3,394	3,225	27.5
Sub-total	**72,952**	**109,356**	**113,288**	**121,173**	**135,910**	**86.3**
United Kingdom	10,108	7,950	10,803	13,488	12,777	26.4
Germany	7,131	6,213	6,411	6,585	5,863	-17.8
Other Europe	9,334	9,036	11,256	14,315	14,487	55.2
Sub-total	**26,573**	**23,199**	**28,470**	**34,388**	**33,127**	**24.7**
United States	4,649	4,275	5,448	6,467	7,552	62.4
Canada	646	720	1,105	1,081	1,112	72.1
Sub-total	**5,295**	**4,995**	**6,553**	**7,548**	**8,664**	**63.6**
Australia	2,497	3,583	4,359	5,004	4,833	93.6
New Zealand	892	1,007	1,359	1,601	1,265	41.8
Sub-total	**3,389**	**4,590**	**5,718**	**6,605**	**6,098**	**79.9**
Japan	461	775	1,149	1,616	1,247	170.5
Rest of World	1,024	1,140	1,427	1,876	1,811	76.9
Unknown	2,082	4,105	8,654	11,269	16,315	683.6
TOTAL	**111,776**	**148,160**	**165,259**	**184,475**	**203,172**	**81.8**
Business	**113,176**	**148,296**	**79,845**	**86,442**	**112,273**	**-0.8**
Visitor	**253,899**	**238,385**	**217,722**	**297,175**	**317,357**	**25.0**
Other	**150,433**	**134,751**	**172,557**	**163,135**	**163,849**	**8.9**
GRAND TOTAL	**629,958**	**599,677**	**631,288**	**731,227**	**796,651**	**26.5**
TOTAL (excluding Other)	**479,525**	**464,926**	**458,731**	**568,092**	**632,802**	**32.0**

Source: Central Statistics Office **Note:** figures exclude residents of Botswana

Mode of Travel and Border Post

In 1998, some 91 percent of total arrivals entered Botswana by road, 6.2 percent by air and the remainder by rail.

For *holiday/tourist* visitors, the main border entry points in 1998 were Tlokweng Gate (53,630), Kazungula Road (32,040), Ramokgwebana Road (17,150), Martins Drift (15,590), Sir Seretse Khama Airport (14,660), Pioneer Gate (11,880), Ramatlabama Road (11,140), Mohembo (8,110) and Maun Airport (7,380).

Seasonality
For holiday/tourist visitors, the most popular months were July/August (23.2 percent of total arrivals), followed by April (10.4 percent), October (9.9 percent), May (8.9 percent) and September (8.8 percent). January, February and March were the least popular months. For the other purpose of visit categories, July and August also tended to be the most popular months to visit Botswana (plus April for 'visitors').

Table 9: Distribution of Tourist Arrivals by Month and Purpose of Visit (1997)

Month	**Holiday/Tourist**	**Business**	**Visitor**
January	6.3	6.6	7.9
February	6.1	8.2	6.6
March	6.1	5.7	5.9
April	7.4	7.0	11.1
May	8.9	10.2	9.3
June	7.8	7.7	7.3
July	11.6	10.5	10.9
August	11.6	10.4	10.3
September	8.8	8.1	8.3
October	9.9	9.8	6.5
November	8.0	9.0	6.2
December	7.5	6.8	9.7
TOTAL	**100.0**	**100.0**	**100.0**

Source: Central Statistics Office; figures exclude residents of Botswana

Analysis by country of nationality shows that:

- Apart from December (which is the peak month) and February (which is the trough), there is no pronounced monthly or seasonal variation in the pattern of departing South African visitors;
- Departures of European visitors are concentrated in the period August to October (37 percent of the total); June is the least popular month;
- Over half (52 percent) of total U.S. departures are concentrated in the four month period July to October; January and February would seem to be the least popular months for U.S. visitors.

As tourism demand to Botswana increases, a more significant seasonal pattern is likely to emerge. The reason for this is that 'business' and 'visitor' traffic tends to be rather evenly distributed throughout the year, whereas holiday traffic tends to be more peaked at certain times of the year, especially the main game viewing period of June to October, and the peak holiday seasons in the principal tourist-generating markets.

Length of Stay
The most recent CSO information is for 1993 when the average length of stay of all departing *visitors* was given as 4.94 days. No breakdown is available by purpose of visit or by country of residence.

It is believed that tourists coming to Botswana for holiday purposes may have a longer average length of stay than business visitors. For example, according to the BTDP Visitor Surveys carried out in June 1998, the average length of stay was 6.4 nights for all respondents but this varied from 6.3 nights for vacation visitors, to 5.5 nights for business visitors and 7.3 nights for all other visitors.

Visitor Expenditure
Based on the findings of the Visitor Surveys, it has been calculated that an estimated P1.1 billion was spent by the tourists who visited Botswana in 1997. The expenditure estimate does not include monies spent on international travel to and from Botswana.

The average daily expenditure per person is calculated at P319, being highest for the American (P887) and European (P724) respondents and lowest for the Other African (P110) and South African (P185) respondents. Details are shown in Table 10.

Vacation visitors spent an average of P532 per person per day compared with P179 for the business visitors and P85 for other visitors. Respondents who had arrived in Botswana by air spent an average of P629 per person per day compared with P114 for the visitors who arrived by road.

Respondents staying in safari camps or lodges had the highest average daily expenditure (P673 per person), followed by hotels (P509), mobile camps (P401), private camping (P145), other types of accommodation (P92) and those who stayed with friends and/or relatives (P58).

Table 10: Estimated Visitor Expenditure by Country of Residence in 1997 (Pula)

Visitor Expenditure	South Africa	Other Africa	Europe	United States	Rest of World	Average All Areas
Length of Stay (nights)	4.2	10.1	7.4	7.2	15.8	6.4
Daily Expenditure Per Person (Pula)	185	110	724	887	232	319
Expenditure per Person (Pula)	776	1,115	5,357	6,383	3,665	2,042
Tourist Arrivals	330,810	285,338	44,868	8,550	61,642	(731,208)
Total Expenditure (P million)	**256.7**	**318.2**	**240.4**	**54.6**	**225.9**	**(1,095.8)**
% of Total	**23**	**29**	**22**	**5**	**21**	**(100)**

Source: Visitor Surveys

Distribution of Expenditure
On average, survey respondents spent about 44 percent of their total expenditure on accommodation and a further 13 percent on meals and drinks outside their place of stay. The next largest categories were general shopping (10 percent), handicrafts/local items (4 percent) and organised tours (4 percent). Other unclassified expenditure, including such items as car rentals, internal air transport, etc., accounted for the remaining 25 percent.

Respondents who had first entered Botswana by road spent relatively more on other shopping (16 percent) than air arrivals but their total daily expenditure was less than a tenth of that of air arrivals.

Table 11: Itemised Average Expenditure by Mode of Entry (%)

Expenditure Items	Air	Land	All
Accommodation	46	41	44
Other Meals & Drinks	12	13	13
Organised Tours	3	6	4
Handicrafts/Local Items	5	3	4
Other Shopping	5	16	10
All Other Items	29	21	25
TOTAL	**100**	**100**	**100**
Average Expenditure Per Person	**P5,911**	**P534**	**P2,042**

Source: BTDP Visitor Surveys

5.2 VISITOR SURVEYS

The Visitor Surveys conducted during June 1998 at Sir Seretse Khama Airport, Maun Airport, Kasane Airport and the main tourist land border posts represent the first systematic attempt in Botswana to collect information about visitor motivation, satisfaction and expenditure.

Some of the main findings (referring to *vacation* visitors only since it is assumed this category is more susceptible to marketing efforts) were as follows:

- For wildlife vacation visitors, the main points of entry to Botswana were Maun Airport (28 percent), Kazungula Road (20 percent) and Kasane Airport (15 percent);
- Some 76 percent of the respondents who had come to Botswana for a vacation were making their first visit to the country;
- Some 44 percent of vacationers were travelling with spouse/partner, 16 percent in family groups and a further 20 percent with friends (air only);
- Travel agents/tour operators were regarded as the most important source of information about Botswana, followed by Own Research and Friends/Relatives. The Tourist Office was considered to be almost unimportant;
- For vacation visitors (air only), Botswana's wildlife and wilderness were by far the most important decision-making influences; other natural attractions and heritage/ culture were fairly important;
- Four-fifths (79 percent) of all vacation respondents planned their trip two or more months in advance, including 58 percent who planned their trip more than three months in advance (air only);
- Respondents coming to Botswana for a wildlife vacation were far less likely to visit Botswana only (33 percent compared with 51 percent for the sample as a whole);
- Two-thirds (67 percent) of the wildlife vacation respondents visited Zimbabwe as well as Botswana, 43 percent visited South Africa, 29 percent visited Namibia and 21 percent visited Zambia as well as Botswana;
- Some 59 percent of the wildlife vacation respondents stayed at least one night in Okavango. Next in order of popularity were Kasane/Chobe (41 percent) and Maun (23 percent). Only 6 percent stayed for at least one night in Gaborone;
- Some 74 percent of the wildlife vacation respondents stayed at safari camps or lodges, a further 11 percent at mobile camps and 13 percent in hotels.

Evaluation of Tourism Product
The evaluations of the Botswana tourism product and comments made by the survey respondents were almost uniformly positive. Vacation visitors generally gave high average ratings (on a scale from 0 to 5), especially as regards the wildlife (4.9), organised tours/excursions (4.7), friendliness of people (4.6) and accommodation (4.5). They were less satisfied with shopping (3.3).

Respondents were also asked to evaluate some aspects of their stay in terms of *value for money* for services received. Most vacation respondents regarded the value for money received during their stay as quite good, especially accommodation (4.2) and transport services (4.0). Restaurants (3.7) and Shopping (3.4) received lower average ratings.

Reflecting this high level of satisfaction, almost two-thirds of all vacation respondents stated that they would *definitely* like to return, and a further 29 percent that they would *probably* like to come back to Botswana.

Some 70 percent of the wildlife vacationers rated their overall stay in Botswana as Excellent, and a further 25 percent rated it as Good. For the other vacation visitors, 42 percent rated their overall stay as Excellent and 40 percent rated it as Good.

Open-ended comments on Botswana were also generally positive with a very large number of visitors showing a high degree of satisfaction with the beauty of the country, the wildlife, wilderness and friendliness of the people. Comments regarding personal safety were all positive.

The main *negative* comments concerned the
- level of service provided in some of the hotels and lodges;
- unfriendly or unhelpful Immigration and Customs officers at some border posts;
- airport facilities and services, especially the toilets and the wash room facilities;
- lack of direct international flights from Maun and Kasane; and the
- perceived lack of a Tourist Information Office in Gaborone.

5.3 COMPETITION EVALUATION

Tour operators are in a good position to evaluate Botswana's competitive relationships, and, therefore, their opinion is relevant for such an assessment. If South Africa and Kenya/Tanzania are excluded as destinations for a larger tourist demand, Zimbabwe and Namibia are currently Botswana's strongest competitors, while Zambia and Mozambique are mostly considered to be new challengers in the near future.

Various tour operators are launching new competitive destinations such as Zambia, Mozambique and Malawi which, still less known to the general public, might be more attractive to certain target markets than Botswana.

In the tour operators' opinion, Botswana suffers from several disadvantages when compared with its competitors:
- prices (competitors are cheaper);
- air connections (competitors are directly connected with Europe and other source markets) and
- guide services (competitors have better trained and educated guides).

According to the tour operators' opinion, competitors have a number of further advantages, e.g. a wider product variety such as walking safaris, night-drive circuits in the bush, but also an easier air access, which altogether, albeit not essential, show that their attitude seems to be more market-oriented.

Furthermore, following Namibia's example, newcomers such as Mozambique are now preparing new products to meet the demand for exclusivity together with high-quality services, in addition to competent guides and "reasonable" prices.

Several advantages are pointed out which Botswana enjoys against its competitors, i.e.
- better wildlife in terms of number and variety,
- more attractive scenery,
- remote and less crowded parks,
- exclusive lodges and tented camps, and
- a network of efficient, though expensive ground operators.

The abundance and variety of wildlife in the Okavango Delta definitely reduces the competitors' attractiveness. One of Okavango's major assets is its non-crowded scenery compared with other destinations.

All tour operators are very satisfied with the safety in the country and its political stability. Crime in Botswana is considered to be well under control. This is an important factor in view of the serious concerns about the rising crime rates in neighbouring countries, especially in South Africa.

But tour operators only sell Botswana's exclusive unrivalled beauty spots, and customers are now looking for possible alternatives to the Okavango Delta. To compensate for the country's operational difficulties and high prices, they propose various tour combinations:
- the Kalahari desert in Namibia (e.g. camps and excursions into the desert),
- Zimbabwe's culture,
- Zambia's unspoilt nature, and
- new attractions in cheaper and mostly unknown Mozambique.

However, the fact that Botswana is mostly combined with other destinations in Southern Africa reduces its competitive pressure.

5.4 DEMAND PROJECTIONS

Background

This section sets out some indicative projections of future tourist numbers for use as a basis for the development and evaluation of the alternative development scenarios. The projections are based in part on a review of past trends but also incorporate the findings of the Visitor Surveys (carried out in June 1998) and the Tour Operator Survey (carried out in Europe in July/August 1999 and in South Africa in October 1999). It also incorporates the results of discussions of two Workshops with industry stakeholders, held in June 1998 and August 1999.

Growth in World Tourism

Already the world's largest industry, travel & tourism is forecast to become even more important globally over the next two decades.

A recent forecast from the World Tourism Organisation projects the volume of global tourism to increase from 595 million arrivals in 1996 to 1.6 billion arrivals in 2020.

Growth in Tourism to Southern Africa

Arrivals in the Southern African region which includes Botswana are projected to increase at a rate of 7.3 percent over the period 1996-2020 making it the Continent's fastest growing tourism sub-region. Currently, South Africa receives the bulk (65 percent in 1998) of all international tourist arrivals in Southern Africa and, together with Botswana and Namibia, has experienced the fastest growth in arrivals in recent years.

Table 12: International Tourist Arrivals, 1995-98 ('000)

Country	1995	1996	1997	1998	Increase 1995-98
	('000)				(%)
Botswana	600	631	731	797	32.8
Lesotho	101	108	112	115	13.9
Namibia	399	405	502	510	27.8
South Africa	4,488	4,944	5,437	5,981	33.3
Swaziland	300	315	322	325	8.3
Zimbabwe	1,539	1,746	1,495	1,600	4.0

Source: World Tourism Organisation (except Botswana)

Botswana together with other tourist destinations in Southern Africa stands to benefit from the efforts that are being made to attract more foreign tourists to South Africa. The aim of the South African Tourism Board's (SATOUR) current R130 million marketing campaign is to increase the number of *foreign* tourists (i.e. overseas tourists who do not live in Africa) from 1.5 million in 1998 to 2.4 million in 2001.

Ongoing SATOUR surveys show that an increasing proportion of these visitors combine a visit to other African, mostly neighbouring countries with their trip to South Africa. This proportion was 55 percent in August 1997 compared with 50 percent in August 1995. Zimbabwe was the most popular other African destination combined with a visit to South Africa - visited by 30 percent of the respondents to the August 1997 survey - followed by Botswana (15 percent), Namibia (11 percent) and Swaziland (9 percent).

Growth in Tourism to Botswana

For planning purposes, it has been decided that the main focus should be on *holiday/tourist* arrivals as this category is (a) the main user of tourist accommodation in the tourist areas and (b) more susceptible to influence by promotional activities than other categories. The number of holiday tourist arrivals increased at an average annual rate of 13.7 percent from 106,800 in 1993 to 203,172 in 1998.

Arrivals from South Africa, by far the largest single source market with 51.5 percent of the total in 1998, increased by 3.3 percent in 1996, 5.8 percent in 1997 and 16 percent in 1998.

Arrivals from Europe (17 percent of the total in 1998) increased by 24.7 percent between 1994 and 1998, with most markets – except Germany - showing substantial gains. However, arrivals from most major European markets fell in 1998.

Table 13: Holiday/Tourist Arrivals in Botswana from Europe, 1994-98

Country of Residence	**1994**	**1995**	**1996**	**1997**	**1998**	**Change 1994-98 (%)**
United Kingdom	10,108	7,950	10,803	13,488	12,777	26.4
Germany	7,131	6,213	6,411	6,585	5,863	- 17.8
France	1,199	1,926	1,974	2,839	2,571	114.4
Netherlands	1,771	1,684	2,410	2,741	2,519	42.2
Italy	1,011	1,016	1,308	1,553	1,433	41.7
Other Europe	5,353	4,410	5,564	7,182	7,964	48.8
Total	**26,573**	**23,199**	**28,470**	**34,388**	**33,127**	**24.7**

Source: Central Statistics Office **Note:** figures exclude residents of Botswana

Tour Operator Survey

The tour operators were somewhat less enthusiastic than the surveyed visitors about Botswana's tourist product. European and South African tour operators identified the following as Botswana's major strong and weak points:

Strong Points

- Unique scenery and abundant wildlife
- Good-quality hotels and lodges
- Safe country and almost total absence of crime
- Lack of mass tourism

Weak Points

- Prices too high with respect to the services offered
- Dependence on foreign airlines ("air-locked" country)
- Litter, dirty toilets and ablutions

Nearly all respondents were of the opinion that Botswana's prices are higher than the regional average and far too high with respect to the services offered. Although unanimous in acknowledging Botswana's unique scenery, its outstanding wildlife and especially the incomparable beauty of the Okavango Delta, respondents felt that these assets are being sold at too high a price when compared with the prices and level of services offered by Botswana's regional competitors.

The main conclusions were as follows:

- tour operators generally expect only moderate growth in the number of holiday packages to Botswana over the next two to three years;
- Zambia, Namibia and South Africa were generally considered to be the destinations with the highest market potential in Southern Africa.
- South African operators generally perceived Botswana as having either high or moderate tourism growth potential, but not as high as South Africa, Zambia and Mozambique.

Most respondents (both in Europe and South Africa) expect to either extend or maintain their existing programmes to Southern Africa.

Future Growth

Holiday/Tourist Visitors

The future growth potential for Botswana is likely to be concentrated on the holiday segment and in particular on the international (as opposed to regional) holiday market. The future number of business and other visitors is more volatile and less susceptible to marketing initiatives, and hence more difficult to predict.

For these reasons, a range of projections for *holiday/tourist* arrivals (based on different assumptions about market performance) should be put forward for the purposes of analysis. The overall growth assumptions are as follows:

- **Low:** annual average growth rate of 2 percent per annum over period 1997-2010
- **Medium:** average growth rate of 4 percent per annum over entire period
- **High:** average growth rate of 6 percent per annum over entire period
- **Modified High**: average growth rate of 6 percent per annum for 1997-2002 and 4 percent per annum for 2002-2010 (declining after 2002 because emphasis will be on product and geographic diversification which will be harder to achieve)
- **Ultra High:** average growth rate of 10 percent over entire period

Table 14: Projected Growth Rates for Holiday/Tourist Arrivals, 1997-2010

Holiday/Tourists	1997	2002	2007	2010
Low (2 percent)	184,475	204,000	225,000	239,000
Medium (4 percent)	184,475	224,000	273,000	307,000
High (6 percent)	184,475	247,000	330,000	393,000
Modified High (6%>4%)	184,475	247,000	300,000	338,000
Ultra High (10 percent)	184,475	297,000	478,000	637,000

Source: Consultant's estimates (rounded figures)

The detailed market assumptions are as follows:

(i) South Africa

Having increased by a remarkable 58 percent in 1995, holiday/tourist arrivals from South Africa grew by a just modest rate of 3.3 percent in 1996 and 5.8 percent in 1997, but the growth rate accelerated to 16 percent in 1998.

South African tour operators were generally quite optimistic about tourism growth prospects for Botswana over the next few years, with eight respondents predicting increases of 10 percent per annum and a further ten operators 5 percent per annum. Only two respondents foresaw no growth.

On the other hand, depreciation of the Rand has made foreign travel, including travel to Botswana, more expensive for South Africans. This is exacerbated by concerns about the general economic situation in South Africa. GDP grew by only 0.1 percent in 1998 and is projected to grow by 1.8 percent in the 1999.

For these reasons, relatively moderate growth rates (from 2 percent per annum up to a maximum of 7 percent per annum over the period to 2010) have been assumed for holiday tourist arrivals from South Africa, reflecting Botswana's already high level of penetration of this market and the uncertain economic outlook in South Africa.

Unlike tourists from other countries who tend to combine their visit to Botswana with other neighbouring destinations, most visitors from South Africa visit Botswana as a single destination. A high proportion of the holiday tourists from South Africa bring their own camping equipment or stay with friends/ relatives in Botswana. Consequently, this market segment has much less importance for the accommodation sector than their arrival numbers would indicate. For example, the average daily expenditure of South African visitors in 1998 was only P185 compared with P724 for Europeans and P887 for U.S. visitors.

(ii) Other Africa

This component of demand is highly volatile being very much influenced by the prevailing economic conditions in Botswana and neighbouring countries, and whether people choose to categorise themselves as holiday or business visitors.

Having increased by 29.5 percent in 1995, holiday/tourist arrivals from Other Africa grew by 4.5 percent in 1996, 10.4 percent in 1997 and 0.4 percent in 1998.

In the absence of better information, the same rates have been applied as those for holiday/tourists from South Africa.

(iii) Europe

Undoubtedly, Europe represents a potentially large tourist-generating market for Botswana. In 1997, the total number of European tourist arrivals in Africa was almost seven million, of which over one million were in destinations in Southern Africa and only 34,388 in Botswana.

During the period 1988-97, there has been a shift in European tourist flows to Africa which has benefited Southern and Eastern Africa to the detriment of Western and Middle Africa. Thus, Southern Africa's share of total European arrivals in Africa increased from 6.9 percent in 1988 to 15.3 percent in 1997.

The principal source markets in Europe for tourist travel to Southern Africa in 1996 were Britain (263,000), Germany (195,000), France (63,000) and the Netherlands (59,000).

It is possible that in future arrivals in Botswana from Britain may grow more slowly than arrivals from the relatively underdeveloped other European markets. Germany is believed to have considerable growth potential even though it was the only significant market to register a decline in arrivals in Botswana over the period 1994-98. At present, Namibia and South Africa attract the great majority of German holiday visitors to Southern Africa, while Botswana attracts comparatively few. France and Italy have also been identified as priority growth markets for Botswana in Europe. At present, less than five percent of the French and Italian tourists who go to Africa visit Southern Africa.

Nearly all the European tour operator respondents were of the opinion that high prices in Botswana could have a negative effect on incoming tourism to Botswana, especially if not matched by high value. This is reflected in the forecasts made by the tour operators which were, in general, not as enthusiastic about Botswana as the recent trend in visitor arrivals might lead one to expect. They generally expect only moderate growth in the number of holiday packages to Botswana over the next two to three years.

The assumed rates of growth for arrivals from Europe vary from 2 percent per annum for the low option to 14 percent per annum for the ultra high option.

(iv) Other Markets
In addition to Europe, strong growth is also assumed for holiday visitors from the United States and other countries such as Japan and Australia/New Zealand. The rate of growth from these markets is not only expected to be high – averaging as much as 14 percent under the ultra high option - and could even accelerate albeit from relatively low base figures.

Business Visitors
In future, it may be expected that arrivals of business travellers, mainly from South Africa, will develop relatively slowly. The number actually declined between 1994 and 1997 but this may reflect the way the purpose of entry question on the immigration card is answered since the number classified as 'visitors' increased over the same period. Together, the number of business visitors and 'visitors' increased at an average annual rate of only 1.5 percent between 1994 and 1997. It has been assumed that arrivals of business visitors will grow at approximately the same rate over the period 1997-2010.

The number of business arrivals is likely to be closely linked to GDP growth both in Botswana and South Africa. In Botswana, GDP is forecast to increase at 5.2 percent over the period of National Development Plan 8 from 1997/98 to 2002/03 and recent results even suggest higher figures. The South African economy is projected to grow at less than half that rate between 1999 and 2001.

Other Visitors
The same rate of increase as for business visitors has been assumed for the category described as 'visitor' in the CSO statistics.

Total Visitors
On the basis of the above assumptions, the overall growth in tourist arrivals is projected to increase from 568,00 in 1997 (excluding 'other') to a possible high of 858,500 in 2010 (or 1.1 million for the Ultra High forecast), with the most rapid rate of increase projected to occur in holiday/tourist arrivals. Under the low forecast, the number rises to only 704,000 in 2010. The results are shown in Table 15.

At this stage, no consideration is being given as to whether or not growth on any or all of these scales can be accommodated given existing or future carrying capacity constraints.

Table 15: Projections of Tourist Arrivals, 1997-2010

	1997	**2010**				
		Low	**Medium**	**High**	**Modified High**	**Ultra High**
Holiday/Tourists						
South Africa	90,082	115,000	140,000	170,000	150,000	220,000
Other Africa	31,091	40,000	48,000	59,000	52,000	76,000
Sub-total	**121,173**	**155,000**	**188,000**	**229,000**	**202,000**	**296,000**
Europe	34,388	44,000	63,000	87,000	72,000	180,000
USA/Canada	7,548	10,000	14,000	19,000	16,000	40,000
Rest of World	21,366	30,000	42,000	58,000	48,000	121,000
Total	**184,475**	**239,000**	**307,000**	**393,000**	**338,000**	**637,000**
Business	**86,442**	**105,000**	**105,000**	**105,000**	**105,000**	**105,000**
Visitor	**297,175**	**360,000**	**360,000**	**360,000**	**360,000**	**360,000**
TOTAL*	**568,092**	**704,000**	**772,000**	**858,000**	**803,000**	**1,102,000**

* excludes category 'other/unknown' which amounted to 163,135 arrivals (1997) **Source:** Consultant's estimates

6. OVERALL TOURISM POLICY

6.1 KEY ISSUES

The results of various studies, mainly the visitor surveys and the tour operator surveys, as well as a number of discussions with industry stakeholders during the execution of the Botswana Tourism Development Programme identified the major key issues for future tourism development, especially the strengths and weaknesses, but also the opportunities and threats.

Strength

By far the most outstanding strength is the abundant ***wildlife and wilderness,*** especially in the North and Northeast east of the country with its wide range of species. The fact that it is "untamed" in comparison to that presented in the other destinations in East and Southern Africa is also considered an advantage. Government control and management of parks contributes positively to this asset, although enforcement of regulations can be further improved.

The ***political and economic stability*** is also regarded as an essential advantage, as it is related to a liberal social environment with a favourable investment climate and comparatively low corruption. The safety and security are important factors for tourism development as well, also in view of the situation in neighbouring countries.

The ***friendliness of the people*** often equipped with a cosmopolitan personality and, therefore, living in a society with stable inter-racial relations. The high education level of an English speaking population, though small in numbers, is also regarded as strength.

Last but not least, a ***good physical infrastructure,*** well maintained and still expanding, forms a solid foundation for any economic development. There are, for example, a good road network, modern telecommunication systems, adequate health facilities, and an appropriate banking sector.

Weaknesses

The weakness mostly mentioned was the "***infancy" state of tourism development*** which is linked to a somewhat dangerous dependency on the single product of wildlife, offered in a restricted part of the country. This also results in an absence of professionalism and poor customer services due to a high share of untrained staff in the industry. Therefore, it is felt, especially among tour operators, that the clients do not receive sufficient value for their money.

Because of ***limited awareness*** about the opportunities of tourism and a general ***lack of entrepreneurial tradition*** in Botswana, the local population is presently not much involved in sector activities, but there is an apparent dominance of foreigners in both ownership and management. Tourism also seems to have only limited linkages to other sectors of the economy. In addition, land use conflicts exist between tourism (i.e. mainly wildlife) and other sectors, e.g. agriculture.

Bureaucratic procedures are negatively affecting the planning and implementation of projects also in the tourism sector. For instance, it is often difficult to obtain adequate land or to successfully apply for financial support.

The present ***tourism organisation*** is not appropriately equipped in terms of staff and funds to fulfil its task in developing, promoting and monitoring Botswana's tourism. Marketing efforts are insufficient to strengthen the country's position in the international markets. Coordination among governmental institutions as well as with the private sector requires improvement.

Opportunities
The infancy state of the tourism sector with its under-utilised potential, however, creates opportunities for a market-oriented ***product diversification*** both in terms of segments and regions. Facets of eco-tourism, i.e. the exploitation of natural, historical and cultural attractions would play a major role.

This development will also open up possibilities to ***involve rural communities*** in such kinds of projects, thus creating jobs and income and supporting the tendencies to localise the industry without closing the chances for joint ventures with outside investors. New cottage industries can emerge and linkages to other sectors can be intensified. This would influence the public/private sector relationship.

A balanced tourism development would also allow for an increase of ***industry standards*** and improvement of customer service and satisfaction in various fields including the respect of environment protection and conservation rules.

Last but not least, there is the opportunity to ***develop domestic tourism*** and broaden the recreational diversity among the local people, which in turn would widely spread the awareness about the sector's socio-economic importance.

Threats
An ***unbalanced industry development*** is the major threat, especially in view of the fragile natural environment in national parks, game reserves and wildlife management areas. Over-utilisation of limited resources, e.g. land and water, can lead to conflicts, but also to destruction of assets. If carrying capacity ceilings are not respected, certain areas may even experience, at least temporarily, signs of "mass" tourism.

Although not to be overrated, ***negative impact*** issues can be introduced or enforced (drugs, crime etc) in context with tourism and negatively influence the social fabric, possibly rising negative perception by Batswana and subsequently resulting in a bad attitude towards tourists. Such a consequence might also arise, if the imbalance of ownership and management within the sector will continue or even lead to a reduction of the Batswana portion.

There are also some ***non-indigenous threats*** to a successful development, because potential tourists often cannot assess the real impact on their visit. Among others, these are regional conflicts in Southern Africa, sometimes leading to military confrontations; diseases, mainly AIDS, which is dealt with as a serious problem in western media; or natural catastrophes, like reduced water supply or a long-term drought.

Conclusion
There are several positive and negative factors with an impact on the tourism development in Botswana in the short, medium and long term. It is difficult to predict their influence, but it appears that, with the exception of those with a non-indigenous character, proper planning and implementation can make use of the favourable strengths and opportunities and reduce the influence of weaknesses and threats.

6.2 TOURISM POLICY GUIDELINES

Past Tourism "Philosophy"

In the late eighties, there was a general feeling among opinion leaders that Botswana's unique wildlife and natural resources, the country's main tourism product, were being exploited in an unprofitable manner for the Government and people of Botswana through the attraction of the lower end of the market, namely campers and backpackers who contributed relatively little to the economy. Continued growth in this market segment would offer few, if any, benefits to the nation and, indeed, could cause degradation of the fragile environment on which both the wildlife resource and the potential of tourism depend.

It was, therefore, concluded that any expansion to exploit the large and growing international tourism market would be inadvisable unless the mix of tourists could be substantially changed. This meant

- increasing the proportion of tourists occupying permanent or semi-permanent accommodation;
- reducing the proportion of casual campers; and
- raising the public revenues derived from resources – including land reserved for wildlife resources – utilised by tour operators and tourists.

This policy has come to be known under the "low volume-high value" slogan, sometimes wrongly named "high cost", as clients had to pay high rates for a stay in the lodges and other accommodation facilities in the North and Northeast region. This policy was also based on the concern that larger number of tourists would endanger the fragile environment in these areas and counter the efforts to protect wildlife and wilderness.

However, in keeping with the intention to spread the benefits of tourism more evenly throughout the country, consideration is now being given to the formulation of alternative development strategies based on both product and geographic diversification. Therefore, the stakeholders of the industry both in the public and private sector recommend a more flexible guideline for future tourism development without abandoning the objective to conserve and protect the natural environment. But even with the intention to aim at a higher number of tourist arrivals in the medium and long term, the natural and social structure of Botswana will not be able to accommodate any kind of mass tourism.

Overall Objectives for Tourism Development

The overall development strategy of the Botswana Government focuses on long-term export-oriented sustainable growth through diversification of the mining-dominated economy to improve the quality of life of the population. Tourism has been identified as one of the economic sectors with a considerable potential to contribute to the process of diversification.

The objectives of proper and balanced development as stated in the National Development Plan VI and formulated in Government Paper No. 2 of 1990 are still valid and, with a few alterations, should form the targets for a National Tourism Master Plan.

These objectives are:

- generation of employment and consequently income for Batswana, predominantly in rural and remote areas and thus reduce the migration to urban areas;
- stimulation of the provision of other services and the strengthening of linkages to other economic sectors;

- increase of foreign exchange earnings;
- enhancement of government revenues; but also the
- improvement of the quality of life for the population through the provision of educational and recreational opportunities; and the
- creation and improvement of a favourable image to the outside world.

These objectives have to be achieved

- in an ecologically sustainable way, i.e. utilising the natural resources on a "yield" basis, but also strictly observing the rules for environmental protection and conservation; and
- by an increase of participation of Batswana in the ownership and management of tourism enterprises.

In general, the overall objective of the national tourism policy is to obtain, on a sustainable basis, the greatest possible net socio-economic benefits for Botswana's population from their existing and potential tourism resources, i.e. wildlife, scenic beauty and natural, archaeological, historical and cultural characteristics.

Main Guidelines
According to the overall objectives, four main guidelines will drive tourism development in Botswana, which are all interlinked to each other:
- Product Diversification;
- Citizen/ Community Participation/ Community empowerment
- Private/ Public Sector Partnership;
- Ecological/Economic Sustainability.

Product Diversification
Any substantial and sustainable development of tourism in Botswana requires the expansion of the product, either by increasing existing capacities and/or adding new components. The theoretical option, to only raise quality standards in order to obtain higher revenues would not allow for the achievement of the above objectives.

The traditional market segment, i.e. wildlife tourism in the North and Northeast, is supposed to have reached its carrying capacity ceilings already. Even if this might be questioned, it is certainly true that only limited growth potential exists due to its fragile character. Management plans for the respective areas have been conducted or are under preparation, which define these limits and set the framework for a balanced and environment-friendly management of these resources.

Product diversification is the only way for long-term tourism development in the country, both by identifying additional product components and new geographical regions, in particular the parks in the centre and south of the country with their still non-exploited potential for wildlife and wilderness oriented tourism. The unique wildlife will remain the outstanding tourist attraction for the international and regional markets.

In view of Botswana's topography as well as its socio-cultural background, the tourism potential is more or less confined to the country's natural attractions in terms of scenery, geology, fauna, flora etc. as well as to those of cultural, historical and archaeological appeal. Attempts to broaden the tourism offer have already started, subsumed under the heading "eco-tourism".

A number of sites exist, but the vast majority is totally undeveloped in terms of access and visitor-oriented presentation. An inventory and in particular an assessment in terms of potential use for tourism has still to be carried out.

This potential can both complement the already well-marketed wildlife product, thus extending the length of stay in the country and reducing the pressure from respective areas. It can also be offered as independent products in the field of special interest markets. Packages and “theme” holidays can be developed on a professional scale together with specialised tour operators.

Presently, Botswana is invariably offered as part of a multi-destination itinerary featuring also neighbouring countries, mainly South Africa and Zimbabwe, but also Namibia. Few if any of these tours start in Botswana. Drastic changes cannot be expected, but product diversification can enrich the present offer and encourage the tourists to visit more sites, stay longer and spend more in the country.

The creation of man-made tourist attractions as a means for product diversification needs to be carefully evaluated. These facilities require high investments in order to provide the necessary range of top-class attractions. Consequently, large numbers of visitor are necessary to allow for the required profitability. Therefore, such kinds of amenities are usually situated in or near densely populated areas. The competition and proximity to a well-established complex like Sun City is also an aspect for serious consideration.

Community/Citizen Participation

For a number of reasons, the majority of tourism establishments are presently owned and often managed by non-Batswana. As a consequence of the non-localisation of ownership, it is assumed that a considerable share of profits generated by tourism in Botswana do not remain within the country. However, research carried out under the BTDP stated that the sector’s net contribution to the GDP is quite significant.

The necessity for product diversification opens up possibilities to increase the participation of citizens in the ownership and management of tourism enterprises which is also set as an objective in the National Policy on Economic Opportunities. Because these enterprises in their majority will be of small and medium scale, business opportunities will be provided for a relatively large number of Batswana.

The fact that new developments will mainly take place in the rural and remote areas will support the participation of communities in tourism, thus creating possibilities for employment and income. The distribution of economic benefits outside Botswana’s urban areas could contribute to reducing socio-economic disparities among the country’s different areas and mitigating the ongoing migration to the population agglomerations in the south.

Tourism can, to a certain extent, counterbalance the decrease of agricultural activities, which in the long run will affect most of the rural communities. Because of the complex character of the sector, a range of potential community involvement can be considered beside the provision of local-style accommodation and catering, e.g. handicraft production, folklore shows, guide services.

However, although these opportunities exist, it has to be clearly pointed out that tourism will not be the tool to solve all problems in the rural communities. The creation of too high expectations would result in disappointment and consequently be counterproductive.

A number of factors have to be considered:

- Not every community can offer or develop attractions which appeal to tourists in a sustainable way. Access is also regarded a problem.
- The knowledge of tourism and the awareness about its potential socio-economic importance are still very limited or even non-existent.
- Well-established traditions and behaviour patterns cannot be changed without causing, at least potentially, some kinds of negative socio-cultural impact on rural societies.
- Tourism has many elements of a service industry and, therefore, requires a level of professional skills, which presently are not available in these areas of the country.
- Conflicts may arise when land has to be allocated for tourism development interfering with the use for agriculture.

However, despite these constraints tourism can help to contribute to the overall development, also in view of the limited number of alternatives. But a bottom-up approach which would be preferable, does not promise to be successful under these circumstances. Government has to provide substantial support in launching relevant activities at community level in terms of infrastructure, technical advise in various fields, training and education, creation of awareness as well as financial assistance.

Private/Public Sector Partnership (PPP)

It is unquestioned that any sustainable economic development has to be private sector-driven and the public sector's involvement should be kept to a minimum, at least its commercial activities.

On the other hand, due to the infancy status of tourism outside the Okavango/ Chobe area, Government had to play a role in the initial phases as described above. Because of the complex character of tourism, a number of different Government institutions are involved which inevitably results in the necessity for some kind of policy co-ordination. The complexity is also reflected in widespread tourism-related legislation and regulations. As tourism is a relatively new part of Botswana's socio-economic life, these structures are still in the process of being formed, with the Department of Tourism within the Ministry of Commerce and Industry at the centre of activities.

The equivalent on the private sector side is HATAB representing the vast majority of the tourism-related enterprises in Botswana. Close co-operation between the public and private tourism sectors is essential to achieve any positive results. However, reality sometimes does not meet these intentions, mostly because of lack of adequate structures for mutual information and cooperation.

The most significant tool for the strengthening of the collaboration between the public and private sectors and the establishment of a functioning partnership is an autonomous institution, generally named "National Tourist Board". Such bodies exists in most of the tourism destinations worldwide where the most important task of such an agency is tourism marketing abroad. However, subject to individual requirements, the Board's activities can also include other areas such as training, product development or grading/licensing, the latter as a self-regulatory task.

Such a tourist board functions as an autonomous institution for the implementation of the country's tourism policy allowing the Government's role to be confined to policy making, monitoring and control. The institution is jointly managed and financed by both the private and public sector, and consequently operating free of bureaucratic constraints. In its capacity, the tourist board allows the private sector to move from a consultative and advisory role, as presently being conducted in several committees, to an active player in the implementation of activities in the various fields.

In general, increased private sector participation in the economy is necessary both to relieve Government of the administrative burden of a large bureaucracy and attendant budgetary costs, and to nurture the fledgling private sector itself. A vibrant, innovative and committed private sector that is not dependent on Government subsidies will be crucial to the future socio-economic success of Botswana.

Ecological/Economic Sustainability

The ultimate target of tourism development is its sustainability in ecological and economic terms. A sound ecology is the necessary background for Botswana's tourism, as other possibilities are limited. Because tourism has a tendency to destroy or at least endanger its own assets, the protection and conservation of its natural environment is imperative, not only under "green" aspects.

Although it is apparent that tourism development will require Government's support for a certain period of time, these efforts are clearly aimed at a complete self-sustainability of the sector in the long term. The contribution to government revenues shall clearly exceed the specific financial support from the public sector.

7. DEVELOPMENT STRATEGY

7.1 OPTIONS FOR TOURISM DEVELOPMENT IN BOTSWANA

Demand Projections
A range of projections for holiday/tourist arrivals was developed for the purposes of evaluation of alternative development scenarios.

The projections show the number of holiday/tourist arrivals increasing from 184,475 in 1997 to a possible 'ultra' high of 636,000 in 2010, with the most rapid rate of increase projected to occur in arrivals from outside Africa. Under the low forecast, the number rises to only 238,000 in 2010.

Visitors to Wildlife Areas
It is estimated that some 90 percent of all persons coming to Botswana for a vacation come primarily for a wildlife-based vacation. This proportion varies according to country of origin. With a greater degree of product and geographical diversification, it is likely that the proportion of visitors coming primarily or partly for *non*-wildlife-based vacations would tend to increase.

Some wildlife vacationers (61 percent in 1997) do their wildlife viewing mainly in the Protected Areas; others (39 percent) in Wildlife Management Areas, private game parks or other community-based tourism facilities.

Assuming no change in existing patterns of visitation, the number of overnight visitors to the Protected Areas would vary from 161,500 (low) to 246,500 (high) and 380,000 (ultra high) in 2010.

Carrying Capacity of Protected Areas
In 1998, the Protected Areas received a total of some 112,000 visits by overnight visitors, of which the great majority (92.5 percent) were to the Northern Parks and Reserves.

The number of *permitted* bed spaces (lodges, HATAB campsites, public campsites) in the Protected Areas could increase from 2,064 at present to 3,804.

It has been estimated that together the Protected Areas could accommodate a total of about 384,000 overnight visitors under existing carrying capacity criteria.

This means that, with the probable exception of the Ultra High scenario, it would be *theoretically* possible under these assumptions for the Protected Areas to accommodate the projected number of overnight visitors wishing to view wildlife in the Protected Areas and, apart from the High and Ultra High scenarios, *all* those wishing to view wildlife in Botswana whether in the Protected Areas or elsewhere. However, the limiting factor of seasonality has also to be considered.

For the purposes of evaluating the options, it is important to consider not just whether growth can *theoretically* be accommodated within the capacity constraints of the Protected Areas but also what are the most desirable scale and pace of growth from the point of view of sustainable development.

This has the advantage of allowing a more gradual build-up to the carrying capacity ceilings (as defined under existing DWNP criteria) permitting the phased introduction of additional bed places, construction of new tracks/trails, implementation of management plans and more time for the training of Batswana to play a more active role in tourism enterprises.

Therefore, apart from the Ultra High scenario which is deemed to be incompatible with the objectives of sustainable development (and unlikely to be supported by market trends), the remaining options were retained for further detailed analysis.

Description of Options
After analysis of the latest tourist arrival statistics, feedback from the tour operator survey regarding growth prospects for tourism to Botswana and the estimated carrying capacity of the Protected Areas, the following possible options were retained for further evaluation:

OPTION A: LOW VOLUME/ HIGH PRICE
OPTION B: MEDIUM VOLUME/HIGH PRICE
OPTION C: HIGH VOLUME/MIXED PRICE
OPTION D: MODIFIED HIGH VOLUME/MIXED PRICE

The definitions of Low, Medium, High and Modified High *Volume* correspond to the growth rates in Table 15, while the definitions of Low, Medium and High *Price* are derived from the expenditure figures given in the 1998 BTDP Visitor Surveys:

- Low Price: average daily expenditure of less than P100 per person;
- Medium Price: average daily expenditure between P100 - P500 per person;
- High Price: average daily expenditure of more than P500 per person.

The options are described in more detail:

OPTION A: LOW VOLUME/ HIGH PRICE
- Restrict growth to strict interpretation of DWNP carrying capacity formulae for game viewing tourism (which are based on maximum number of permitted vehicles per kilometre of road/trail/track) for all national parks/reserves, assuming modest expansion of infrastructure in accordance with present plans. This would probably correspond with the former strategy of attracting 'Low Volume/High Price' tourists, especially for the Northern Parks and Reserves which contain most of the more expensive lodges and luxury mobile camps. Product diversification in terms of new types and the opening-up of new regions is not required under this option, in view that it would be possible to achieve the same high standards as in the traditional tourist regions in the North and Northeast.

OPTION B: MEDIUM VOLUME/HIGH PRICE
- Relax existing carrying capacity formulae in Protected Areas, and increase rate of development of roads and other infrastructure; this assumes a less discerning type of clientele that will accept higher encounter levels with other visitors.
- Attract more visitors out of season.
- Launch product diversification in selected areas and for middle-upper market segments to reduce dependence on wildlife-based tourism,
- Develop special interest and eco-tourism, including speciality tours – culture, history, archaeology, birds, etc.

OPTION C: HIGH VOLUME/MIXED PRICE

- Relax existing DWNP carrying capacity formulae in Protected Areas.
- Attract a mix of High Price/Medium Price/Low Price tourists to Protected Areas (e.g. high Price in Chobe & Moremi; medium/low Price elsewhere, including self-drive campers, overland groups who travel by truck and domestic tourists. Both groups (who may include domestic tourists and VFRs) stay mainly at campsites.
- Attract more visitors out of season.
- Maximise product and geographical diversification throughout the country to reduce dependence on wildlife-based tourism, including tourism circuits around Gaborone
- Develop special interest and eco-tourism, including speciality tours – culture, history, archaeology, birds, etc.
- Develop urban tourism: sport, music festivals/shows, conferences, school trips, etc.
- Develop cultural and community-based tourism

OPTION D: MODIFIED HIGH VOLUME/MIXED PRICE

- Maintain existing DWNP carrying capacity formulae in Protected Areas.
- Attract a mix of High Price/Medium Price/Low Price tourists to Protected Areas e.g. high Price in Chobe and Moremi; medium/low Price elsewhere, including self-drive campers, overland groups and domestic tourists.
- Attract more visitors out of season.
- Maximise product and geographical diversification throughout the country to reduce dependence on wildlife-based tourism, including tourism circuits around Gaborone
- Develop special interest and eco-tourism, including speciality tours in non-developed areas – culture, history, archaeology, birds, etc.
- Exploit business opportunities for tourism afforded by the Trans Kgalagadi Highway.
- Develop urban tourism: sport, music festivals/shows, conferences, school trips, etc.
- Develop cultural and community-based tourism.
- Develop domestic and intra-regional tourism.

Workshop Evaluation

Participants in the workshop on 'Options and Scenarios for Botswana's Tourism Development' held in Gaborone in August 1999 were asked to choose which of the above options was the most appropriate for Botswana's tourism development and to give reasons for their decision.

	Number of replies
Option A: Low Volume/High Price	3
Option B: Medium Volume/High Price	5
Option C: High Volume/Mixed Price	2
Option D: Modified High Volume/Mixed Price	8
A mixture of the above/other	3

Among the stated reasons for the replies were

Option A

- The supporting factors for the 'high income low volume' policy are still valid; we don't need many more tourists; we merely need to look after the ones we get a little better especially through offering value for money;
- It will leave the wilderness unspoiled for a long time and therefore benefit the future generations;

- The returns (i.e. cash to the government and local communities) are presently too low as compared with what other players (e.g. tour operators) get; Batswana must first be trained to actively participate (and benefit from the industry).

Option B

- Tourism has been identified as a significant contributor to long-term development and must play its expected part;
- Growth cannot be forced; tourism has grown to where it is today by private enterprise and will continue this way;
- The economy badly needs jobs; tourism offers a real potential for job creation and citizen empowerment;
- High growth could result in over-exploitation of Botswana's natural resources; controlled medium growth will allow facilitators time to take the communities aboard through public awareness campaigns and education; there will also be time to stop and evaluate the growth programmes and benefits to the nation at large;
- Medium growth will cater for people in both low and high income groups.

Option C

- Medium or modified high volume/mixed Price is the most appropriate because it allows flexibility for the review and modification of both the existing and the future policy framework, operational strategy, etc for tourism development

Option D

- Need for diversification of products (such as cultural tourism) outside the Okavango which is "maxed out"; low cost community-based tourism is feasible and accessible to the backpacker market and is not in competition with the traditional low volume/ high cost market; also, it does not require the same standards that a community might not initially be able to provide;
- Modified high growth will include both external and local tourists and will help in the diversification process;
- Low growth doesn't provide enough challenge; we need to work beyond ourselves through proper policy, planning, institutional building and proper marketing;
- Tourism should be the engine of growth; however, growth should be sustainable and environmentally friendly and, as such, it has to be modified; also, tourism has to cater for all types of tourists and not just the straight-jacket types of classification implied by the other options;
- Growth cannot be uniform throughout the country; there are areas that cannot grow further; there is a need to grow new areas;
- It still maintains the existing DWNP carrying capacity formulae, but most significantly makes concrete suggestions to diversify the tourist product and runs away from the exclusivity of high cost/Price in some areas so that those not well-endowed financially have an opportunity to partake in tourism;
- Annual tourism activity and visits throughout the year would be better achieved through the modified high option.

Other

- The important thing is how can we diversify the product and how do we market ourselves; product diversification is the issue, not to restrict growth; the days of controlling demand are gone; it is for us to determine how to keep pace with demand;
- A mixture of the options to cater to all clients and to obtain maximum use of resources in a sustainable manner.

Evaluation
The effects of the different options were analysed for a number of criteria according to a scoring system by the consultants in cooperation with DoT staff.

Visitor Expenditure
Based on the projected increases in tourist numbers and their average daily expenditure, Option A (followed by Option B) was the clear winner in terms of *gross* expenditure by holiday visitors.

However, these positions are almost reversed (with Option C narrowly ahead of Option D) when *leakage* of foreign exchange earnings (including monies retained or repatriated outside Botswana by tour operators) is considered. This is likely to be greatest for Option A (which implies a continuation more-or-less of the existing pattern of expatriate-dominated tourism structures) and least in the case of Option D which provides for greater product and geographic diversification, and hence enhanced opportunities for citizen participation in, and ownership of, tourism ventures, and for a higher proportion of retained tourism earnings.

Government Revenue
Option C scored ahead of Option D, and well in front of Options A and B, in terms of contribution to government revenues. The principal reason is that despite, their higher levels of *gross* turnover, the other options are assumed to produce no change in the present situation where the majority of tourism companies generate comparatively little income tax revenue. It is presumed that the tax yield could increase with a more diversified industry ownership and management structure.

Regional Development
Option D was the clear winner in terms of contribution to regional development. It would provide more opportunities for tourism to grow in parts of the country outside the traditional tourist areas.

Social Development
Option D again emerged as the winner in terms of contribution to social development. It would provide more employment opportunities for Batswana and foster community development outside the traditional tourist areas, while at the same time contributing to overall job creation targets.

Employment Creation
In terms of overall employment generation, Option C achieved the highest score for the same reasons as under Social Development.

Sustainable Development
Options A and D, each of which provide for the maintenance of existing DWNP carrying capacity criteria in the Protected Areas, received the highest scores in terms of contribution to sustainable tourism development. However, Option D was also judged to be preferable in so far as it would widen the tourism base which is presently rather narrowly-focussed both geographically and in terms of product (i.e. wildlife).

Intersectoral Linkages
While Option D would help to establish new linkages between tourism and communities in non-traditional tourist areas, and provide opportunities for the development of new tourism

products based on utilisation of indigenous resources, goods and services, the higher rate of growth in tourist numbers associated with Option C would maximise the overall potential for linkages (which are presently underdeveloped) between tourism and other sectors of the economy. For that reason, Option C is placed ahead of Option D.

Public Investment
Option A, which implies a continuation of the present focus on low volume tourism with no relaxation of the existing DWNP controls on new development in the Protected Areas, requires the least additional public investment. On the other hand, Option D would require the most new investment by both the public and the private sector in order to facilitate the maximum product and geographic diversification – but not as much as under Option C which would also require major new investment in developing the infrastructure in the Protected Areas in order to be able to accommodate more visitors.

Marketing Needs
Options A and B, being largely private sector-driven, would require little in the way of additional marketing assistance. The same is not true of Options C and D which would require the allocation of greatly-enhanced sums for marketing – both by the public sector and the private sector – and, particularly in the case of Option D, the preparation and execution of specific marketing initiatives for new niche markets and new products.

Training Needs
The same is also true as regards training needs. Options A and B would require little in the way of additional training assistance. However, for Options C and D large numbers of new tourism sector workers would need to be trained in order to fulfil future needs. With the emphasis on product and geographic diversification marketing, additional training would also have to be provided under Option D for local entrepreneurs and communities (including those in non-traditional tourist areas) wishing to develop new tourism products.

It may be concluded that Option D is clearly the preferred option, and there would appear to have been a clear rejection, both at the workshop and during the subsequent evaluations, of the former 'low volume; high cost' policy enshrined in various policy documents.

The preferred Option D scored particularly well under the following headings:
- Regional Development → geographic diversification;
- Social Development → opportunities for Batswana
- Employment Creation → more jobs;
- Sustainable Development → provides for maintenance of existing carrying capacity criteria in Protected Areas;
- Intersectoral Linkages → new linkages between tourism and communities in non-traditional tourist areas;
- Tourism earnings → better chance of money remaining within the country under Options C and D;

but was less favourable in terms of

- Public Investment → more investment needed;
- Marketing → need for special market and product development strategies;
- Training → need for special training and tourism awareness programmes for Batswana.

7.2 PREFERRED OPTION

Assumptions for 2010
Under the Preferred Option D

- The number of bona fide stayover tourists (excluding the category described as 'other') is projected to increase from 568,000 in 1997 to 803,000 in 2010;
- the number of holiday tourists is projected to increase from 184,475 in 1997 to 338,000 in 2010, with the average annual growth rate reducing from 6 percent (1997-2002) to 4 percent (2002-2010);
- non-wildlife vacation visitors are projected to increase from 10 % of total in 1997 to 15% in 2010 reflecting the special marketing initiatives that will be undertaken to enhance product and geographic diversification;
- an increasing proportion of wildlife vacationers is projected to do the bulk of their game-viewing in areas (such as WMAs) outside the Protected Areas;
- growth of wildlife-based tourism outside the Protected Areas would be encouraged through special product development and marketing initiatives;
- the projected number of visits made by overnight visitors to the Northern Parks and Reserves remains well below estimated carrying capacity ceilings for these areas;
- day visitors would be restricted to or around existing numbers.

Economic Contribution
Under the Preferred Option D

- gross visitor expenditure is projected to increase from an estimated P1.1 billion in 1997 to P1.6 billion (at 1997 prices) in 2010;
- net foreign exchange earnings from tourism are projected to increase from an estimated P495 million in 1997 to approximately P800 million in 2010;
- the total number of jobs generated by the tourism sector is projected to increase from an estimated 9,900 in 1997 to 16,500 in 2010;
- the average bed occupancy rate will increase from 40 percent in 1997 to 57 percent in 2010.

Implications for Carrying Capacity of Protected Areas
With maximum product and geographical diversification under the preferred option, it is expected that the proportion of visitors coming primarily or partly for non wildlife-based vacations will tend to increase. So, too, will the proportion of wildlife vacationers who will do their wildlife viewing in areas such as Wildlife Management Areas (WMAs) and private game parks that are *outside* the Protected Areas (e.g. in the Okavango Delta, Tuli Block, etc.).

Allowing for visits by some VFR, business and domestic tourists, it is estimated that a total of around 218,500 overnight visitors could visit the Protected Areas in 2010. This is well below the estimated carrying capacity of the Protected Areas (384,000 overnight visitors) based on information provided by DWNP on the number of permitted bed places in each of the Protected Areas and various assumptions regarding average occupancy and length of stay parameters.

It is therefore concluded that the projected increases in visitor arrivals under the preferred option should be within the handling capacity of the Protected Areas, allowing a more gradual build-up to the carrying capacity ceilings and permitting the phased introduction of additional bed places, construction of new tracks/trails, implementation of management plans to alleviate seasonal overcrowding at certain locations and more time for the training of Batswana to play a more active role in tourism enterprises.

Implications for Accommodation Sector
The number of beds needed to accommodate the projected numbers of holiday/tourists under the preferred option is estimated at about 8,000 in 2010. It is estimated that there are presently around 4,000 bed places available in hotels, lodges, safari camps, camp sites, etc. in *tourist areas and* a total of 6,600 in all areas. Thus, the number of *additional* beds needed by 2010 is estimated at 4,115 (just over double the existing number), or approximately half that number of rooms or tents.

Under the preferred option, it is expected that greater use would be made of beds in non-traditional tourist areas – a figure of 20 percent of the total has been assumed - which would reduce the number of additional bed places needed in tourist areas.

Some of the additional bed places will be provided in projects that are either currently under construction or at an advanced stage of planning. Even so, the need for additional beds to accommodate the projected number of holiday visitors will remain formidable.

Other Implications
Apart from carrying capacity and accommodation needs, adoption of the preferred option would have other major implications e.g. for product development, marketing, training and institutional strengthening.

7.3 CONCLUSION

The preferred option has been shown to be feasible from the standpoint of market trends, trade opinion and the results of both in-house and external evaluations. It has also been demonstrated to be environmentally sustainable and within the handling capacity of the Protected Areas.

Adoption of this strategy for the future implies a departure from the former 'low volume/ high cost' policy which was perceived in the evaluations to be far too restrictive and doing little to spread the benefits of tourism more equitably throughout the country, both geographically and socially.

The recommended option is less restrictive and represents, it is believed, a more balanced approach to tourism development that will broaden Botswana's appeal in the marketplace, reduce its dependence on one product in one region and provide enhanced opportunities for Batswana to benefit from the fruits of tourism.

8. POLICY FRAMEWORK AND IMPLEMENTATION

8.1 INSTITUTIONAL AND LEGISLATIVE FRAMEWORK

Background

A strong and efficient institutional structure together with a not too complicated legislative and regulatory framework is essential for the development of tourism in Botswana. More important than the establishment of perfect and highly sophisticated legislation is its proper enforcement.

As already mentioned above, the relationship between Government and business must develop into a "Stakeholder Partnership". Government regulations must recognise the vital contribution of business to the strategy of creating a greater prosperity. This requires a recognition by Government that the improvement of incentives for business and the removal of restrictions will allow the economy to grow, and will ultimately increase the resources of the Government itself. Government will, therefore, move from its present regulatory position to an attitude of active promotion of business and industry. This can be accomplished through changes in the taxation system, through investment incentives, or through schemes to improve the access to capital for small businesses and Botswana citizens through the active implementation of agreed policies on deregulation. But the crucial step forward is the establishment of a National Tourist Board.

Batswana will need to be educated to understand better the importance of entrepreneurial skills. The stability and success of the economy will depend upon the emergence of small and medium sized enterprises in which people take risks and generate employment for others. The existing policies for encouraging these activities has to be revised according to previous experience, adjusted to requirements and then actively implemented.

A lean and service orientated public service must operate openly and transparently and be business friendly and supportive of private enterprise. It can create the necessary climate of mutual trust, goodwill and a shared Vision between the public and private sectors through, for example, speedy allocation of licences, land for development, connections for telephone, electricity and other infrastructure services.

In view of changes in the range and intensity of the scope of tasks and activities of the Ministry of Commerce and Industry, of which the Department of Tourism is one section, a study on the reorganisation of this ministry was commissioned in early 1999. Although the final conclusions and recommendations have not been published yet, it can be anticipated that tourism will remain under the auspices of the Ministry, as it is regarded as an important commercial subject. Preliminary papers also strongly supported the establishment of a national tourist board.

One issue of discussions was the question where the Department of Wildlife and National Parks should be properly placed, as its scope of tasks do not focus so much on commercial activities, but are more directed to conservation and environment protection. One argument for its present location was the close relationship to and interdependence with tourism. However, whatever decision will be taken, the positioning of wildlife is, though not totally unimportant, not crucial for the future tourism development, because ecological and environmental aspects can always be integrated in to the sector through the overall policy making process and through the participation in the work of the tourist board.

Establishment of National Tourist Board
In December 1998, Government commissioned a study to "investigate and determine the feasibility of setting up an autonomous agency or entity that can more effectively and efficiently manage the development and promotion of tourism". The basic findings and recommendations of the report were approved in February 2000 and fully comply with the Tourism Master Plan (see Scott Wilson; Feasibility Study into the Establishment of a Botswana Tourist Board; January 2000).

The Study pointed out that

- there is a *need for change*, as the work of the current Department of Tourism is severely constrained by the Government structure within which it has to operate, in terms of financial procedures, slow response rates, recruitment policies, and the limited ability to develop close relationships with the private sector and other interested bodies;
- *resource requirements* cannot be met, particularly with respect to pay market-rate salaries and to undertake effective promotional and marketing activities in the prime target markets;
- *greater effectiveness* can be achieved through the employment of trained and experienced staff as well as through the outsourcing of services, possibly resulting in budgetary savings;
- *a positive contribution to the National Policy*, directed towards sustainable economic diversification, employment generation, increased international competitiveness and reform of public sector services;
- *need to promote and achieve partnerships* between the main stakeholder groups, particular in the private sector.

The findings led to the following recommendations:

- Establishment of a semi-autonomous, and with respect to operational matters, independent tourist board. The main benefit would be the provision of a more responsive and commercially-minded organisation for the development and promotion of tourism, based on a closer partnership between the public and private sectors, as well as on a wider range of stakeholders.
- Pursuit of joint funding and independent operation. The new body should be created by legislation, launched in two phases, jointly funded by Government and the tourism industry and operated under the guidance of a Board of Directors, representing public and private sector interests.
- Adoption of phased implementation. The new board should be given responsibility for two of the existing DoT key operations, namely marketing and market research at the beginning.
- Provision of full range of services within 5 years. The bulk of the other DoT activities should be transferred to the Board within a period of maximum 5 years leaving the core Government functions, i.e. legislation, policy formulation and monitoring as well as licensing to a smaller Department of Tourism.
- Provision of majority of Government funding within existing budget using increasing annual cash and in-kind contributions from the private sector.
- Setting of ambitious and realistic targets for private sector contributions. A formal agreement should be made with HATAB concerning the financial contributions to be funded under a Commercial Membership Scheme. Targets for in-kind contributions from the tourist industry should be set to match Government's share of administrative costs of the Board.

The key tasks for the Board should involve:

- implementation of the tourism policy based on guidelines provided by DoT following approval by Cabinet;
- design and conduct of overseas marketing campaigns;
- establishment of product development services;
- collection, analysis and dissemination of tourism related data;
- development of a national tourist information network using modern technologies;
- administration of accommodation grading and inspection;
- improvement of training standards; and
- execution of tourism awareness campaigns.

The board will be supported by a number of committees for finance/general purpose, marketing, development, training and standards. A system of district level tourism associations should be encouraged.

It is obvious that the establishment and operation of a Botswana Tourist Board is of essential importance for many aspects of tourism development in the country. It should have priority over other policy issues including the revision of tourism related legislation, which might be required after the running-in period of the Board.

Licensing/Grading/Inspection
Licensing and grading of tourism enterprises were already included in the Tourism Act of 1992, but were not introduced satisfactorily, partly because of lack of a suitable system, partly because of inadequate operational procedures.

Licensing and grading of establishments do not only secure that minimum standards are obtained, but can also contribute to a successful medium and long-term improvement of quality standards which is important in view of a strong competitive environment.

The DoT has initiated a revision of the licensing system which proved to include serious deficiencies. In cooperation with the Botswana Bureau of Standards, the basics for a grading system for the tourist industry should be designed and implemented. As such a system requires permanent monitoring and inspection of the facilities, the necessary training of staff should be initiated simultaneously. Ideally, the future team of inspectors should already be involved in the elaboration and introduction of the grading system, in order to achieve the highest possible level of familiarisation.

As is the case in several countries, grading and possibly the licensing of tourism enterprises can become a task of the Tourist Board as a self-regulatory activity. This would also allow the private sector to influence the setting and monitoring of industry standards.

Private Sector Organisations
Although private sector organisations should be independent from Government, close cooperation is required for any success. Ways for this cooperation have been described above. However, the private sector organisations, in particular HATAB have also to reconsider their position with regard to their participation in the development process.

Considerations for the strengthening of HATAB are being discussed, for instance the breakdown into individual branches, but covered by an umbrella organisation. There are also attempts to move into advisory services for their members, thus supporting the growing number of small and medium sized enterprises. These efforts would complement the Government's direction of product diversification and community participation as formulated in this Master Plan.

Tourism Investment (Tourism Development Fund)
As a result of the lack of tangible success of Government investment promotion in the tourism sector a study was commissioned in December 1998 "to investigate and make recommendations on the feasibility of setting up an autonomous statutory agency that would be responsible for the establishment and management of a Tourism Development Fund for providing financial and technical assistance to Batswana who would like to venture into the tourism sector". The final report was approved in January 2000 (Scott Wilson, Botswana Tourism Development Fund – Feasibility Study). Its recommendations go beyond the establishment of an institution with the main focus on funding projects in tourism, but addresses the need to provide technical assistance to potential small and medium scale entrepreneurs and communities who wish to invest in and manage their own facilities.

The main recommendations are:

- Alleviation of constraints in order to increase the capacity of Batswana to plan, fund, sustainably manage and monitor tourism projects;
- Provision of a mechanism to assist the local authorities in the preparation of tourism development plans (TDP);
- Provision of opportunities to invest in projects in conformity with TDPs;
- Provision of advisory support, training, including transfer of skills and support of entrepreneurs as individuals, members of local communities or in partnership; the Fund should also attract overseas investors to participate in projects at the local level, provided they enter into joint ventures;
- Provision of a suitable legislative and administrative structure, preferably under the national tourist board, thus complementing the efforts for product diversification and supporting the involvement of stakeholders in the decision-making process;
- Integration with existing or revised financial schemes and advisory services in the tourism sector.

In the meantime and in the absence of any other institution that promotes investment in the tourism sector, the Department of Tourism should develop in-house capability in investment promotion:

- Developing promotional brochures tailor-made for the tourism sector. A similar brochure was developed for the textile industry which was used for promotion in the Far East. Targeted promotion saves resources.
- Developing a data bank of prospective joint venture partners both foreign and local, and facilitate the formation of same.
- Establishing relationships with relevant organisations such as BDC, BEDIA, Departments of Lands, Labour, and Commercial Attaches, etc. in order to facilitate investment in the sector.
- Participating with BEDIA, as the overall investment arm of the government, in investment fora to put across the interests of the sector.
- Participating in tourism fairs, as they are a source of investors as well as tourists.
- Facilitating local participation in whatever form of tourism projects, and
- Generally offering advisory services to potential investors in the tourism sector.

- As FAP does not seem to assist investors in the tourism industry there is a need to re-structure the scheme in such a way that it caters also for this sector.
- Since FAP does not seem to be the pulling force for foreign investors, it might, therefore, be considered reserving FAP for citizens and joint ventures, especially those in recognition of the role that foreign investment plays.
- The minimum limit of support for tourism should be raised.
- There is a need for a countrywide study to identify specific investment opportunities. A similar study is being done for the Trans-Kgalagadi Highway investigating investment opportunities along the highway. These projects would then be marketed to investors, both local and foreign.
- As lack of skills has been identified as the main factor that has hindered citizen participation, training needs of the sector have to be identified and training speeded up. Another way of ensuring the participation of locals in the tourism sector is through identification of projects in the tourism sector that can be reserved for citizens.
- The development of the local private sector is very crucial in that they are the future joint venture partners for foreign investors. Often investors who are new to a country would prefer to enter into business with a local partner who is familiar with the local environment. But they often do not find suitable partners, because of doubts by the foreign partner on the managerial competence of the local partner. Foreign investment, especially joint ventures, could also address the problem of the lack of entrepreneurial culture, as it is itself an agent of cultural change.

Land Use Issues

Tourism development requires land, and despite the large size of the country, land is scarce in some areas and conflicts can arise between different users. For instance, the need of land for tourism purposes can be controversial to that for agriculture. The fact that tourism is a rather new and, therefore, unknown phenomenon, in particular at district and local level, is not very helpful at present. In combination with bureaucratic obstacles ("red tape") in the context of planning and financing, tourism projects have not been implemented at high numbers so far. Information and simplification of procedures appear to be imperative.

Another reason for this lack of support for tourism is based on the feeling that only limited benefits for communities are being obtained from wildlife resources located on tribal and state land. The terms and conditions under which tourism lands are leased to qualified operators must harness the self-interest of the lessee to the public interest. That is to say, the terms and conditions should be set in such a way as to attract the highest rents while, at the same time, making it contrary to the interest of lessees to deplete the wildlife or despoil the environment. In future, the Government will use a new structured approach for concessions aimed at increasing revenues, also in view of augmenting the benefits for the rural communities.

In the past the practice of allowing citizen hunting, safari hunting and photographic safaris in the same area has led to conflicts, misunderstandings and over-exploitation. In line with land use planning policy, such activities will now be related to specific zones. Insofar as possible, and in line with the policy of giving the tourism sector greater security of tenure, these zones will by and large fall within Wildlife Management Areas (WMAs). However overlying these zones and continuing throughout the country will be a pattern of Controlled Hunting Areas (CHAs) which will relate as far as possible to land use and land tenure patterns. The CHAs designations are needed to manage hunting activities, as required by the Fauna Conservation Act.

8.2 PRODUCT DEVELOPMENT

Wildlife

The wildlife segment in the North and Northeast is already well-marketed and seems to have reached the carrying capacity limits or is at least close to them. However, the definitions for these ceilings need to be revised with regard to combine the interests of both conservation and tourism. Regulations are in place, but they need to be enforced more vigorously. Especially the activities of mobile tour operators require more control and monitoring. This aspect is presently under review within the Department of Tourism.

An increase of visitors appears to be possible through the *extension of the season* into the period from October to March, although restrictions due to climatic conditions will influence the operation of the facilities and their marketability.

Though expansion of capacities may not be possible to a large extent, the *improvement of quality* is essential. The assessment of the product by international tour operators revealed that despite the unique variety of wildlife, value-for-money is considered partly inadequate, especially if compared to the neighbouring countries. The need for better training of guides was particularly mentioned.

An *expansion* of the wildlife offer is still possible in the *Central Kalahari Game Reserve* as well as in *the Kgalagadi Transfrontier Park*. Their potential for tourism has not been touched yet, and the necessary infrastructure is not yet in place. The status of development of the Kgalagadi Transfrontier Park on the South African side demonstrates the possibilities which can be achieved by proper opening-up of such an asset.

Hunting can be a source of income, in particular for rural communities. Although this issue is partly emotionally and controversially discussed in international tourism, it should be promoted, given that strict control procedures are applied.

With a few exceptions, *game farming* does not play any major role in Botswana's tourism spectrum. Examples from neighbouring countries, e.g. "guest farms" in Namibia show that this could be an add-on to the wildlife oriented product segment. Such an activity can also be organised at a community level.

Product Diversification

Due to the constraints of the wildlife segment in the North-eastern part of the country, tourism in Botswana can only grow through product diversification, both by adding new components and opening-up new areas.

The character of the country in terms of its geographical location and topography as well as its social background limits the expansion to the use of natural and cultural resources, often named as eco-tourism.

A *strategy on the development of eco-tourism* is presently being developed within the Department of Tourism, which has established a specific section for this area. As no systematic inventory of existing and potential attractions is available, this is the first step for the design of an eco-tourism strategy. It is recommended that overseas tour operators be involved in the assessment of the attractions in order to obtain first-hand information about the marketability of products.

When developing eco-tourism, several principles have to be observed:

- Minimising of negative natural and socio-cultural impacts;
- Creating positive and sustainable economic benefits;
- Careful utilisation of natural resources.

The growing awareness about environmental issues among the tourists is also reflected in their behaviour patterns. "Green" issues play a role in the decision-making process for holidays, and tour operators use them as selling propositions. Examples are the use of local construction materials, solar energy, recycling of waste, saving of water and electricity, use of local produce etc.

Eco-tourism is in accordance with the development and promotion of *special interest holidays* and is possible in a number of fields. The following segments of potential activities are only examples and have to be expanded in the course of the completion of the inventory:

- Ornithology/ bird watching (e.g. Moremi, Gemsbok);
- Botany (e.g. Kalahari)
- Archaeology (e.g. early Bantu sites, rock paintings);
- Anthropology (e.g. Tsodilo Hills);
- History (e.g. Journeys of Dr. Livingstone)
- Geology (e.g. Drotsky's caves)
- Astronomy (e.g. in Central Kalahari Game Reserve)
- Industry (e.g. diamond mines);
- Religion (e.g. missions);
- Folklore (e.g. music, dance, theatre);
- Community life (e.g. food preparation, handicraft village);
- Adventure holidays (e.g. desert trekking, survival training,, camel safaris).

These new products can be developed as independent special interest segments, but also added to the traditional wildlife package, thus extending the length of stay in Botswana. Touring circuits based on Gaborone, Maun, Kasane and other centres can be developed, for example, a possible two-week touring circuit might include Gaborone-Khutse-Gemsbok - Central Kalahari-Maun/ Okavango/Lake Ngami-Tsodilo Hills - Moremi - Chobe - Kasane - Nxai Pan Makgadikgadi Pans-Tuli Block-Gaborone. Shorter circuits could be developed for one-week tours or for day tours centred on Gaborone.

Geographical Diversification

The development of new product segments will lead to the opening up of new regions for tourism, thus reducing the pressure on the north-eastern part. The identification of these regions will follow that of new products. A specific zoning of tourism development areas appears not to be necessary, as the development will focus more on individual projects than on well-defined areas.

As mentioned above, Gaborone and its surroundings can play a more significant role in tourism than at present.

As tourism will diversify geographically into remote areas, consequently there is a need for investment in tourism infrastructure in these areas if these are to attract more visitors, including

- Transport facilities, road improvements, airstrips, telecommunication,
- Accommodation, catering facilities,
- Tourist facilities e.g. shops, petrol stations, basic medical services;
- Development, presentation and maintenance of tourist sites;

Although the attractiveness of the tourist sites determine the development, it is advisable to concentrate facilities in areas conveniently accessible in order to minimise costs.

Implementation
Ideally, the private sector should take the lead in developing and marketing new tourism products. However, in view of a number of deficiencies, e.g. lack of awareness and of professional skills in tourism, Government has to provide the enabling environment (e.g. provision of infrastructure, financial assistance, training, marketing assistance, etc.) that will allow such initiatives to succeed.

This is especially important in view of the involvement of communities as major players of future tourism development through product diversification. Substantial technical assistance in the planning and development period as well as financial support during the building and operation of the businesses are required. Tourism Development Plans as suggested in context with the setting up of the Tourism Development Fund have to be designed on district or local level in order to guarantee proper tourism development. The national strategy on eco-tourism will elaborate more detailed mechanisms for the involvement of communities in tourism development.

Domestic Tourism
Domestic tourism is not actively promoted and it is doubtful that the present product may be marketed to the domestic market. It has neither the appeal nor the pricing levels that could generate a substantive domestic demand. The majority of present-day Batswana have a rural background and are more attracted by the glamour of the city than by the familiar rural setting where wildlife is found. Travel by Batswana is still mainly for visiting friends and relatives or going abroad.

Domestic tourism is presently under-developed. In 1998, citizens made 9,748 visits to national parks and reserves representing only 6.1 percent of all visits. There is an urgent need to increase the volume of citizen tourism, in order, not just to make more revenue for government or to generate more jobs, but also to improve the quality of national life; to make people proud of their heritage, both cultural and natural, and to increase general awareness of tourism and its potential benefits at all population levels.

A start can be made by promoting and making better known the many attractions in the Gaborone area. A need also exists for a wider range of recreational and leisure facilities for Botswana citizens and residents.

Incentive and Conference Travel
Incentive and conference travel is of no major importance in Botswana. With the exception of the exhibition ground in Gaborone all conference facilities are linked to hotels and directed to satisfy local and regional demand. Incentive travel can be marketed through the newly established representations in North America, Germany and the United Kingdom using specialised tour operators as distribution channels.

8.3 MARKETING AND PROMOTION

The foreseen establishment of a National Tourist Board will have significant influence on the organisation and the implementation of marketing and promotion in the tourism sector, as this is a major field of activity for such an institution. Details are given in a report prepared by Scott Wilson and approved in February 2000. However, the overall strategy as summarised in the following paragraphs is not affected by these organisational changes.

Evaluation of Marketing and Promotion Activities
In Botswana, marketing of the available tourism product is at a rudimentary stage. DoT admits that neither a marketing strategy nor a promotion plan is in place. Therefore, currently marketing and promotional activities are limited to distribution of a handful of promotional material. The industry expresses the general opinion that the activities may not only be cost-ineffective but perhaps inappropriate and insufficient to spearhead the tourism marketing and development initiatives in such a competitive market environment. Therefore, the marketing budget needs to be substantially increased but it should be designed, and then utilised, in accordance with the medium to long term marketing strategy which has to be discussed and approved as soon as possible.

On the other hand, little efforts and investments have been made by the industry to create a brand identity and a corporate image of Botswana as a tourism destination. Few if any of the published tour operator programmes start in Botswana, demonstrating that Botswana cannot be regarded as an independent tourism destination in the arena of international tourism. Botswana is seen as only “one” of the destinations or sometimes not even a “destination” as the prospect client’s attention is captured by mentioning the “DELTA” or the “CHOBE”, minimising the fact that these outstanding attractions are located in Botswana.

A significant constraint for the development of Botswana as a tourism destination in Southern Africa is the lack of direct international air links. Air Botswana is not operating flights outside the region and is fully dependent on other carriers in its international tourism marketing activity. Most of these airlines are flag carriers of competitor countries such as South African Airways, Air Namibia or Air Zimbabwe with connections to overseas destinations. Air Botswana is in the process of being privatised and, therefore, it is difficult to involve the company in a medium and long-term policy. However, assuming its importance as the main carrier for Botswana, a more tourism-oriented attitude in terms of routing, pricing and cooperation with other partners should be incorporated in its overall policy.

Marketing Plan
One can create more awareness of Botswana in the travel world by re-positioning Botswana through a unique selling proposition message with holiday fascination. Botswana has a number of outstanding resources for international tourism. Main elements are the abundant wildlife, the scenery of the salt pans, the paradise waters of the Okavango Delta, the wilderness experience, the starry nights of the Kalahari, the San paintings, the culture of the country’s indigenous inhabitants, the trekking in the Gemsbok Mabuasehube National Park and the world’s largest diamond mine.

If Botswana’s marketing communication conveys too many messages, the destination will not be unique and the risk of still being seen as offering "me too" products remains unsolved. All communications efforts should focus on one unique highlight, which every holiday seeker will exclusively identify with Botswana.

Positioning Strategy

The results of the visitor survey carried out under the BTDP together with supplementary information from the industry clearly indicate the priority target markets. Great Britain, Germany, United States, France, Italy, Japan, Australasia and Botswana residents of medium-upper class, South Africa of medium-upper class. In these top markets Botswana must undertake active and dynamic efforts to develop and strengthen its marketing and promotional presence in order to achieve the sales target for the short and medium term.

One of the results of the BTDP Workshop held in June 1998 suggested that the Kalahari Desert must be considered the real Unique Selling Proposition (USP) for Botswana. The Kalahari Desert is well known all over the world, but most tourists are not aware of its exact geographical location. Efforts have to be made to communicate that the Kalahari Desert is located in Botswana. Graphical support, using impressive photographic images, will help to create the desired awareness of Botswana.

The positioning concept *(this is not a slogan)*: BOTSWANA - LAND OF KALAHARI should be visualised by world class emotional impressions of Botswana combining wilderness with African wildlife and cultural heritage as the Kalahari Desert itself is offering a range of different product components, e.g. adventure, wilderness, wildlife, culture/ heritage, sand dunes, salt pans, camels. These different emotions shall, therefore, be transferred to the potential visitors/customers by the means of visual rationales. This would complement the efforts for product diversification as outlined above.

Communication Policy

Botswana suffers from the fact that it is almost unknown and, as far as customer perception is concerned, is moving “far behind” its competitors. A decision has already been taken with regard to target groups and their proper approach through the establishment of three representations abroad, i.e. United States, United Kingdom and Germany.

DoT has to define which of the possible market’s approaches is appropriate for the type of tourism products offered in Botswana considering also the financial resources. Segmentation should be operated both from the geographical point of view (target markets) and from the tourists’ holiday preferences and motivations (target groups).

DoT cannot directly reach all potential consumers of the identified markets and groups, as this will not be cost effective. Therefore, a marketing media strategy addressed to the travel trade as the intermediary must be designed.

Marketing Communication Mix

In order to communicate effectively, DoT should contract advertising agencies, specialists for promotion and direct marketing, Internet experts, as well as public relations firms and also develop a corporate image and design a new logo. (Such an activity is foreseen under the Annual Work Programme of the Botswana Tourism Development Programme).

Four basic components will be utilised: (a) advertising, (b) public relations, (c) direct marketing, including Internet, and (d) promotional tools. The advertising objectives will aim at the building-up of a primary demand and a brand preference through an informative and persuasive advertising campaign. The travel trade and the consumers must be informed about the superiority of Botswana’s tourist product and the trade must feel a new perception of Botswana tourists’ attributes. Great care should be taken in the choice and selection of the advertising media, on media timing and geographical media allocation.

Public relations is an important marketing mix component. DoT must not only relate to the tourists and the industry, but also to a wide range of the interested public. The PR sector monitors the attitudes of the various segments and distributes information and communications to build up goodwill. When negative publicity spreads around, e.g. political turbulence, natural catastrophes, the PR sector acts as a trouble-shooter, mitigating the negative impact.

Direct marketing is an interactive system, which uses several forms of communications, e.g. direct mail, catalogues, telemarketing, Internet, electronic shopping, reservations and booking services. DoT should as soon as possible establish a technically up-to-date Information and Communication System (ICS), utilising state of the art Internet technologies and media to allow a direct dialogue with the trade and the potential consumers. The Internet provides a substantial databank on most countries and national tourism organisations of the world and it is of course very important that Botswana has its own attractive official Internet presence.

Promotional tools represent a set of collateral elements which, from experience and best practice, are

- posters (one poster for each of the emotional impressions);
- video (a re-edition of the present video to provide the outlook and the image of Botswana in line with the new marketing communication policy);
- folder (the proposed tool is a two in one brochure that shall consist of 3 sheet/ 6 pages fold back cover (the folder), and a 12 pages inside product brochure;
- photo library (top quality and state of the art equipment), varied and multipurpose oriented, utilising the most up-to-date photographic and data base systems and accessible via Internet;
- trade manual for tour operators, airlines and selected travel agencies. It will complement the DoT Information and Communication System (ICS) and, at a later stage, be substituted by this information tool.

Foreign publishers may be interested in producing new guides, handbooks and maps. DoT's role is to support efforts of well-established editors and sponsors to produce new, comprehensive and well-presented guidebooks. The DoT shall also encourage, promote and sponsor the publication of periodical, e.g. weekly publications on "What is on in Gaborone" as well as in other tourism-oriented locations.

Good quality post cards are an efficient and cost-free promotional item. Although the production and distribution is a private-sector activity, DoT should provide support to the best of its ability.

Shell Botswana is currently producing the only valid and updated map of the country: The company has already declared its interest in producing a joint edition with DoT using the DoT logo. It can also be distributed through the DoT Information Offices as a promotional tool.

The long-term objective of the Tourism Information System (TIS), is to provide a comprehensive, integrated, and easy-to-use facility for the distribution of information on the Botswana tourism sector. The TIS supplies national and international tourists as well as the national and international travel industry with all kinds of information about Botswana's tourism in an objective way and without direct commercial interests. Therefore, the handling of information should be kept under the responsibility of a public institution.

Promotion and Public Relation Policy
It is highly recommended to establish "Airport Welcome Centres" at the international airports in Gaborone, Maun and Kasane as significant efforts have to be undertaken to contribute to a positive image of Botswana as a tourist destination. Due to the particularly high number of holiday tourists arriving to Botswana by road, it is recommended to establish " Welcome Desks", at the busiest (from a tourism point of view) road border posts. They should be operated by the Department of Tourism in close cooperation with the Immigration Department.

The present location of the Tourist Information office in Gaborone is a constraint to the correct implementation and enhancement of such an important customer service. The Information Centres in Gaborone as well as in Maun and Kasane should become the "place" to go, where activities connected with tourism in a wider sense are organised, e.g. folklore shows, videos and slides presentations, handicrafts exhibition in co-operation with other public and private sector institutions.

Botswana's priority markets are Europe, USA and in South Africa. Therefore, DoT has to attend the most important international tourism trade fairs in these countries, definitely ITB Berlin, WTM London and INDABA Durban. Agreements should define the joint participation of the private sector, represented by HATAB, in these fairs, in order to share duties, charges and success.

Corresponding to the trade fairs in Europe, in the United States "road shows" are regarded as an event for product presentations to selected travel agents and wholesalers, and even selected potential consumer. Botswana's representative in North America has already included such activities in the action plan.

In order to effectively engage in marketing activities, especially in connection with an entry into new markets, Botswana requires a period of up to five years to achieve sustainable results. Qualified personnel and an adequate budget are prerequisites for the success of such an operation.

Workshops in selected European regions are essential to launch the new Botswana product range to the trade. Educational and familiarisation tours organised for selected trade partners from the defined regions will complement these workshops. For this activity, co-operative marketing should be developed with hotels and lodges as well as with Air Botswana and qualified local ground operators.

A "Visiting Journalists Programme" should be implemented to promote a positive image. A limited number of journalists should travel together and, in addition, each journalist should have the possibility to pursue his/her own specific interest. A professional PR company, based in the country where the programme will be launched, should be contracted to identify influential and competent journalists as well as to organise the tour and the follow up of this activity.

Product Packaging
The strategy is to clearly identify the products to be promoted in order to create an easy and understandable product profile. As few consumers have a clear idea of Botswana as a holiday destination a precise product profile must gradually be created in line with the new marketing concept. Focusing Botswana holiday propositions on those "high spots" which make the country fascinating will achieve the goal.

The eight top class destinations in Botswana are (a) Central Kalahari, (b) Chobe National Park, (c) Okavango Delta, (d) Tsodilo Hills, (e) Nxai Pan and Makgadikgadi National Park, (f) Kgalagadi Transfrontier Park, (g) Tuli Block, and (h) Gaborone area.

Marketing Organisation
As the functions of DoT's marketing division will be taken over by the newly established Tourist Board, it is recommended that permanent staffing be kept to a minimum to allow for a reorganisation. However, the overall structure will not change significantly. The core personnel includes the following positions:

- Head of Marketing Division,
- Marketing Strategy Manager,
- Public Relations Manager,
- Publicity and Advertising Manager.

The establishment of the Tourist Board will also affect the marketing budget because a reasonable contribution is expected from the private sector, both in cash and in kind. Indications are included in the respective study.

8.4 TRAINING AND EDUCATION

Background
The Government of Botswana realises the socio-economic benefits that can be derived from the development of tourism for the diversification of the national economy. Such benefits can be measured in terms of employment creation (direct, indirect and induced, especially for the young and female workers in rural areas and partly from socially underprivileged classes). Other scales are in terms of foreign exchange earnings, income for Government, and an overall increase of the GDP with the ensuing stimulus to the development of other sectors.

One major constraint to the development of tourism is the quality of tourism services. Although service personnel are generally friendly, a lack in professional performance is obvious. Service skills are poor in all areas, e.g. crafts, supervisory, management and guiding.

Service standards in the tourism sector have a physical and operational component. Operational standards involve people providing services to customers. Standards are at the centre of ensuring that tourists are satisfied with the value-for-money they experience during their visit. In tourism, where word-of-mouth information is so important, it is essential that visitors, once they return home, speak positively of their experience. A destination with a history of low standards in some or all aspects of its tourism product soon will find itself replaced by other destinations.

It is also of particular importance to acknowledge the consumer protection laws in force in many of the major tourism originating markets, particularly in EU countries. According to this legislation, the seller of a holiday package is responsible for all its components, including damages caused by non-fulfilment of marketing and product description.

Integrated Tourism Training and Manpower Development Plan
The development of an Integrated Tourism Training and Manpower Development Plan falls into the field of competence of, and calls for co-operation and co-ordination with a number of partners, i.e.

- Ministry of Labour and Home Affairs that regulates the labour market;
- Ministry of Education that regulates the education and training sector;
- Ministry of Commerce and Industry including the Department for Tourism (DoT) and Department of Wildlife and National Parks (DWNP) that is responsible for tourism development and the management of wildlife and protected areas; and
- the employers who are the ultimate beneficiaries of the training system.

The tourism industry is a labour-intensive and people-centred sector, embracing a broad range of enterprises, occupations and skills. Offering an attractive range of jobs which are sometimes totally new in a country and very often provide an outstanding opportunity for personal fulfilment, hotels, catering and tourism (HCT) establishments form a particularly fertile sector for the improvement of the standard of living of the workers in the sector and the population in general. However, the specificity of this sector calls for special measures of attention. The training of its workers is vital to employment promotion, the effective functioning of enterprises and the development of the sector as a whole.

In 1998, the number of people directly employed in Botswana's tourism sector could be estimated at 9,900. When taking into account the high labour turnover for the HCT sector in Botswana, annual manpower needs can be estimated at 1,600 persons for the period 1997-2003. As could be expected, labour market demand is highest for skilled workers and, subsequently, at this level formal training programmes should be geared. Not taking into account unskilled labour and ancillary workers, it can be estimated that about 3,600 presently employed hotel and catering workers are potentially in need of refresher and upgrading courses. Of these about 2,900 (79%) are in catering occupations (food & beverage service and food production) and about 1,000 (28%) in first-line supervisory jobs.

Occupations in the Hotel, Catering and Tourism

Training has been identified as one of the primary concerns for the development of tourism in the country and as a bottleneck for further expansion. There is presently no specialised training facility for hotel, catering and tourism occupations in Botswana, except the Botswana Wildlife Training Institute (BWTI) which has been developed as an in-house training facility for the wildlife staff of the DWNP. With its increased student capacity, the BWTI will be able to respond to the training needs of the DWNP for the planning period to the year 2010.

However, there are many more HCT occupations that have not been taken care of. The Apprenticeship Scheme, for which the Ministry of Education provides theoretical support through its Vocational Training Centre (VCT) in Maun, offers training for basic skills and for two occupations only and appears not to be too popular among employers. Its total yearly output, in quantitative terms, is practically insignificant compared to the demand for skilled personnel by the hotel, catering and tourism industry.

Thus, the supply of skilled workers does not appear to be balanced, neither in terms of quantity nor of quality, in view of the needs of the HCT sector. As the number of job opportunities increases in line with the development of tourism, and is continuously fuelled by high staff attrition rates, the issue of human resources development for the hotel, catering and tourism may become the bottleneck for tourism development.

The National Policy on Vocational Education and Training provides a sound and comprehensive framework of guidelines for planning, co-ordination and provision of training, including for HCT occupations. Within this policy framework, presently there is a need for framing an Integrated Tourism Training and Manpower Development Plan for the development of human resources of the modern HCT sector. It should encompass all training programmes relevant to the HCT sector in a national framework where each type of training institution belonging to the system is both demand-driven and employment-oriented.

The basic components of the framework are
- training matrix for HCT occupations
- occupational profiles
- curricula outlines
- education and training system
- guidelines for education and training
- organisation
- implementation strategies and action plans

Training Matrix for HCT Occupations
The National Policy on Vocational Education and Training has established a National Vocational Qualifications Framework as the basis for certification and accreditation of training achievements and for categorisation of competencies offered within and outside the formal vocational education and training system. This framework consists of three levels of competence and applies to all sectors of the National Vocational Education and Training System.

The proposed Education and Training System completes the National Vocational Qualifications Framework by adding Diploma and Management level courses. The addition of Diploma and Degree courses is strongly recommended. An "integrated" system should offer a comprehensive education-and-training path supporting career development at all stages. It is difficult for Batswana to accede to management positions until such a system is in place. As the establishment will require years, work in this direction has to start as soon as possible.

The proposed system closely reflects the present occupational structure of the HCT sector in Botswana. Based on the National Remuneration Survey and modified into a training matrix for HCT occupations it identifies six main occupations (hotel front office, housekeeping, food & beverage service, food production, tour operations and tour guides) and five levels of skill. It is commonly agreed that these occupations and skill levels represent the very great majority of jobs in the industry.

Occupational Profiles
For each of the above occupations job profiles are provided, based on International Labour Organisation's (ILO) International Standard Classification of Occupations supplemented by other more specifically sectoral ILO publications. Some typically local occupational profiles such as "Safari cook" and "Camp attendant" have still to be elaborated with the help of the industry, others such as all Tour Guiding profiles are specific to Botswana and do not relate closely to ISCO-88. Some profiles were defined at a BWTI Workshop 1998 and are added for reference and comparison to ISCO-88 profiles.

Education and Training System
The proposed Education and Training System closely reflects the present occupational structure of the HCT sector in Botswana. As requested by the National Policy on Vocational Education and Training, the Education and Training system shall offer courses that correspond with standard occupational profiles and classification followed throughout the

country. For the HCT sector, this means that the proposed system will consist of courses leading to standard skill testing and certification for the occupations and skill levels corresponding to the occupational profiles identified above.

Characteristic of the proposed system is that access to Diploma and Bachelor degree courses would be subject to possession, duly certified, of qualifications for lower level occupations. Thus a "pyramid of success" would be put in place whereby only successful candidates would gain access to higher levels of specialisation.

Guidelines for Education and Training

There is not a separate human resources development policy for tourism. The sectoral policy reflects all the directions and policies set for vocational education and training at national level. The overall objective is to educate and train sufficient numbers of personnel to meet the needs of the sector, at all levels, for all occupations, and in all parts of the country at the right time. The long-term objective is to make Botswana self-sufficient in all matters of education and training for the development of human resources for the hotel, catering and tourism sector. Batswana should be enabled to acquire the necessary skills and qualifications to occupy positions at all levels, including management levels, eventually reducing foreign exchange leakage and dependency on expatriate staff.

Botswana is a newcomer on the international tourism scene. The guidelines provided are based on worldwide developments and trends in education and training for the HCT sector and incorporate the views expressed by local hoteliers, tour operators, travel agents and other tourism-related professionals.

Organisation

The primary responsibilities in education and training lie with the Ministry of Education and the Ministry of Labour and Home Affairs. The role of the Department of Tourism, and later that of the Tourism Board in the area of education and training is threefold, as a

- technical agency providing advisory services to the various national institutions dealing with education and training for the HCT sector;
- monitoring agency collecting and elaborating data on how the national education and training policy affects employment in the HCT sector;
- promotional and implementing agency providing post-employment industry-based training for the HCT sector, carrying out tourism awareness campaigns for the general public and training Government tourism officials.

To develop and implement its education and training policy, strategies and action plans, a Training Division and Documentation Centre, including a Mobile Training Unit, should be established within DoT.

Sustainability rests on a combination of factors including institutional framework, quality of leadership, capability of professional staff to deliver quality training programmes and sufficient and timely funding. Experience shows that institutional arrangements, management, equipment, curricula and syllabi, faculty, financing and liaison with, and support from the industry are key issues to be addressed when setting up training programmes to support tourism development.

Implementation Strategies and Action Plans

There is only one policy that justifies DoT's involvement in Education and Training, i.e. to promote tourism development through improved quality of services.

This policy will be implemented through nine strategies and twenty-eight action plans:

1. <u>To contribute to the development of a national policy on tourism education and training</u>
    - to make technical recommendations in the area of occupational skill standards, trade testing and certification;
    - to recommend technical criteria for the accreditation of hotel and tourism training institutions;
    - to recommend technical criteria for the accreditation of tourism enterprises to participate in apprenticeship and on-the-job training schemes.

2. <u>To monitor the manpower and training needs of the HCT sector</u>
    - to carry out manpower surveys, in cooperation with the Ministries concerned and the sector itself, to establish quantitative and qualitative assessments of manpower and training needs;
    - to maintain and update data on the addition of hotels and tourist facilities in order to estimate manpower and training needs on a continuing basis.

3. <u>To promote a system of pre-employment education and training, at secondary and tertiary levels, to supply the HCT sector with skilled workers qualified for a wide range of jobs:</u>
    - to determine, in consultation with the industry and training institutions, appropriate measures for addressing the sector's tourism and hospitality education, skills training and capacity building needs;
    - to make recommendations on the best use of Vocational Training Centres (VTCs) and the University of Botswana to train for the tourism industry;
    - to monitor and continually assess the availability of training courses and programmes;
    - to promote the introduction of tourism studies in the schools' curricula;
    - to organise and implement vocational guidance campaigns in secondary schools to promote tourism as a career prospect.

4. <u>To promote a system of post-employment training at all levels and for all HCT occupations, enabling workers to improve their skills and expertise:</u>
    - to work with trade and professional associations to set up supervisory and management development programmes;
    - to plan and implement supervisory and management development training programmes in the tourism industry;
    - to promote with the trade and professional associations national skill competitions.

5. <u>To assist in the establishment of a self-sustaining financing system for post-employment training:</u>
    - to determine the operating procedures, criteria, conditions and programmes for allocating and disbursing moneys from the Tourism Training Fund;
    - to manage the Tourism Training Fund;
    - to develop a cost-recovery system for demand-driven training programmes, i.e. programmes that are relevant to employers' immediate needs and in accordance with the established national training policy.

6. To promote the employment of HCT graduates:
   - to link occupational qualifications, skill standards, trade testing and certification with the licensing and classification systems for tourism enterprises;
   - to carry out tracer studies of HCT graduates working in the industry.

7. To establish and operate a documentation centre for the collection and dissemination of training materials and technical reference books on the tourism and hospitality industry:
   - to maintain and update a technical reference library for the HCT sector;
   - to maintain and update a list of accredited regional training institutions and programmes of interest to the industry.

8. To enhance the development and management of the tourism sector through the development of training programmes for Government tourism officials:
   - to plan and implement an Induction Programme and periodic updating/ refresher courses for the staff of the Department of Tourism;
   - to plan and implement training programmes for specialised DoT staff (Information, FAP, Licensing, Hotel grading and Inspection, etc.);
   - to plan and implement staff development plans for DoT;
   - to plan and implement periodic "Welcome to Botswana" (customer service) campaigns for Customs, Immigration and Airport front-line staff.

9. To strengthen, through training, the existing network of small and medium enterprises and to encourage the development of new enterprises of this type:
   - to develop training schemes for potential entrepreneurs, including preparation and development of investment projects, feasibility studies, business plans, financing systems and operational support;
   - to improve the quality of Safari camp operations through management advice and employee training;
   - to collaborate with other departments and agencies in the development of pilot projects broadening community participation in tourism, through small enterprises, villages and cooperatives;
   - to assist the arts and crafts sub-sectors in design and marketing related to tourism.

The policies, strategies and action programmes recommended, when implemented, will have a significant impact on the improvement of the quality of services provided by hotels, lodges and safari camps and significantly raise the consciousness of the industry as to the importance of training as an on-going function necessary to develop tourism as a real engine of growth for Botswana.

8.5 TOURISM AWARENESS

Background

Tourism by its very nature is a complex phenomenon that pervades and profoundly impacts the natural, socio-cultural and economic environment of the host society. This is also the case for Botswana, despite the fact that tourism is not a major industry and is actually in its early stage of development. As a consequence, knowledge about tourism in general is limited or even non-existent within major parts of the Batswana society. This is particularly true with regard to its economic significance and the role which the sector can play in the future development of the country, especially in rural areas.

This lack of information, sometimes mixed with prejudices can influence the overall attitude of Batswana towards tourists during their visit. Adverse or even hostile attitudes are almost always based on ignorance about the real nature of tourism. Especially among those groups of the population with limited contact with foreigners, awareness has to be created about motivations, expectations and behaviour patterns of visitors. Conversely, international visitors need to be alerted to behaviours unacceptable to local custom and culture, as well as to its fragile eco-system - the country's major tourist attraction.

Botswana's Low-volume/High-priced tourism product developed and sold on the international market is one that bypasses almost completely Batswana society. The type and remote location of its main attraction (wildlife) is such that it mostly prevents the direct contact between tourists and local populations, except for those working in the industry. Its environmental impact is concentrated on a very small area of the country with limited intermingling of tourists and locals.

Overall, there is still limited understanding by Batswana about tourism and its potential contribution to the socio-economic development of the country. By achieving a better understanding of tourism and realising how they can benefit from it, the Batswana society will give this expanding sector greater support. Also, there is little appreciation of the close relationships between environmental protection and tourism development. An area of specific concern is training and awareness of local communities, which must target two different objectives: (a) to avoid or at least mitigate negative impacts on the local socio-cultural system resulting from tourism development; and (b) to support and make possible the participation of local communities in the tourism development decision-making process. Moderately paced tourism development combined with pro-active social impact planning ensures that village societies will increasingly have an opportunity base for entry into ownership and management of tourist facilities and ventures.

National Tourism Awareness Programme

A National Tourism Awareness Programme should address the Botswana society as a whole, including international visitors as temporary members of such a society. Awareness campaigns need to be addressed to specific target groups such as policy and decision-makers; opinion leaders; the public in general and the future generations. Initially, the following campaigns are proposed:

- Public Tourism Awareness, also in rural communities;
- Tourism Awareness in Schools;
- Awareness in the Tourism Industry; and
- Visitor Awareness.

A Public Tourism Awareness campaign cannot change facts, but may correct perceptions. It would not be in the national interest to distort facts that need to be addressed to find an equitable compromise between conflicting interests. A visible increase in participation and control in the tourist sector by Batswana and the sharing of recreational opportunities will go a long way in changing public perceptions about tourism; but this may well be a medium-to-long term objective.

A programme to develop public awareness requires the following components:

- regular and objective public information about developments and performance of the tourism sector;
- organisation of socio-cultural events with tourism as the central theme ensuring multimedia coverage of events, e.g. World Tourism Day;

- educational information as to the character and needs of the tourism sector, including relationship between tourism and environmental protection, information about the potential opportunities in secondary economic activities including handicrafts, assistance to Tribal Authorities to make more effective use of their leasehold rents for the long-term benefit of their communities. A primary requirement is for explanations to be on the level and within the capabilities of the communities targeted.

From the perspective of the tourism industry itself, the education and training of future generations is an essential condition for its future development. Today's students are tomorrow's policy and decision-makers, entrepreneurs, managers and also tourists. Therefore, in addition to education and training for direct employment in tourism, there is a need for incorporating exposure to the subject of tourism in the school curriculum.

Tourism awareness in schools has various components:
- Tourism as a socio-economic phenomenon;
- Environmental education and conservation;
- Cultural heritage, performing arts and crafts;
- Promotion of domestic tourism;
- Tourism as a career prospect.

Awareness in the Tourism Industry
Awareness in the tourism industry is about knowing people and their needs, not just customers' needs; but staff and management's needs also. Quality service is achieved by satisfying three areas of need: (a) customers need the help of the staff and of management to obtain some of their basic requirements for life (food, drink and shelter) and other services; (b) staff need to adjust their behaviour to respond to more than one boss, for in addition to supervisors and management, each customer is a boss as well; and (c) management needs to provide a satisfactory environment for its staff, in order to provide the satisfaction sought by its customers. The more the need of all three can be satisfied the more effective will be customer relations, i.e. the more the area of the various interests overlap, the better customer relations will be.

There is clearly an issue of customer relations and awareness to be addressed. This involves the following target groups: (a) customs, immigration and airport front-line staff; (b) management and staff of hotel and tourism enterprises; and (c) visitors.

Only limited attention has been paid to the need to promote awareness among visitors to Botswana. Given the nature of the country's tourism product, visitor awareness in Botswana has two components: (a) wildlife and (b) cultural sensitivity. Clearly, visitors need to behave in a fashion acceptable to wildlife, not the other way round. This is true irrespective of the context of the encounter, be it in a protected area, local parks or zoo.

Presently, no information is available to tourists regarding appropriate behaviour and cultural sensitivity in Botswana. No appropriate guidelines are included in the DoT marketing literature. Also, hotels and lodges should be encouraged to organise cultural events and presentations of the artistic manifestations of the cultural heritage.

Tourism Awareness Campaigns
Target audiences for the tourism awareness campaigns are:
- third-year Junior Secondary and first year Senior Secondary students (approximately ages 16 to 18) and their teachers for the Tourism Awareness Module in schools;

- second-year Senior Secondary School students for the Career Guidance Module;
- adult public at large (age 19 to 60) for Public Tourism Awareness campaigns;
- specific tourism-impacted local communities for Community Awareness and participation, including Councils and Land Boards;
- hotel and tourism personnel for the Customer Relations Module;
- international visitors for the Visitor Awareness programme;

The projects proposed for the tourism awareness campaigns are the following:

- Public Tourism Awareness:
- ✓ Tourism Development Report
- ✓ National Tourism Week in relation with World Tourism Day
- ✓ Promotion of Cultural Heritage
- ✓ Promotion of Domestic Tourism
- ✓ Rural Communities Awareness
- ✓ Assistance to Tribal Authorities
- ✓ Production and Dissemination of Tourism Awareness Material

- Tourism Awareness in Schools
- ✓ Tourism Awareness Module for Secondary Schools
- ✓ Tourism Career Guidance Module for Senior Secondary Schools
- ✓ Promotion of Domestic (scholastic) Tourism

- Awareness in the Tourism Industry
- ✓ Customer Relations Module for HCT workers
- ✓ Cultural Awareness Seminars for HCT Management
- ✓ Language/Cultural tape for HCT Management

- Visitor Awareness
- ✓ Environmental and Cultural "Do and Don'ts" Guide
- ✓ Cultural Events

The promotion of tourism awareness is framed within the institutional structure and mandate of the DoT/ Tourism Board, but it should avail itself of the past and ongoing experience of other Departments, in particular the Department of Wildlife and National Parks (MCI), the Department of Culture and Youth (MLHA) and the Department of Curriculum Development and Evaluation and the Department of Vocational Education and Training (MOE), as well as of the co-operation and support of the media, HATAB and other interested organisations, e.g. Botswana Society. An appropriate framework for the management (preparation, implementation, supervision, monitoring procedures and ongoing control results) should be put in place prior to the launching of any major awareness campaign.

A full-fledged National Tourism Awareness Programme sustained over a number of years will require substantial resources both in terms of human resources and finance. As no officials with the required experience are presently employed in DoT to undertake the duties and responsibilities that such a campaign entails, significant international expertise inputs will be required to train the specialised staff needed and to implement the campaign until it is well established and has reached its "cruising speed".

The policies, strategies and action programmes recommended in the National Tourism Awareness Programme, when implemented, will have a significant impact on tourism awareness for future generations, increased community participation in tourism, and a better understanding of the relationship between conservation, tourism and economic development among the public at large. A significant improvement in host-guest relations and management-labour should also be achieved.

8.6 TOURISM INFORMATION SYSTEM

The following summarises the recommended technical assistance requirements that arise from the proposed action programme set out in the WTO/UNDP Consultant's report (June 1998) on the development of tourism statistics. Following the guidelines of this report, a WTO/UNDP project is presently implementing the recommendations as the principal executing agency for technical assistance programme. The implementation will be finished by end of 2000.

Preparation of Statistical Guidelines and Survey Implementation

- Identify and define the tourism statistics to be collected; the scope of the statistics should take into consideration the eventual preparation of a tourism satellite account;
- Liaise with the Department of Immigration and the CSO to implement the agreed revised data collection procedures for visitor arrivals;
- Implement the agreed new data collection procedures for collecting monthly accommodation statistics within the Department of Tourism;
- Formulate and implement surveys of the tourism supply in Botswana and any other necessary surveys in cooperation with the Botswana Tourism Development Programme;
- Develop the format for a quarterly and annual tourism statistics report.

Development of Tourism Database and Website

- Installation and fine-tuning of statistics department computer system;
- Design and programming of the Tourism Database in Microsoft Access;
- Training of counterpart in the statistics department in the design and programming of databases in Microsoft Access; and
- Design and development of a Department of Tourism website, including training of counterpart in the development and maintenance of websites.

DoT staff is being trained to continue the work after the end of the project. The statistical database will form an integral part of the Botswana tourism website.

8.7 PHASING AND MONITORING OF ACTIVITIES

The activities as outlined in this chapter are different in terms of priorities and importance, type, duration as well as financial, technical and organisational requirements. However, following the three dominant development guidelines Product Diversification – Community Participation – Public/ Private Sector Partnership (see chapter 6.2), three corresponding major activities are imperative, namely Establishment of National Tourist Board - Development of Eco-tourism Strategy – Tourism Awareness Campaigns.

GUIDELINE		ACTIVITY
Private/ Public Sector Partner-ship	← →	***National Tourist Board***
↓↑		↓↑
Product Diver-sification	← →	***Eco-Tourism Strategy***
↓↑		↓↑
Community Participation	← →	***Tourism Awareness***

The immediate establishment of the National Tourist Board is of top priority, because this will be the central institution for initiation, launching and implementation of activities derived from the Master Plan. It is the intention of the Ministry of Commerce and Industry to have the Tourist Board operational in early 2001. This will significantly strengthen the co-operation between the public and private sector.

The second most important activity in the field of product diversification is the design of a national strategy for eco-tourism aiming at expanding existing or introducing new product types and opening up new regions. The Department of Tourism has initiated first steps for such a strategy, and an outline is planned to be completed in the second half of 2000. Pilot projects will also be identified.

The third priority activity is the implementation of tourism awareness campaigns for different target groups and laid out with a long-term prospect, not only to familiarise Batswana with the characteristics of tourism, but also providing practical advice to set up sector-related private businesses. A tourism awareness concept has been developed under the BTDP and a first series of seminars for rural communities is being launched in May 2000.

Other activities recommended for the implementation of the Master Plan, though also important, are more of a technical nature. A number are already in the process of implementation, e. g. marketing and promotion, statistics and research, training and education. Some may have to be adjusted through the stronger involvement of the private sector in the operation of the Tourist Board.

TIME TABLE FOR IMPLEMENTATION OF TOURISM MASTER PLAN –

INCEPTION PHASE (2000 – 2002)

Activity	*2000*			*2001*				*2002*			
	II	*III*	*IV*	*I*	*II*	*III*	*IV*	*I*	*II*	*III*	*IV*
Establishment of Tourist Board											
• Approval by Cabinet											
• Set up of Regulations											
• Recruitment of Staff											
• Start of Operation											
• Adjustment of Tourism Legislation											
Product Diversification Strategy											
• Preparation of Terms of Reference											
• Launching of Tenders											
• Preparation of Concept											
• Approval of Strategy											
• Selection of Pilot Projects											
• Implementation of Strategy											
• Establishment of Development Fund											
Training/ Tourism Awareness											
• Test Seminars in Rural Communities											
• Awareness Seminars for Teachers											
• Development of Long – Term Campaigns											
• Integrated Tourism Training and Manpower Development Plan											
• Integration into National Policy on Vocational Education and Training											

Activity	***2000***			***2001***				***2002***			
	II	***III***	***IV***	***I***	***II***	***III***	***IV***	***I***	***II***	***III***	***IV***
Marketing and Promotion											
• Finetuning of Marketing Strategy											
• Launch /Operation Overseas Representations											
• Concept for Promotion Tools/ Production											
• Establishment of Website and Photo Library											
• Upgrading of Regional Offices											
Research and Statistics											
• Preparation of Guidelines for Statistics											
• Development of Tourism Database											

During the establishment phase of the Tourist Board, a time table for the activities to be carried out in the individual areas (product development; marketing and promotion; training and education; tourism awareness; research and statistics) has to be set up also allowing monitoring and control of their implementation and achievements.

An overall control system, using a limited number of key figures (tourist arrivals, contribution to GDP, number of employment, foreign exchange earnings) should be established to annually measure the development of the tourism sector, and to act and react to market changes accordingly.

For example, the projected number of arrivals for the planning period is as follows:

Year	***2000***	***2002***	***2004***	***2006***	***2008***	***2010***
Arrivals (000)	220	247	267	289	312	338

A simple monitoring system would also allow for revision of targets.