

PN ABY-263
98675
9323

**THE HOTEL AND
TOURISM ASSOCIATION OF BOTSWANA (HATAB)**

AND

**BOTSWANA CONFEDERATION
OF COMMERCE, INDUSTRY AND MANPOWER (BOCCIM)**

**INFORMATION CHECK-LIST FOR
DEVELOPING A TOURISM ENTERPRISE**

JUNE 1995

**THIS GUIDE WAS FINANCED BY
THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID)
THROUGH THE BOTSWANA PRIVATE ENTERPRISE DEVELOPMENT PROJECT
NUMBER 623-0253-C-00-2-14-00
AND
NATURAL RESOURCES MANAGEMENT PROJECT
NUMBER 490-0251-33**

**INFORMATION CHECKLIST FOR DEVELOPMENT OF A GUESTHOUSE,
LODGE/HOTEL, OR TOUR OPERATION.**

During appraisal, a project feasibility study and other relevant documentation related to the project and its sponsors, typically include the following:

DESCRIPTION OF THE PROJECT

- * Project concept and targeted market niche, what type of facility are you going to operate, what level of facilities and services will you provide.
- * Site availability, legal claims, independent valuations if existing operation, details of lease (if applicable).
- * Site configuration, surrounding land use, accessibility, infrastructural support currently existing.
- * Architectural layout, dimensions of facilities
- * Detailed drawings.

PROJECT SPONSORS/SHAREHOLDERS

- * History and business experience of each sponsor. May be in the form of a curriculum vitae.
- * Financial statements indicating assets and liabilities.
- * Involvement and commitments during implementation and operations of sponsors.

PROJECT COMPANY

- * Company's Memorandum and Articles of Association
- * Ownership structure and legal agreements
- * Property titles and necessary permits/licences
- * Existing assets, their lay-out, value, condition, and classification as applicable
- * Existing operational parameters, costs by categories and major contracts, as applicable
- * Existing or potential major liabilities, (as applicable)
- * Biographical sketches of key officers who will manage the company.

MARKET

- * Current Market characteristics to the location in question:

- Supply of rooms by hotel, coach seats, restaurant seats
 - Occupancies
 - Tariff structure
 - Guest mix
 - Average stay
 - Seasonality of above
 - Historic trends for principal competitors
 - Peaks and troughs of competitors supply.
 - Who fills first, second, third of location.
- * Competitor food and beverage facilities and other amenities (conference centres, sports facilities, and so on) and their operating performance.
 - * Competitors fleet particulars, quality of brochures, reservations, bilingual staff, information ticketing arrangements, car hire facilities, camping arrangements, and equipment, airlines with whom they cooperate (and so on) may affect operating performance.
 - * New developments that may affect supply/demand projections on each of the above.
 - * Basic market orientation of the proposed project:
 - Major source markets:
(local, regional, specific long-haul markets)
 - client mix (independent, tour, business, convention, incentive, aircrew special interest)
 - Other demographic characteristics (old, young, conservative)
 - Specific customer base - luxury? Standard? Economy?
 - * Proposed project operating parameters
(routes, circuits, sites, special interests, services)
 - * Operator qualifications and contractual arrangements
 - * Proposed market strategy and sales/marketing network, including proposed promotional activities.

PROJECT COSTS

- * Project costs broken down into individual components (land, rents, leases, site preparation, construction, vehicles, furniture, fixtures and equipment, landscaping, pre-operating expenses, import duties and taxes, physical contingencies, price contingencies, working capital requirements, interest during construction) and indicating foreign exchange component
- * Basis for cost estimates

FINANCING PLAN

- * Proposed financing plan by sources, amounts, type (loan,

2'

- * Project completion guarantees
- * Loan security package

FINANCIAL PROJECTIONS

- * Projected financial statements
- * Listing of assumptions
- * Profitability calculators for total investment and for equity.

PROJECT IMPLEMENTATION ARRANGEMENTS

- * Project management arrangements and contract
- * Other arrangements for professional services
- * Qualifications of providers of key professional services (project management, architectural structural, mechanical, civil, interior design, landscaping)
- * Fees and terms of payment
- * Construction schedule
- * Procurement and tendering arrangements

ENVIRONMENTAL PROJECTIONS

- * Liquid effluent treatment and disposal
- * Sewage sludge disposal
- * Solid waste and dry cleaning solvent disposal
- * Fire prevention and life safety
- * Occupational health and safety
- * Earthquake protection
- * Protections of cultural properties and sensitive ecosystems
- * Community settlement issues and socio-economic concerns.

INSURANCE ARRANGEMENTS

- * During construction phase
- * During operating phase.

The level of sophistication of the above information will be determined by the size of the proposed operation, some items may not be applicable to smaller operations.