

LOW IMPACT TOURISM

**Sustaining Indigenous
Natural Resource Management and
Diversifying Economic Development
in Botswana**

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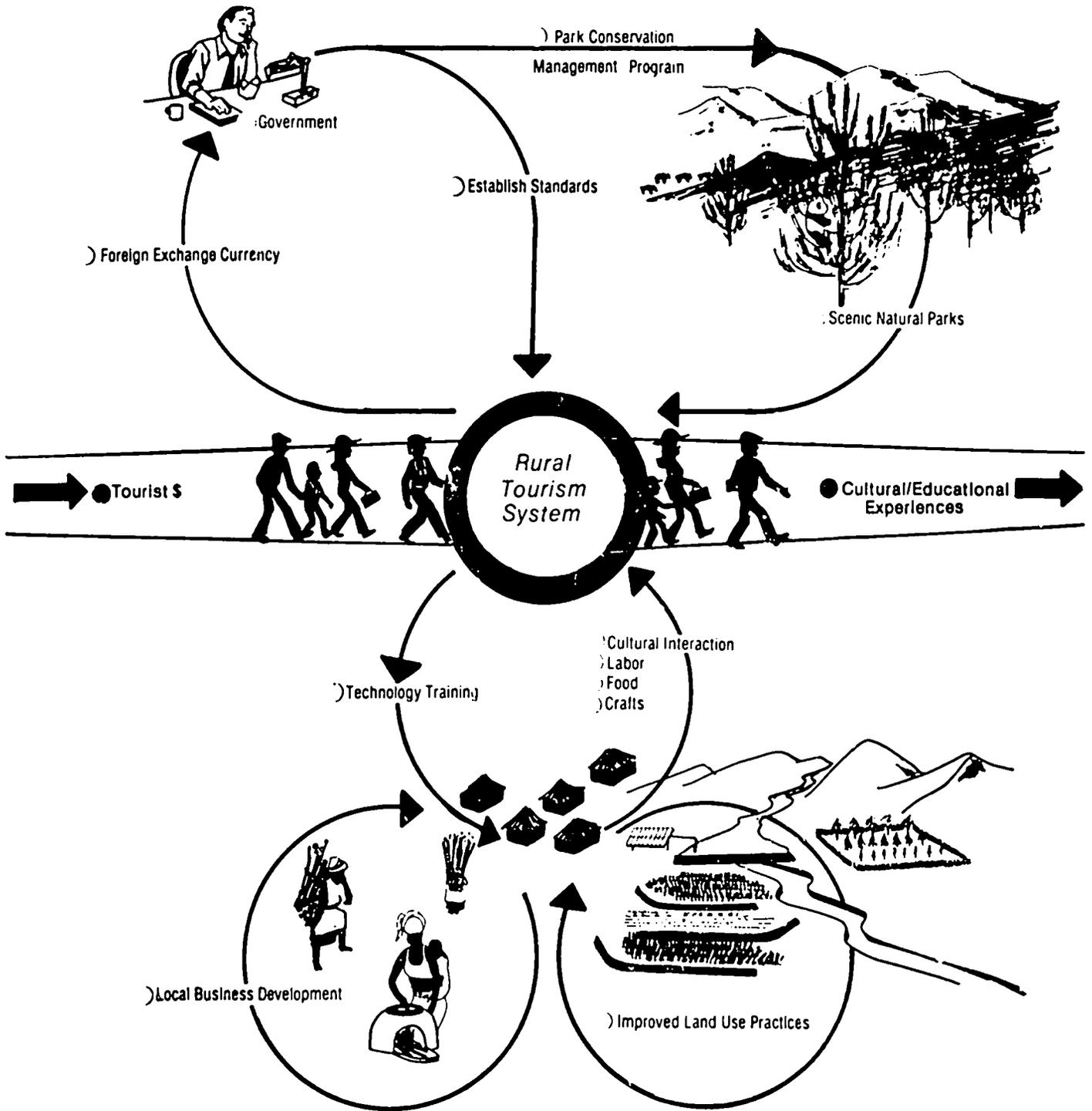
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Note: The information presented in this paper must be considered preliminary because the LIT project activities at the time of this writing are ongoing and will not be complete until mid 1991.

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FUNDING CONSERVATION THROUGH LOW IMPACT TOURISM



I. PROJECT DESCRIPTION

The United States Agency for International Development (USAID) has contracted Domestic Technology International, Inc. (DTI) to determine, in cooperation with the Government of Botswana (GOB), the Botswana private sector and the private voluntary organizations/non-governmental organizations (PVO/NGO) community, the potential and feasibility of private sector, tourism-driven natural resource conservation programs in Botswana. This project was about 60% complete at the time this paper was written and therefore all data presented in it must be considered preliminary and/or conditional until final verification is given at a later date. DTI has titled the type of supply side tourism discussed in this paper, "Low Impact Tourism" (LIT) which focuses on establishing indigenous natural resource management through private sector incentives and investment in a rural village based tourism business infrastructure and on training villagers and rural area dwellers to take part in the tourism business. DTI is examining government policies and natural resources, the existing tourism industry, donor and PVO programs, existing and potential capacity for a decentralized tourism infrastructure and the private investment climate. DTI is also conducting a Botswana demand "niche" market analysis in North America, Europe and the Pacific Rim regions. The project output will be a recommended Botswana conservation tourism model and low impact tourism development scenario identifying extractive and non-extractive uses of resources to generate foreign exchange currency for a number of resource-management approaches. The project will also produce a generalized tourism business investment plan which supports these recommendations. The scenarios include: conservation and financial policy requirements, a tourism conservation plan and environmental and social impact analysis criteria and an investment, tour market, and financial impact analysis. Based on this information, a comprehensive low impact tourism business development plan focused on natural resource conservation can be developed to attract investment. The business plan must be developed in cooperation with the GOB, village destination sites, USAID, the World Bank and other appropriate donors, PVO's and the existing Botswana tourism industry. The plan must include: tour destinations within conservation areas as well as other unprotected locations not associated with protected areas; tour designs; travel agency conservation code of operation; training requirements for park officials, guides, managers, cooks, etc.; a "traveller's support system" comprising rural facility designs; technologies needed to provide guests with safe, comfortable lodging, i.e. water supply, sanitation, culinary system and food production; and a financial impact and investment analysis.

A comprehensive Botswana tourism development plan must include two types of agreements necessary to effect foreign private investment: those necessary to maintain or improve habitat, species and cultural environments that are the basis for the decentralized ecological tourism business; and those agreements which will minimize risks and maximize opportunities for local and foreign investors, travel agencies and tour operators. As part of this process, a well defined tourism conservation policy and investment agreements must be negotiated with host government ministries, villages, donors, PVO's, banks and travel agencies. The plan should be structured to maximize the amount of money that is spent in the rural tour destination areas and that is designated for conservation management, and to establish and maintain buffer zones, preserves and parks. The plan should identify tour destinations not associated with conservation areas to expand the conservation impact to unprotected areas based on economic incentives and on a village economic unit concept. Project costs for lodge construction, job training, staffing, health services and local food supply should initially be included as a business (investment) expense because these activities are essential in

creating synergism between institutional and market mechanisms to manage natural resources in rural areas and to promote a comfortable, ethnic, but tourist-friendly atmosphere.

II. DEFINING LOW IMPACT TOURISM

Low Impact Tourism is a title coined by the Principle Investigator (PI) in 1985 to distinguish the conservation market image of some U.S. based travel companies from an in-country tourism policy and infrastructure that intrinsically and legally finances natural resource management (NRM) coupled with village economic development through the private tourism sector. The concept is relatively new to the development community and to the travel agencies and travel investors of the United States, Europe and the Pacific Rim. For this reason a detailed definition of and discussion about Low Impact Tourism follows.

Low Impact Tourism is supply driven, in contrast to eco-tourism (a variety of traditional tourism) which is seen as demand driven. Supply driven tourism is concerned explicitly with the social impact, economic development and natural resource management of the supplier country and destination sites (villages). LIT puts control and regulation of tourism development in the hands of the destination country not the demand side travel agents and tour operators. To accomplish this it requires full commitment of the local suppliers and an infrastructure for the equitable distribution of revenues and profits to investors, tour operators, governments and villagers or rural areas dwellers. LIT tourist infrastructures are ethnic (lodging), safe and modest (low impact means on society and environment) and LIT is a process that is capable of generating income to pay for these infrastructures as well as for management of protected areas and parks by local people. This potential increased foreign exchange currency income and reduced recurrent costs for village development from LIT also provides leverage for tourism policy reforms that are an essential prerequisite for the establishment of LIT programs and for indigenous and government natural resource management cooperation. LIT is a tool for natural resource management and it creates an opportunity for foreign and in-country investment and for equity swaps by government and villages. LIT creates a common point where conservationists, the development community and the private sector come together.

LIT represents a potential technical innovation rather than an established technique. It involves policy decisions in both the preparation and implementation phases and the policy issues can be both far reaching (to top levels of government) and broad in scope involving private sector and rural economic development. The appropriate policies have to be in place by the host government before LIT programs based on investment can begin. This is a potentially serious conservation and investment constraint and therefore tourism policy development should be done in cooperation with the travel industry, potential international investors, PVO's and villages.

LIT and buffer-zone management around protected areas should be intimately connected; such areas are prime targets for the development of LIT programs. LIT is not a panacea for all programs of natural resource management. It's specific appropriateness must be determined. Only certain countries and village conditions are suitable for the development of LIT programs. Actual implementation would vary from one cultural situation to another. For example, in the case where LIT was to be developed in a buffer zone around an established national park which was experiencing population pressure, the approach would be different from that needed in developing a program in

a new national park being established in an area of low population pressure (eg. Kgalagadi Region, Botswana).

Establishing a LIT infrastructure is a very subtle process. Subtle processes are, in general, best implemented by indigenous or international PVO's or NGO's with assistance from development agencies. To establish LIT, PVO/NGO's must now work hand in hand with the private tourism sector. It is important that LIT should not degrade the cultures they are involved with. Mechanisms for minimizing the risk of this are possible, i.e., traditional cultural performances for tour groups could take place in specific theater sites or simulated villages away from actual residences if necessary.

It is important for all participants in the LIT development process to get the scale of development and expectations into perspective and under control from the outset, (i.e., supply market control). While promoters might feel that "small is beautiful", there is a danger that government perception of possible foreign exchange earnings, driven by balance of payment needs and macro-economic pressures, could doom such projects to failure from a rural economic development and natural resource management perspective because of their economic success. This tendency can be tempered by integration of such projects with those of other bilateral and PVO programs. Such integration can help keep a realistic focus.

Local (indigenous) tourism, employing local people would also be a potentially powerful conservation education tool.

GOALS OF LOW IMPACT TOURISM

- * To establish, coordinate and mutually support conservation and tourism policy
- * To fund parks development and management and foster indigenous natural resource management of protected and unprotected areas
- * To stimulate the rural economy of tourist destination sites
- * To improve village living standards in tour destination areas
- * To increase foreign exchange currency through tourism revenues
- * To promote cross cultural understanding through marketing and the tourism trade
- * To return a profit to investors, to host country businesses and villages

CHARACTERISTICS OF LOW IMPACT TOURISM

- * It is locally managed
- * It provides a quality travel product and tourist experience
- * It values culture
- * It has a training emphasis
- * It is dependent on natural and cultural resources
- * It integrates development and conservation

A. Projected Benefits

A summary of expected advantages and benefits from the development of LIT is noted below.

- * The supply side nature of LIT means that the impact on the local natural resource base is more easily controlled than is the case with demand side tourism. The dangers of overload and of cultural submersion and tourists exceeding biological carrying capacities (as in Kenya and Gambia) may be thus minimized.
- * Private investment and tourism revenues pay for the needed infrastructures as well as for the development and training costs. The infrastructures of LIT are in general "appropriate" rather than luxurious. Investors' profits are dependent on villages being properly prepared to supply the quality tourist product they market. Therefore international and local travel companies have a vested interest in sustaining village improvements and indigenous NRM.
- * LIT can generate income while not diminishing, degrading or destroying the natural or cultural resource base. LIT can foster and finance protection of watersheds and bio-diversity of natural forests and increase human and agricultural productivity.
- * Through economic incentives, LIT provides the potential of indigenous management of unprotected natural resource areas that would otherwise be endangered.
- * LIT is capable of putting a hard currency value on natural resources which may be valuable data in political and economic negotiations and in determining costs of environmental degradation and establishing NRM, land tenure and tourism policies.
- * Villagers can obtain equity in a travel or safari corporation using their own natural and cultural resource base without cash investment rather than being paid a pittance for the use of these resources. This process is conducive to indigenous and sustained conservation management.

III. OVERVIEW - DEMAND MARKET ANALYSIS

Africa has been the destination for a very small percentage of the global tourism demand market. It's market share ranges from 2% of long haul traffic (as is the case for the U.S.) to being included in the 1 to 4% of "other destinations" category of international rankings. However, African tourism has begun to and will continue to increase for the next five to ten years without any major marketing effort for the following reasons:

1. The number of long haul tourists from major demand markets is increasing very rapidly, particularly in countries which are thriving economically - Far East, Asia and the European common market countries. In a number of these countries, governments are encouraging travel as a way of balancing international trade that has gone too far in their favor and which is having negative worldwide impact. In Japan, for example, the government is currently instituting programs whose goals are to increase the money spent on tourism imports by 25% in the next few years for a total of 19 billion dollars by 1995. In West Germany, economic well being resulted in a doubling of the percentage of long haul tourism between 1986 and 1989. Even if the "other destinations" category remains 1-

4% for Africa, there is a continuing significant increase in the actual number of tourists that will visit the continent.

2. The rapidly growing world-wide consciousness of diminishing wildlife and traditional cultures has whet the appetite of many who desire to see the "last tiger", or the last authentic mud hut village and has raised the interests of those concerned about the global environment. Since Africa is a major resource for this interest, worldwide concerns of environmental conditions give travel to Africa a great deal of free advertising which a low impact tourism program can take advantage of.

New efforts are needed to make this naturally occurring upswing in African tourism benefit Botswana and its villages and to finance its natural resource management. Comprehensive plans are needed to provide a quality travel experience for the tourist and this depends on an infrastructure that can provide the critical ingredients associated with "niches" in the international tourism market such as: endangered wildlife viewing, and experiencing the traditional village life.

Extensive advertising by the government, demand market travel agencies and investors will be needed to direct tourists to existing and new market "niches" in Botswana. It should be noted that the most successful tour operators in the United States combine two to four countries to form a regional niche for their major wildlife and natural history tours. The long haul travel client interested in this type of regional travel, expects to pay six to seven thousand dollars for the tour package. More adventuresome, independent travelers who make their own way and whose expectations of the infrastructure are minimal, expect to pay about three to four thousand dollars for a self made tour. LIT must focus on high cost tours to maximize the revenues and minimize the number of tourists. The best upper-end demand market in the category of packaged tours to Africa is the United States, where the middle class still plans a year in advance for a major three week vacation and likes traveling with a group. By 1995, the primary upper-end demand market for Botswana is projected to be the Pacific Rim area, led by Japan, if the specific Asian needs and expectations can be met by an expanded and improved tourism infrastructure.

Client perception of personal safety, related to unstable governments, terrorism, disease, poor hygiene and cleanliness can be a major drawback where the Asian traveler is concerned. Personal safety is critical to the American and Japanese individual and packaged tour traveler.

It is this perception that presently limits the Japanese market in southern Africa. Japan is a xenophobic country that is just starting to venture into traveling beyond other oriental cultures. The market demand is predominantly for urban pleasures such as amusement or theme parks. Japanese travelers are used to the costs of travel in other oriental cultures where travel is not seen as an activity which justifies major expenditure. The high incidence of Japanese travel to the U.S. is strongly related to budget packaged tours. Japan, at present, does have a small exclusive niche of demand market which has high African market potential. This niche promotes travel to exotic cultures with participatory cultural adventures and possibly exclusive safari hunting. This market would be attracted to "Raj" style wildlife expeditions, mixed with special cultural events, travel to several sites by balloon or small boat and camps with a very active social environment. If this market can be tapped, whether through corporate

packaged tour agreements or conservation oriented groups, it would result in more tourist dollars to Botswana than all other tourism combined by 1995.

A. Creating Niche Tourism Market Demand

Creating a demand for niche LIT in Botswana will require a comprehensive staged development plan which gives the opportunity for appropriate implementation in villages and the international market place without losing control of tourism growth. The type of environmental destruction and cultural disruption that occurred in Kenya was in part due to the rapid escalation of tourism without appropriate policies and infrastructure in place. This must be avoided in Botswana by having a coordinated low impact tourism (supply market) development plan and an eco-tourism (demand market) plan that compliment each other.

1. Stage One - Existing Carrying Capacity

The first stage of development is concerned with making the best use of existing resources and existing demand for those resources while extending the market's appeal and establishing the LIT infrastructure. This approach offers a way to reduce the abuse of a tourist product and not lose income. One possible solution to overuse of natural resources in the short term is by spreading tourism options to other areas of interest. In this way income can be increased without additional pressure on wildlife in a single area and it allows time for long term tourism and NRM to be implemented. Combination staged tours could blend, for instance, wildlife viewing in Moremi Reserve with cultural activities in Ghanzi or Tshane and wildlife could still remain the focus of marketing.

Combining new and established destinations is the most realistic way to extend appeal to a demand market because it offers something new but is achieved mainly through advertising rather than by infrastructure development and restructuring. This approach can be compared to the combination food platters which have become popular in U.S. restaurants. They offer a taste of many things and, to all but the special interest group, make the meal (or tour) seem richer and more worthwhile.

2. Stage Two - Regional Marketing

Regional tours, which combine with neighboring countries (Zimbabwe, Zambia and Namibia) provide extended market appeal, increase tourism revenues and reduce environmental or infrastructure pressures on natural resources and village destinations. These should be developed in Stage Two. LIT regional tour marketing can also lead to a high return rate of tourists in following years.

3. Stage Three - Developing New Destinations

Developing new village based inns or lodges which fill a niche identified by the demand market analysis requires the longest lead time. Marketing the new destination must begin a year prior to their completion. This stage gives time to shape a LIT infrastructure that more precisely responds to the needs of the Japanese and American market where personal safety and hygiene are the first concerns of many travelers. The sequence of events for developing a new destination is given below:

- a. Identify and negotiate agreements with villages in new geographical areas where village involvement can be depended on;

- b. Design and market high cost tours and destinations where the quality of service and the experience will command a high price;
- c. Train villagers to construct and manage tourist lodges or inns;
- d. Begin marketing to the niche markets that have endured (i.e. wildlife viewing) but add specialized interests such as art festivals, pan African music festivals, traditional and undiscovered gourmet cuisine and archeological ruins.

B. Botswana Projections

Africa as a destination is projected to capture an additional one percent of each of the major world markets in 1992: the United States, England, West Germany and Japan. This means an additional 35,000 U.S. travelers, 47,000 English, 112,000 West Germans and 59,000 Japanese, for a total of 253,000 new travelers. The Japanese travel growth rate to Africa is expected to be 11% per year through the end of the century. The majority of U.S. and Japanese travelers would participate in packaged tours which means 94,000 packaged tours from these two markets in 1992. Approximately 55% of English travel (25,860) and 30% of German travel (36,600) is packaged tours. This would make a total of 153,450 packaged tours at \$4-5,000 each for the in-country portion of the package. The assumption is that each tourist would spend 15 days in-country at a cost of \$250 per day and would spend \$350 on optional expenses not including air travel expenses. The balance of the tour sale price is retained by the retail agency. This would increase travel industry revenues in Africa by \$537 million. Botswana, with appropriate marketing, could conservatively get 14% of this projected travel increase to Africa.

Because of Botswana's strong reputation as a stable African country and because of its wilderness/wildlife resource, it is projected to be the second major wildlife viewing destination with American adventure tour companies following Kenya. Botswana is also well positioned to capture a portion of the Kenyan tourist market (approximately 850,000 in 1989) if a decline occurs. DTI has assumed that 25% of the projected packaged tours spend one half of their time in Botswana and one half in neighboring countries. This would result in an additional tourism income of \$67 million for Botswana from LIT in 1992. These projections show that an additional 253,000 "high end" tourists would be traveling in Africa and about 36,000 travelers with a FEC value of \$145 million could be captured by the Botswana market in 1994.

A critical questions now arises. Could the infrastructure in Botswana support 75,000 high end tourists by 1995? This LIT project will attempt to answer this question during the second half of the project activities.

Since tourism receipts are prepaid in countries of origin, the Botswana government and the private sector must structure its tour pricing, payment method and redistribution of tourism revenues through clearly enforceable policies and internal business agreements.

IV. BOTSWANA LOW IMPACT TOURISM PLAN

The concept for the LIT model is shown in Figure 1, "Funding Conservation through Low Impact Tourism". The findings of the demand market analysis and in-country visits by DTI support the feasibility of the LIT concept operated by the private sector in Botswana. However, the policy and business agreements and conditions identified earlier

in this paper must be adhered to for this data to be reliable. This generalized Botswana model is meant to be indicative of a LIT business operation based in the U.S.

A. Projected Revenues Distribution

The distribution of LIT revenues (demand market projections) shown in Figure 2, "Distribution of Low Impact Tourism Revenues", graphically delineates the tourism revenues distribution formula that DTI feels is justifiable to both private sector participants, the host country government, PVO's and villages. The dark area of "sales" represents the amount of sales revenues that the international travel retail agent will collect as a function of number of trips sold and the light area represents the foreign exchange currency paid in US dollars to the low impact tourism infrastructure in country by sector, i.e. "optional" sales for crafts, alcohol, clothes, etc., conservation use fees for parks and protected areas etc. Figure 3, "Financial Allocations - National Low Impact Tourism - Conservation", shows DTI's projections for distributions of tourism revenues from the private sector, government and development community based on the data in Figure 2. DTI's destination village revenue distribution projections based on the data in Figures 2 and 3 is shown in Figure 4, "Distributions of LIT Revenues" and Figure 5, "Financial Allocations - Low Impact Tourism - One Village". The heading "destination" in Figure 4 includes all revenues from government and from the private business tourism infrastructure that reaches the village and surrounding park or protected areas. The village revenue data is based on the assumption that 5,000 high-end international tourists per year (or 20 tourists per day seasonally) will spend three nights each in a 20 bed inn or lodge that is 49% owned by nationals and 14% owned by the village. It is also assumed that each tourist will spend \$75 for optional expenses in the village. The column "training" in Figure 5 shows that approximately \$185,000 per year, or about one million dollars during the lifetime of the investment, is budgeted for training in each village. Much of this training will be long term and village based.

This data shows that village-based, low impact tourism can be profitable for foreign and national investors, travel agencies, tourist operators and villages if high-end tourist sales are maintained. Furthermore, this data demonstrates that conservation of natural resources and park development in tourist destinations can be financed by the private sector at a higher level than is presently being done anywhere in the developing world. It also demonstrates that this LIT process can be initiated and maintained, including research and monitoring by PVO's, with very little financial help from the development community and with almost no recurrent cost to the government. Perhaps the most important conclusion is that villages can participate with equity in the process rather than with casual employment and odd jobs.

B. Village Equity

The LIT project has created a viable method for tour destination villages to gain equity in a travel agency or safari operation without investment capital. The village economic unit, through the appropriate village governing body, e.g., village development committee, uses exclusive access to the culture, village environment and adjoining natural resource and historical attractions in exchange for a percentage of ownership in the travel agency or safari company. The village also negotiates into the business agreement guaranteed jobs, training, technical assistance and investment from the corporation to build and equip a lodge or inn which becomes the center piece of the village economic unit. PVO's and government extension workers are trained to assist

villages in the process through donor and government coordinated efforts. At the present, villages or RAD's receive only part time, low paying jobs in exchange for this access and there are no guarantees even for that minimal economic development. The primary barriers to this village equity process is the possibility of (1) government land tenure policy preempting villages from using their surrounding natural resource base for an equity swap, or (2) parks and protected areas and buffer zone management policy interfering with exclusive access guarantees by the village to a travel agency or safari business partner.

This idea of village equity is new and untested, however it has several benefits and economic incentives that make its likelihood of success high. In addition, the investment community has accepted this model as viable and investment worthy and the financial analysis shows that these village investments are reasonable expenses. There are a number of potential village internal problems which might occur in the transition from traditional village life to a village structure more dependent on tourism dollars. However, the ability to solve these problems will become part of the tour site selection criteria and minimum payments by the travel corporation and the GOB will have to be guaranteed to the villages to insure stability within the new village economic framework.

C. Village Investment Scenario

The generic village investment scenario based on data given previously is shown below. This data demonstrates that a village can gain a \$2 million equity in a joint venture who's gross foreign exchange currency income over a five year period is approximately 12.6 million dollars. The village operation is financed with a \$150,000 investment and a portion of the revenues (see Figure 5) spread over this time period. The tour operator profit is 1.6 million dollars over this time period or about \$300,000/year and the village share of this is approximately \$48,000 per year. The international investing travel or tourism company reaps a \$1.2 million gross profit after debt service payments and expanded village development investments costs are deducted.

INVESTMENT SCENARIO - 5 YEARS One Tourism Village Destination/Equity Swap (1000's US \$)

Investment (FEC)	150	Tourism Revenues (FEC)	10,980
Loans (FEC)	150	Operator Profit (FEC)	1,600
Total		(FEC)	12,580
Village (Equity Swap - 14%)		Agency Profit (US)	1,200
2,000			

The sequence of events that needs to transpire for investment financed LIT to be established are given below.

1. Demand market analysis
2. Evaluate supply tourism infrastructure
 - resource base
 - village destinations
 - policy
 - transportation/hotels
 - capacity
3. Supply market analysis
4. Negotiate government, private sector and village agreements
5. Feasibility study - decision - go/no go project decision
6. Business plan submitted to investors
7. Design/construct facilities
8. Training of in-country staff, villagers and PVO's
9. Market exclusive access to village destinations
10. Maintain a high quality tour product in villages

The last investment consideration to be discussed in this paper concerns the requirement for policies which make possible the striking of the necessary agreements to allow and to monitor international private sector involvement in the establishment of a LIT industry. The international investing travel corporation will provide capital, technical assistance, training, technology and marketing. The in-country travel agency business partner together with participating villages must provide access to natural and cultural resources, management of facilities, staff, fiscal management and operation of tours. The agreements necessary to make this a business reality include an exclusive access or use agreement between the two parties, tour and operator pricing and cost agreements and an enforcement agreement in the event that all parties do not meet their obligations. In addition, the government (national and local) must establish policy which supports private sector conservation tourism and which manages the natural resources that are the primary basis for long term investment in the rural villages. Policies must also allow villages broadly monitored latitude over management of their natural resources and allow for collection of debts and payment of bills on a timely basis.

Establishing all of these agreements and policies is truly a formidable task and investors are unlikely to participate until these policies are in place. The initial stages of low impact conservation tourism must be financed by donors, PVO's and the government in order to set the stage for outside or local investment which can then be directed to both profitability and maximizing benefit to the natural resource base and the people who live in tourist destination areas or buffer zones.

D. Draft Tourism Policy

The draft tourism policy is a big step towards supply side regulation of tourism and it lays a good foundation for establishing a LIT industry in Botswana. In fact, LIT development as a response to the draft tourism policy could assist in the formulation of a self-sustaining wildlife management component of the National Conservation Policy which has been in progress for some time. Coupling the tourism policy and the introduction of LIT in Botswana confronts a number of issues in both conservation and rural development policy. The Tribal Grazing Act of 1968 transferred the traditional trusteeship and allocation of land from the tribal chiefs to a network of 77 provincial Land Boards. These Land Boards presumably have custody of natural resources that

villages would need for an equity swap with investors because the Land Boards presently manage land leases to safari operators. Out of this practice has grown a cadre of District Officers of Lands to assist Land Boards in land use planning. Each district constituted a Land Planning Advisory Group. There now exists a natural resource (primarily wildlife) based land use map for Botswana that the Department of Wildlife and National Parks (DWNP) Ministry of Commerce has developed that defines where different types of tourism can occur. This plan has not yet been made public but it could have profound impact on the development of LIT. DWNP has however informed the project that the village equity swap was apparently within the rights of villages and the law of Botswana.

1. Tourist Profile

Tourists who come to Botswana are generally of three types distinguished by the price they choose to pay for their holiday. The first type is the person who chooses to stay at a permanent camp. The client is flown into either Maun or Kasane and transported directly to the camp. This type of tourist has been termed the "high cost" client by the industry meaning a high price is usually paid for the package in advance, and they are generally confined to camps owned by the company from which they bought their package.

The second type of tourist is the mobile safari tourist. This type of safari is generally less costly than a permanent camp; however, in several cases it is comparable. The tourist is flown into Maun or Kasane and departs from there on a specialized trip into the "bush" of Botswana.

The third type of tourist is the independent traveler, defined as a tourist who "travels independently, relying upon his own resources, and not as part of an organized tour group." These travelers may drive independently, hire a guide, or charter a flight. The distinguishing feature is that they usually do not pay a "package price" before entering Botswana, and they generally use public facilities (park campsites) run by the DWNP; though some use privately owned campsites. This type of tourist has been termed the "low cost" tourist, because of the assumed low expenditures.

The majority of travelers to Botswana are from continental Europe (28% excluding the United Kingdom), the United States (21%) and the Republic of South Africa (20%).

Estimates of tourist numbers distinguishing between permanent camp/mobile safari (high cost) visitors and independent (low cost) tourists are lacking. Snowy Mountain (1989) estimated that tourists occupying permanent camp (PC) sites totalled 47,000 bednights for 1988. These estimates were for the Okavango Delta region (Ngamiland) only; however, it was assumed that the proportions for the whole of northern Botswana were the same. Independent tourists (I) were estimated at 32,000 bednights (1988) with a ratio of 1.47 PC to 1.0 (I) (Snowy Mountain 1989). Applying the ratio for PC/I to the estimated 64,000 tourists yields the following estimates for each group: PC + Mobiles equal 38,089 tourists, and independent tourists total 25,911 (Table 1.)

TABLE 1. POPULATION ESTIMATES FOR BOTSWANA TOURIST GROUPS (1989)

	Percentage	Total Tourists
PC + Mobiles	59	38,089
Independent	41	25,911
Total	100	64,000

Occupations of the tourists varied; however, 26 percent were professionals (doctor, teacher, lawyer), 23 percent executive/manager or public official, and 21 percent retired, or self employed. The average annual income was \$47,377 for 79 percent of the respondents. Most of the tourists had been on non-guided tours.

Safari companies' reported revenue was approximately 35,022,240 pula. An unknown percentage of this revenue is not spent directly in Botswana; however, the revenue that is likely to stay in the country includes payments for government fees/taxes, park fees, rent and labor. Businesses associated with tourism received a total revenue of 46,542,432 pula in 1989. As before, an unknown percentage of this is spent outside Botswana; however, expenses such as government fees/taxes, rent, and labor are spent directly in the region. All three groups (tourists, safari companies, and associated businesses) paid a total of 8,571,744 pula to the government of Botswana in fees/taxes, and park fees in 1989.

Park permit data showed that the GOB received 718,777 pula from two national parks in the northern region for 11 months in 1989. This was a considerable increase from the 1987 estimate of 266,857 pula (Hill 1988). This increase was due solely to the July 1, 1989 increase in park entry fees, because the number of people in 1987 (29,972) was greater than the number of people in 1989 (23,158).

VI. CONCLUSIONS

DTI's analysis of the above data shows that the GOB could see an 82% increase of its potential revenues from tourism in 1992 and rural Botswana could realize at least a ten fold increase in tourist revenues that would accrue from a regulated industry based on the LIT model described in this paper.

In keeping with the draft tourism policy, the LIT model developed by DTI for Botswana is centered around wildlife management. The DTI LIT model for Botswana is viewed as a wildlife management tool funded by the private sector. The model is based on fitting LIT into a balance between consumptive and non-consumptive wildlife utilization. The relationship of LIT to other wildlife management models is shown below.

CONSUMPTIVE

NON-CONSUMPTIVE

Safari Hunting
Cropping
Traditional/Citizen Hunting
Game Ranching - Private
Poaching

Culture Tourism
Observation Safari
Wildlife Sales
Village Economic Unit

Figure 6, "Botswana Natural Resource Revenues", shows graphically how the tourism revenues discussed earlier would be distributed using the LIT approach for developing Botswana's future tourism industry. The revenues that pass through the GOB are made available to villagers through a revolving fund with payments proportional to the number of tourists that visit their region. The private sector revenues reach tourist destination villages through

- (1) the village economic unit that operates the inns or lodges (or village businesses),
- (2) direct collection of "user" fees,
- (3) investment and
- (4) direct sales of crafts, food or services.
- (5) profit sharing (equity 14%)

This model presents a radically different tourism economic picture than presently exists in Botswana. It establishes minimum "high end" daily rates for all foreign tourists, requires reporting these tourists by safari operators and discourages low cost tourism by foreigners.

The effect is dispersed tourism growth of high end foreign tourists resulting in foreign exchange and village revenues that are an order of magnitude higher than they are at present in Botswana. The LIT model employs and funds PVO's to assist villages in the formation of hunter guilds (or craft and agricultural guilds). The hunter guilds would be responsible for hunting of wild game for the village and to provide game meat for the tourist menus as well. These would be the only hunters with the possible exception of safari hunters in the region. In turn, the guild members would be responsible for the well being and management of animals in this region in cooperation with DWNP. This approach provides economic incentives, with monitoring by DWNP, of indigenous wildlife management. Each of these subsections of tourism and wildlife and park management must be woven into a congruent policy. For existing private operators, what it amounts to is sharing revenues and profit with villages in exchange for more and higher paying tourists which the GOB helps to bring into the country by using tax revenues to improve the infrastructure and to market internationally. It can be seen from these projections that only 15 percent of tourist revenues will come from hunting and the remaining 85% will come from non-consumptive tourism which contributes more to the costs of wildlife management and park operation.

A broker or commission or board may be needed as a linkage between RAD communities, villages, land boards etc. and tour operators and/or investors to affect LIT development. It may not be appropriate for the GOB to facilitate this private sector start-up or joint venture matching process and there is presently a void here.

The Tourism Unit (TU), soon to be a department, must be strengthened and better financed to spearhead a major conservation-tourism development and investment program. The limited budget, staffing and authority present in the TU is not adequate to accomplish this. This results in at least two major barriers to implementing a conservation-tourism industry development plan. The capacity to adopt and enforce or implement a strong LIT tourism policy needs to be clearly established and the roles, relationship and necessary linkage between the Tourism Unit and the DWNP needs to be clearly defined.

This situation however presents an opportunity to simultaneously strengthen the TU while creating a tourism industry commission to self-regulate the industry with oversight by the TU and DWNP. This seems to be the most feasible solution under present conditions. Models for industry regulation presently exist in Botswana as exemplified by the Botswana Meat Commission. This solution could also serve to reduce the friction between the existing tourism industry and the GOB over policy reforms because a commission will emerge out of strengthening the TU and in assisting the DWNP and TU to define their relationship in the implementation of the Tourism Policy.

A. Issues

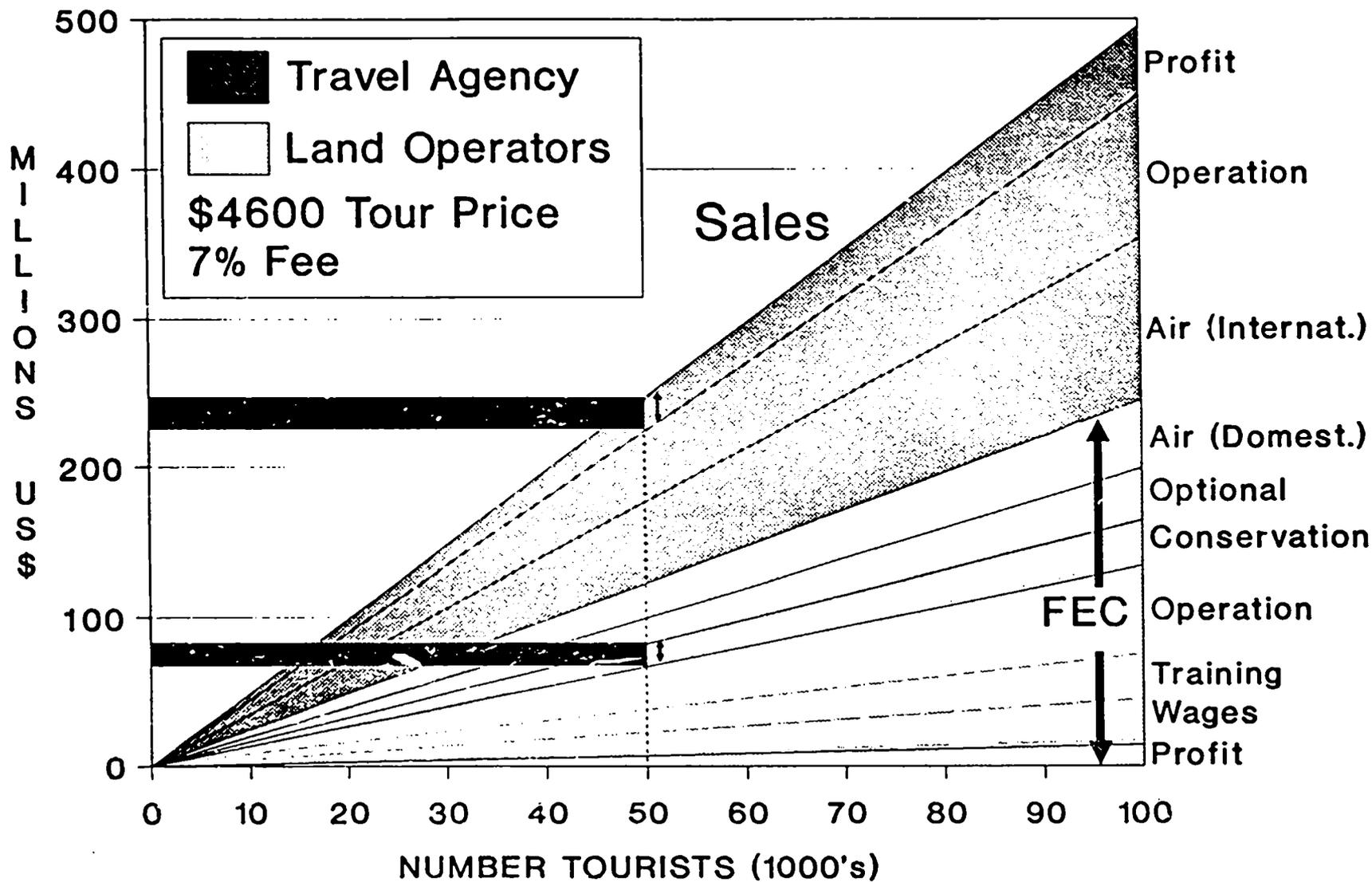
- * Unless LIT development is preceded by detailed anthropological and sociological studies, there is the possibility of developing a program around a village only to find, for example, that other traditional rights there which have not been taken into account supersede village rights. The social background of a tourist destination site must be very well known.
- * There is a danger that the development of a village-based cash and income generating business could attract other rural people to the area, causing increased pressure on the natural resource base, social disruption and urban migration near tour site villages.
- * There are possible problems associated with tourism revenue distribution. Money must go equitably into peoples' pockets right down to grass roots level. But this can be socially disruptive if people are brought from subsistence into a cash economy. Cash payments or women's salaries can also be socially divisive within the family structure. To avoid this, a causal link must be established between villagers' activities and the money they receive, or these payments might become like a welfare check. This can occur by developing two avenues for delivering tourism revenues to villages which are shown graphically in Figure 6: government redistribution through village institutions and private sector/joint venture business relationships with villages. In this way, LIT can be a focus for bringing together rural development and conservation or natural resource management activities via the private sector.
- * Conservation and tourism policies have to be in place in the host country before projects begin and investment in villages is made and the two policies have to be consistent and congruent.
- * There is a danger through cultural tourism that natural processes of cultural change and development will be frozen.

* There is a demand market risk factor. Tourism can be a fickle trade dependent on disposable income and media coverage. Phenomena such as AIDS, hostage-taking, hijacking, high levels of crime, etc. can all have unpredictable effects on the tourist trade. LIT development plans can thus be severely compromised if political disruption or disease epidemics are reported in the news media. If the village has become dependent on the tourist trade for income, the cessation of exporting tourism services could have serious social and economic effects.

* There is the possibility that increasing tourism might encourage the sale of non-desirable artifacts such as ivory and rhino horn and thus tend to deplete the natural resource base. However, in some parts of southern Africa, the non-consumptive use of wildlife resources in village-based wildlife projects was so successful that consumptive uses had not been a problem.

Figure 2

Distribution of Low Impact Tourism Revenues



91-



Figure 3

Financial Allocations National Low Impact Tourism - Conservation (5 year - 50,000 Tourists/Year - 7% Fee)

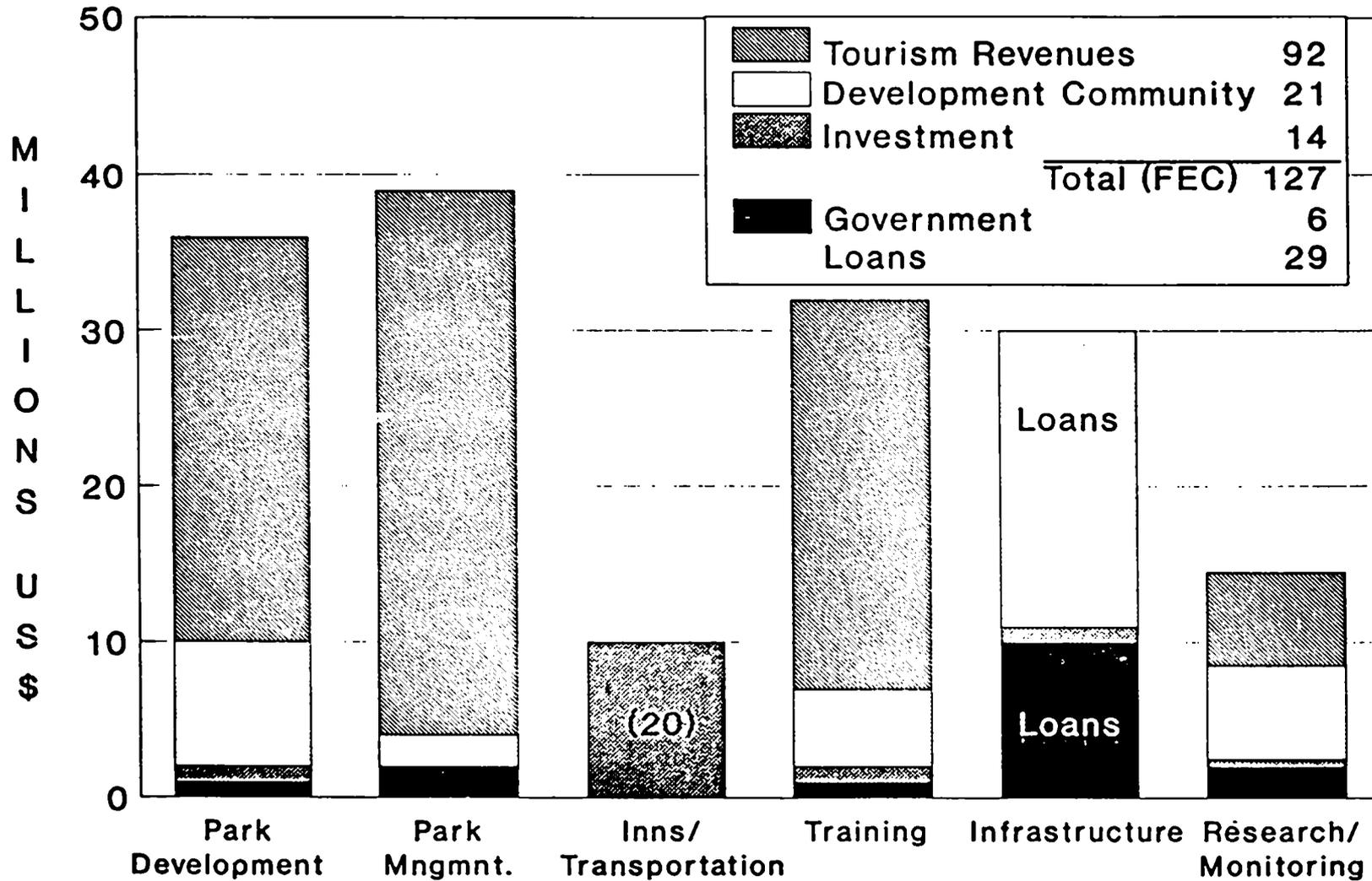


Figure 4

Distribution of Low Impact Tourism Revenues (Millions \$)

TOURISTS (1000's)	SALES	AGENCY PROFIT	DESTINATION (FEC)				
			CONSER- VATION	WAGES /TRAINING	PROFIT	OPTION	TOTAL
1	4.6	0.6	0.3	0.3	0.2	0.4	1.2
5	23	2.8	1.5	1.3	0.9	1.8	5.5
30	138	14	9	8	5	11	33
50	230	21	15	14	9	18	56
100	460	42	30	28	15	35	108



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Figure 4

Figure 5

Financial Allocations Low Impact Tourism - One Village (5 yr - 5,000 International Tourists/yr - 20/day Seasonally)

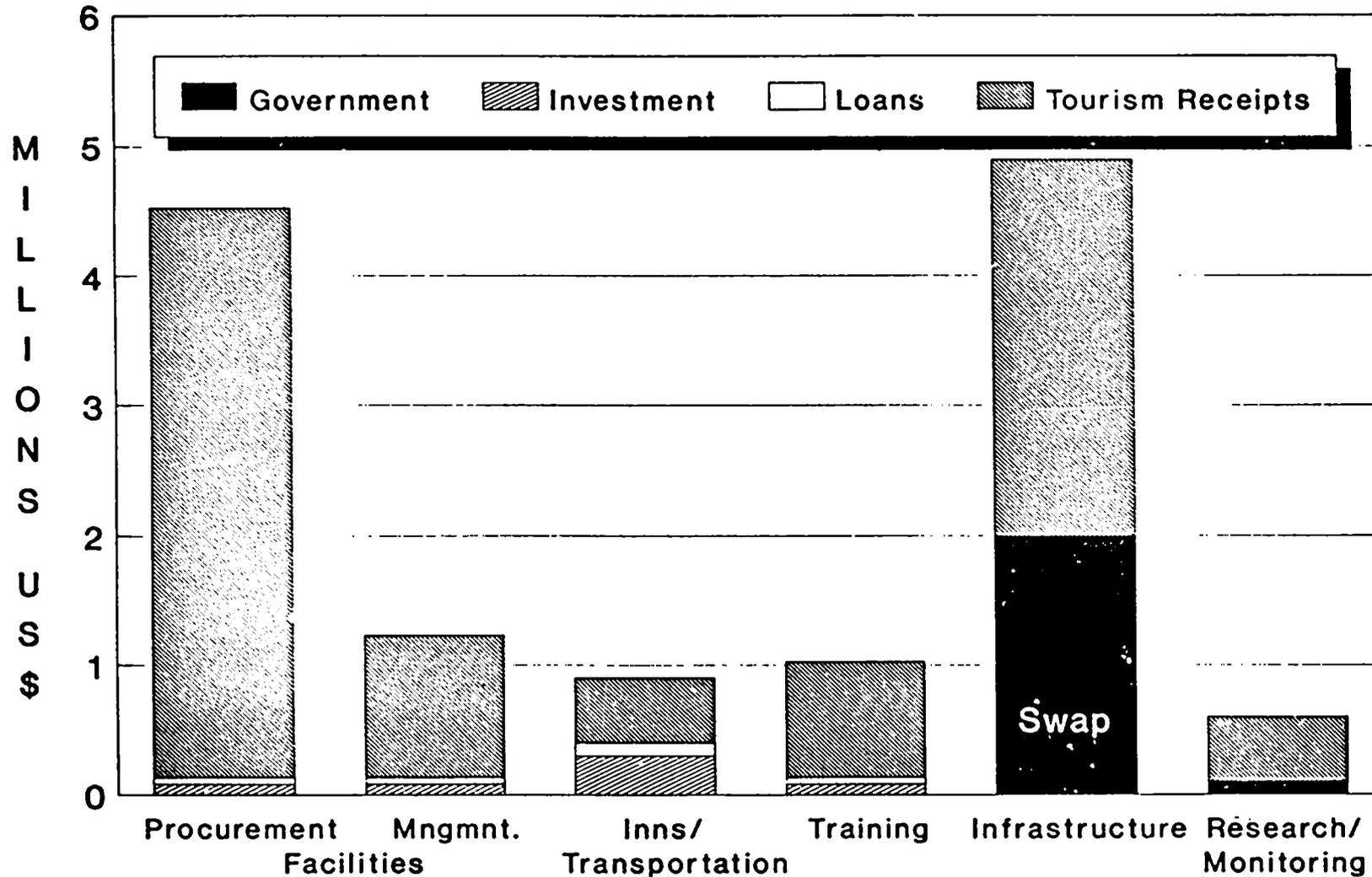
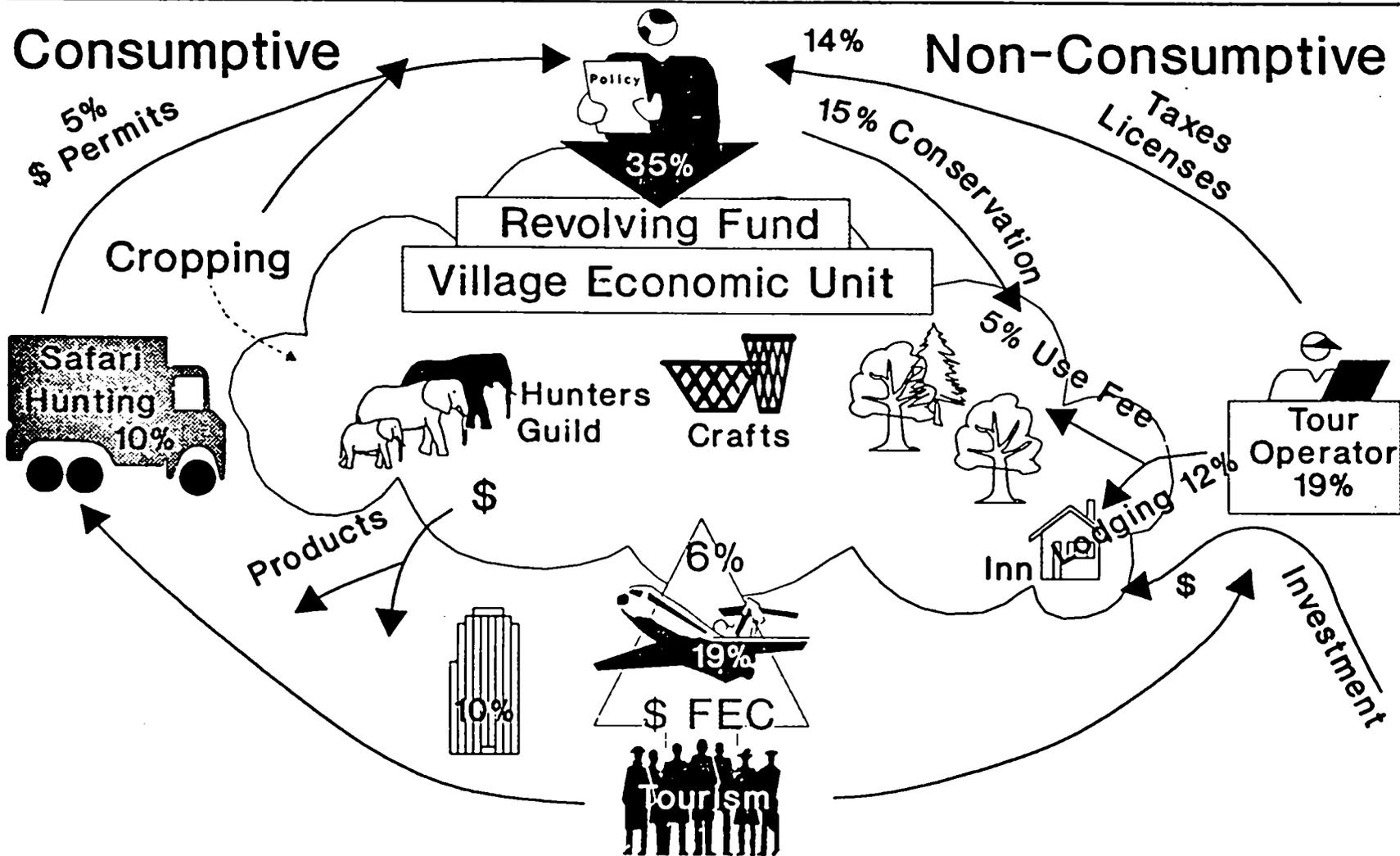


Figure 6

Botswana Natural Resource Revenues Distributed to Villages



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Figure 6