STATE OF ZAMBIA'S TOURISM

DIVERSIFICATION AND BROAD-BASED WEALTH CREATION

INTRODUCTION

Zambia's Vision 2030 and the Seventh National Development Plan 2017-2021 (7NDP) recognize tourism as an important economic sector for economic diversification, foreign exchange and employment creation. Zambia has had one of the world’s fastest growing economies for the past ten years, with real GDP growth averaging roughly 6.7% per annum. (World Bank). Tourism’s contribution to GDP has grown from 2.4% in 2012 to 3.2% in 2015, according to World Travel and Tourism Council (Travel and Tourism Economic Impact Report for Zambia 2017, WTTC)

It is because of the TOURISM VALUE CHAIN that, the tourism’s capacity to distribute weight, reduce poverty, create jobs, and advance the change towards more sustainable consumption and production patterns has been recognized. The Tourism Value Chain is the sequence of primary and support activities, which are strategically fundamental for the performance of the tourism sector.

The tourism sector faces the following challenges:

- The Tourism Master plan yet to be completed.
- Underdeveloped tourism-related infrastructure;
- Limited investment in the tourism sector by both local and foreign investors;
- Limited tourism product offering range and scope;
- Inadequate tourism promotion and marketing;
- Limited human, technical and financial resources for the protection of wildlife;
- Perceived high cost of doing business.

It was reported by the Ministry of Tourism and Arts that the Tourism Development Fund collection from time of inception in March 2017 is standing at K 3,050,310.78, second week of September 2017.

Efforts to establish National airline are underway and in addition to this, there are now two local commercial private operators and charters available.

POLICY DIRECTION GOING FORWARD (MTEF 2018-2020) 7NDP, 2018 BUDGET

STRATEGY 1: Promote tourism-related infrastructure: The MoTA commits to the implementation of the Tourism Development Fund as provided for in the Tourism and Hospitality Act.

STRATEGY 2: Promote diversification of tourism products: MoTA will promote the development and expansion of non-traditional modes of tourism, such as eco- and agro-tourism; cultural and sport-based tourism.

STRATEGY 3: Promote tourism source market segmentation: through the increased tourism market segmentation utilisation 274 for 2018 the MoTA will focus on growing the traditional source markets by increasing market penetration in the USA, United Kingdom and Germany.

STRATEGY 4: Promote domestic tourism focus will be on tapping into the unexploited potential of the middle class to boost domestic tourism as a way of contributing to the overall diversification of the tourism sector and the economy.

STRATEGY 5: Restricting, protecting and rehabilitating National Parks whose wildlife management systems have declined to levels where safari and photographic tourism is not viable. This will be achieved through the establishment of a strong anti-poaching unit under the Department of National Parks and Wildlife applying different appropriate Public-Private Partnership models.

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TOURISM STRATEGIES IN THE 7NDP

Establishment and implementation of the Tourism and Hospitality Act of 2015 has brought about various progressive changes which include:

- Establishment of tourism development fund to support product development, tourism infrastructure and tourism marketing;
- Zambia Tourism Agency has taken up the functions of branding and grading in an effort to enhance efficiency and standards in the tourism sector;
- The Tourism Levy is a tourist charge paid at the rate of 1.5% of a person’s total bill in respect of accommodation and events as defined in 16 of 2017 (quote the 45) and is applicable to both local and international users.

Use of Information Communication Technology in National Parks to help curb poaching and encroachment. This will equip the Ministry of Tourism and Arts to stop illegal wildlife businesses.

Increase Zambia’s appearance and image at global forums and international fairs through the use of effective media of marketing the country.

Re-brand and expand the Hotels bord to improve the standards of lodges across the country and also provide much needed affordable accommodation for domestic tourists.

EARNINGS IN 2015

K4.41 Billion

K2.7 Billion

PMRC RECOMMENDATIONS

Subscriptions are available at:
info@pmrczambia.net

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Tourism Development Measures Include:

- STRATEGY 1: Promote tourism-related infrastructure:
  The MoTA in collaboration with other sectors will develop, upgrade and rehabilitate roads, viewing loops and airstrips to and within the major national parks, to efficiently interlink the major destinations in the northern and southern tourism circuits. The 7NDP also commits towards the development of arts and culture infrastructure, to improve the contribution of the country’s unique natural and cultural heritage to diversify the tourism product.

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In the MFEF, Government through the MoTA commits to focus on tourism marketing, tourism product development and infrastructure development.

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The 7NDP re-emphasizes the importance of the agriculture, mining and tourism sectors towards poverty reduction and employment creation by emphasizing on the Cluster Advisory Group development approach as opposed to sector development approach thereby removing the binding constraints to growth.

Under the 7NDP, focus is on expanding the tourism industry beyond the traditional tourism sites and products and promoting integration of destinations that will make Zambia more competitive in the region.

In particular, the Government intends to intensify the development of the Northern tourism circuit to enable tourists to easily combine visits of the David Livingstone memorial in Chitambo; Kazanka National Park; Bangweulu Sandy beaches; Kasapa Bay, Lumangwe and Kafue Falls and other key tourism sites.

The 2018 National Budget demonstrates Government’s commitment to reducing the cost of doing business and unnecessary bureaucracies in the Tourism Sector. MoTA will together with the Business Regulatory Review Agency establish and operationalize a Single Licensing System.

Most importantly, Government intends, through an integrated approach, to prioritize major roads, bridges and airstrips to ease access tourism development. Government will also accelerate the development of requisite infrastructure to increase length of stay, rehabilitate heritage sites and strengthen wildlife protection.

K8.7 billion allocations under the 7NDP were provided for implementing tourism development projects which include:

- Mozambique 2012-2015 K4.41 Billion
- Malawi 2012-2015 K2.7 Billion

Tourism development in Zambia has traditionally faced challenges of lack of good road linkages to main tourist destinations. While much investment is required to open up new tourism areas various road development projects have, however, been launched over the past few years to improve road access and this is very commendable.