UGANDA ECOTOURISM ASSESSMENT

February 2006

Ministry of Tourism, Trade and Industry/United Nations Conference on Trade & Development (UNCTAD) Export Development Programme
Implemented by UEPB

UGANDA EXPORT PROMOTION BOARD
Preamble

The Mission of the Uganda Export Promotion Board (UEPB) is, to facilitate the development, diversification, promotion and co-ordination of all export related activities that leads to export growth on a sustainable basis.

UEPB export operations are based on five main strategic areas of:

- policy initiation, formulation, advocacy, implementation and review;
- information delivery systems — information gathering, analysis, interpretation and dissemination;
- exporters and export facilitators skills development through seminars, workshops, public lectures and other fora;
- market research and development; and
- product development and adaptation.

While the exporter has always been the main client of the Board, with all trade support services tailored to the exporter, this emphasis is slowly changing. The main impetus for change is the increasing demand by the international markets for value chain analysis and bar coding. Hence the need for backward linkages to producers and processors along the product chain to ensure sustainable supplies and quality assurance.

The term “BioTrade” refers to those activities of collection/production, transformation, and commercialisation of goods and services derived from native biodiversity (genetic resources, species and ecosystems), under the criteria of environmental, social and economic sustainability. The BioTrade Initiative was conceived by United Nations Conference on Trade and Development (UNCTAD) in 1996 to promote trade in biodiversity products and services. In May 2003, the UEPB through the Ministry of Tourism, Trade and Industry requested for support from UNCTAD to introduce the initiative in Uganda with the aim of promoting the trade as part of the country’s export diversification efforts, promote sustainable utilisation of the resource base on which the products and services are dependent, improve livelihoods of the rural communities and create employment, among others.

The introduction of the BioTrade Programme in Uganda was influenced by among others: Government’s focus on export diversification; Uganda’s rich biodiversity i.e. over 5,000 plant species, 13 primate species, 156 mammal species, 1008 bird species, etc.; Uganda’s ratification of related international conventions such as the Convention on Biological Diversity (CBD) and the Convention on Trade in Endangered Species (CITES); and poverty eradication being Uganda’s priority concern as demonstrated through the Poverty Eradication Action Plan (PEAP) and the Plan for Modernisation of Agriculture (PMA). Both PEAP and PMA emphasise the need for the critical management and use of the environment and its natural resources.

This study is an assessment of ecotourism in Uganda, the non-consumptive use of Uganda’s rich biodiversity. The study addresses a description of ecotourism products and services; value chain actors; analysis of economic and market aspects; technical and infrastructure aspects; environmental and biodiversity aspects; social aspects; general necessities and solutions; and concludes with general recommendations.

Cover pictures:  Ugandan Wildlife: Elephants, the Uganda Kob and Crested Crane
A forest path
Murchison Falls

Uganda: Ecotourism Assessment
Acknowledgements

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The consultancy was enriched by discussions with the Executive Director of the National Forestry Authority, the Executive Director of the Uganda Wildlife Authority and the technical staff of the two institutions. The Consultant obtained useful information and held discussions with participants at a Workshop to inform the process.

However, the Consultant remains solely responsible for any omissions or errors presented in this report.
## Acronyms and abbreviations

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tr>
<td>BMU</td>
<td>Beach Management Unit</td>
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<tr>
<td>CBA</td>
<td>Community-Based Association</td>
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<tr>
<td>CBD</td>
<td>Convention on Biological Diversity</td>
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<tr>
<td>CBO</td>
<td>Community-Based Organisation</td>
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<td>CFR</td>
<td>Central Forest Reserve</td>
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<td>CSO</td>
<td>Civil Society Organisation</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>ITC</td>
<td>International Trade Centre</td>
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<tr>
<td>LAC</td>
<td>Limits to Acceptable Change</td>
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<td>LFR</td>
<td>Local Forest Reserve</td>
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<tr>
<td>MEA</td>
<td>Multilateral Environmental Agreement</td>
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<td>NBSAP</td>
<td>National Biodiversity Strategy and Action Plan</td>
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<td>NEMA</td>
<td>National Environment Management Authority</td>
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<td>NFA</td>
<td>National Forestry Authority</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<tr>
<td>PAMSU</td>
<td>Protected Area Management and Sustainable Use</td>
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<tr>
<td>SANP</td>
<td>South African National Parks</td>
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<tr>
<td>TIA</td>
<td>Tourism Industry Association of America</td>
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<tr>
<td>TIES</td>
<td>The International Ecotourism Society</td>
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<tr>
<td>ToR</td>
<td>Terms of Reference</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<td>UEPB</td>
<td>Uganda Export Promotion Board</td>
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<td>UGSTDP</td>
<td>Uganda Sustainable Tourism Development Programme</td>
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<td>UTB</td>
<td>Uganda Tourist Board</td>
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<td>UWA</td>
<td>Uganda Wildlife Authority</td>
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<td>VCA</td>
<td>Value Chain Analysis</td>
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<td>WTO</td>
<td>World Trade Organisation</td>
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<td>WTTC</td>
<td>World Travel and Tourism Council</td>
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Executive Summary

This report is an assessment of ecotourism in Uganda. Taken from the purist’s definition, one can say that organised and recognised ecotourism does not exist in the country. On the other hand, when one is flexible enough and equates ecotourism with nature-based tourism, then the bulk of Uganda’s tourism is ecotourism. This industry is on the upswing, though the potential is to some extent under-utilised. Opportunities for ecotourism outside wildlife and forest protected areas are unexplored to a large extent. Yet, 70% of Uganda’s forested area is on customary and private lands. Furthermore, some customary lands also hold sizeable populations of wildlife, particularly in grassland and savannah woodland areas.

The ecotourism product is not sufficiently diversified both spatially and in terms of variety. Innovations in the ecotourism industry are also limited. The authorities managing the resources are poorly equipped to operate as businesses. They still operate mainly as conservation agencies. For example, the UWA generates only about 25% of its recurrent, leave alone capital, budgets with the balance financed by government and its development partners. Prices for ecotourism attractions are arbitrarily set to a large extent without proper economic analyses.

A value chain analysis was used to characterise the actors in ecotourism right from communities and public agencies who own the resources to lodge owners and then to tour and transport operators. The key issues among the actors is inadequate technical and managerial capacity to offer quality services for the ecotourist. Road infrastructure, the responsibility of both the central and local governments, is also inadequate and poorly maintained.

The private enterprises argue that they are over-taxed and the financial sector in the country has an inadequate understanding of their industry. Consequently, the enterprises do not enjoy a wide range of financial services, a necessary pre-requisite for viability.

The communities surrounding the protected areas where ecotourism attractions are located receive minimal benefits at both household and community levels. They often receive employment for menial tasks while better paying jobs are offered to people from outside the community. Furthermore, economic linkages by way of purchasing food and other materials from nearby communities are weak. Extensive leakages are perceived to exist but no quantitative data to support the assertion.

The environmental policy and legal framework for the sustainable management of ecotourism in Uganda exists. The weakness arises from the inability of conservation authorities such as UWA and NFA to monitor developments and ensure that the environment is properly taken care of. Ecotourism is the sustainable use and respect for the environment.

In the last parts of the assessment the needs of the actors in the economy and market, environment and biodiversity, social, and infrastructure and techniques aspects are highlighted together with the required solutions. At a general level, a number of recommendations have been presented, including:

- the need to identify, inventory and map ecotourism attractions outside wildlife protected areas;
- greater and more meaningful community involvement;
- greater economic analyses including product pricing studies; and
- the recognition of ecotourism as a distinct segment of nature-based tourism calling for its own policy and strategy, guidelines, standards and certification procedures.
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1.0 INTRODUCTION

1.1 Background
This study concerns the assessment of ecotourism in Uganda. There are several compelling reasons for this. First, the Uganda Export Promotion Board (UEPB) recognises the tourism sector as having a vibrant private sector that has made the sector highly beneficial to all actors in it. Second, UEPB views tourism as a bioservice that is part and parcel of the service industry in Uganda, hence the Board’s support of the programme. Third, the bioservice exports assist the country to leverage the earnings from low value exports of goods. Fourth, while contributing significantly to Uganda’s exports, UEPB recognises that tourism is still in its infancy and in need of support. Fifth, ecotourism is the sustainable use and respect for the environment. 

1.2 Objectives of the assessment
The primary objective of the assessment was to characterise that particular segment of the tourism industry known as ecotourism. More specific objectives of the assessment were:

- to present a brief description of the products and services of Uganda’s ecotourism;
- to analyse the economic and market aspects, including attendant problems;
- to analyse the technical and infrastructure aspects including prevailing weaknesses;
- to examine the environmental and biodiversity implication of ecotourism promotion;
- to analyse the social aspects of ecotourism and any difficulties and weaknesses related to it;
- to describe the general requirements of ecotourism and identify feasible solutions; and
- to provide general recommendations relating to markets, environment, techniques and social issues.

1.3 Methodology
The assessment was carried out through desk review and discussions with key stakeholders, including:

- desk review of pertinent literature specific to Uganda and global trends;
- discussion with technical personnel at UEPB;
- discussions with industry representatives;
- discussions with representatives of the Uganda Wildlife Authority (UWA) and the National Forestry Authority (NFA) and the Uganda Tourist Board (UTB); and
- discussions with tour industry association representatives through a workshop process.

The study digressed a bit from the Terms of Reference (ToR) by first putting ecotourism in the context of the Travel & Tourism Industry due to sometimes the confusing nature of the term. The whole assessment was a one person effort and the time allocated fairly limited. Hence some detail could have been inadvertently omitted or treated superficially.

1.4 Report structure
The report begins with a Preamble, setting the stage for the subsequent assessment. This is followed by the introduction, which is this Chapter 1.0. Thereafter, Chapter 2.0 defines ecotourism in the context of the overall Travel and Tourism Industry and proposes that UEPB instead addresses the whole area of Nature-based Tourism of which ecotourism is a subset. Chapter 3.0 looks at the range of products and services. Although the ToR mandates the Consultant to devote a single page to this subject, it was found necessary to present a longer text, keeping brevity in mind. Chapter 4.0 is devoted to the economic and market aspects; while technical and infrastructure concerns are dealt with in Chapter 5.0. Environmental and biodiversity implications of promoting ecotourism or nature-based tourism are presented in Chapter 6.0. Social aspects, one of the key concerns of ecotourism is presented in Chapter 7.0. In particular, community participation in eco-tourism is given a special treatment. A needs and solutions analyses for the various aspects and in relation to the various value chain actors is presented in Chapter 8.0. Recommendations emanating from the analysis are presented in Chapter 9.0; followed by references.

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1. For example, in 2004, the exports of goods from Uganda was valued at US$600 million, while the revenue from exports of services was US$ 700 million of which US$ 316.6 million or about 45% was from tourism. In all, tourism represented about a quarter of the total value of exports of goods and services that the country generated.

2. This support is meant to complement the work done under the Uganda Sustainable Tourism Development Programme (UGSTD).
2.0 ECOTOURISM AND THE TRAVEL & TOURISM INDUSTRY

2.1 The Travel and Tourism Industry

Although the ToR requires assessment of ecotourism in Uganda, it is important to relate this to the overall Travel and Tourism Industry to obtain its proper placing and to be precise as to definitions.

Figure 1 shows a conceptual representation of the Travel & Tourism Industry. Tourism, an industry by itself, is a sub-set of the larger service industry. According to Lipman et. al. (1997), travel and tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes.

Travel and Tourism is the world’s largest industry which in 1994 transported more than 528 million people internationally and generated US$ 322,000 million in receipts (WTO, 1995). Hence the Travel & Tourism Industry is a major economic force. According to Lipman et al (1997), in 1995, the industry generated an estimated US$ 3.4 trillion in gross output; created employment for 211.7 million people; produced 10.9 % of world gross domestic product; invested US$ 693.9 billion in new facilities and equipment; and contributed more than US$ 637 billion to global tax revenue.

According to WTTC (1999), it was estimated that by 2010 the Travel & Tourism Industry would have expanded its global role by: generating US$ 7.2 trillion in gross output; creating employment for 305 million people; producing 11.4% of the world gross domestic product (GDP); investing US$ 1,613 billion in new facilities and equipment; and contributing more than US$ 1,369 billion in tax revenue.

In addition to travel for its sake and other purposes, one of the economic contribution of the industry is from tourism — in particular, sustainable tourism. According to Lipman et. al. (1997), the World Tourism Organisation defines sustainable tourism as development that meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future. According to the authors, sustainable tourism is envisaged as leading to management of all resources in such a way that economic, social and aesthetic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems. Furthermore, sustainable tourism products are products which are operated in harmony with the local environment, community, cultures, so that these become the permanent beneficiaries and not the victims of tourism development (Lipman et. al. 1997),

Figure 1. Ecotourism in the context of the Travel and Tourism Industry

Source: adapted from various sources
Nature-based tourism

A large segment of the tourism industry is nature tourism or more fully worded, nature-based tourism, a large growing global sub-sector of the industry (Ceballos-Lascurain, 1998). According to Turpie et al (2004), nature-based tourism can be defined as:

“Tourism that involves travelling to relatively undisturbed natural areas with specific objective of studying, admiring and enjoying the scenery, fauna and flora, either directly or in conjunction with activities such as trekking, canoeing, mountain hiking, hunting and fishing.”

Nature-based tourism is dependent upon the attributes of the natural environment. According to Eagles (2001), nature-based tourism is the travel and tourism activity dependent upon the destination attributes of the natural environment, namely: appropriate levels of environmental quality; and suitable levels of consumer service. The nature-based tourism market may be segmented into four recognisable niche markets: ecotourism; wilderness use; adventure travel; and car camping (Eagles, 1995). The fifth segment consists of all other market segments to be identified in the future (Figure 2).

**Figure 2. Submarkets of Nature-based Tourism**

Ecotourism and adventure travel represent considerable growth potential; wilderness travel is reaching capacity in many locales because of the requirement of low-density level use in wilderness destinations; car camping is probably in decline, or soon will be, largely due to the peak population profile of the developed world passing beyond the ages in which camping is popular.

**Figure 3. Business Cycle Stages for Submarkets of Nature-based Tourism**

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3. The demographic situation in Uganda is different, being much younger. Hence if poverty declines, and the number of car owners increases, this segment could represent a real potential in the country assuming domestic tourism is sufficiently developed.
2.3 Ecotourism

The term ecotourism was coined in the 1980s. Hector Ceballos-Lascurain is credited with introducing the term. He defined ecotourism as:

“Travelling to relatively undisturbed or un-contaminated natural areas with the specific objective of studying, admiring, and enjoying the scenery and its wild plants and animals, as well as any existing cultural manifestations (both past and present) found in these areas” (Ceballos-Lascurain, 1987).

According to The Ecotourism Society (1991), ecotourism is responsible travel to natural areas that conserves the environment and sustains the well-being of local people. Australia is one, if not the only country in the world, with an explicit policy and strategy for ecotourism. According to Allcock et al (1994), the national ecotourism strategy for Australia succinctly summarises the background to the aggressive and successful policy development in Australia. It states:

“Ecotourism offers the potential to generate foreign exchange earnings, employment, and other economic and social benefits, particularly in regional areas. It presents Australia with an opportunity to make the most of its competitive advantage, with its spectacular and diverse natural features, unique flora and fauna and diverse cultural heritage. Ecotourism can also provide resources for environmental conservation and management and an incentive for the conservation and sustainable use of public and private land.” (Allcock, et. al. 1994).

Sills et. al. (1997), argue that while ecotourism has been promoted as one means to generate local employment and income in forest regions without the adverse effects attributed to timber extraction and agriculture, some substantial questions need to be answered. An example is whether it can generate adequate local benefits and the number of locations that can capitalise on a perhaps limited ecotourism market demand (Sills, et. al. 1997).

According to Wood (2002), while ecotourism has been defined as a form of nature-based tourism in the marketplace, it has also been formulated and studied as a sustainable development tool by non-governmental organisations NGOs, development experts and academics since 1990. Wood (2002) suggests that the term ecotourism, therefore, refers on one hand to a concept under a set of principles, and on the other hand to a specific market segment.

IUCN (or the World Conservation Union) in 1996 defined ecotourism thus:

“Is environmentally responsible travel and visitation to relatively undisturbed natural areas, in order to enjoy and appreciate nature and any accompanying cultural features — both past and present that promotes conservation, has low negative visitor impact, and provides for beneficially active socio-economic involvement of local populations.”

According to Wood (2002), many travel and tourism businesses have found it convenient to use the term “ecotourism” in their literature, and governments have used the term extensively to promote their destinations, all without trying to implement any of the most basic principles. The author calls this a problem of “greenwashing” which has undermined the legitimacy of the term ecotourism. Nonetheless, the author absolves some by suggesting that some greenwashing, though not certainly all, is the result of a lack of understanding of the underlying principles of ecotourism. International conferences, workshops and publications have made some advances in educating governments and businesses about ecotourism, but the misuse of the term remains a problem worldwide (Wood 2002). Box 1 lists the key components of ecotourism.

**Box 1. Components of ecotourism**

- Contributes to conservation of biodiversity
- Sustains the well being of local people
- Includes an interpretation/learning experience
- Involves responsible action on the part of tourists and the tourism industry
- Is delivered primarily to small groups by small-scale businesses
- Requires lowest possible consumption of non-renewable resources
- Stresses local participation, ownership and business opportunities, particularly for rural people

*Source: Wood 2002*
2.4 Assessment context
According to Nepal (2002), globally, the terms of ecotourism, nature tourism and sustainable tourism are often used interchangeably, even though these are distinct forms of tourism. In Uganda, much of the tourism at present is in reality nature-based tourism and very little of it, if any, is purist ecotourism.

For purposes of this assessment, Ugandan ecotourism as expressed in the ToR is likened to nature-based tourism. Furthermore, most of this tourism is in reality protected area based. This generalisation is not without foundation. For one, Eagles (2001) suggested that “the name national park is closely associated with nature-based tourism, being a symbol of a high quality natural environment with a well — defined tourism infrastructure”. Secondly, Eagles & Wind, (1994) found that “Canadian ecotour companies frequently used the name national park as a brand name to attract potential ecotourists to their sales offerings”.

Therefore, for the purposes of this assessment, the terms “nature-based tourism” and “ecotourism” are used interchangeably to mean the same thing. In otherwords for the sake of the assessment, ecotourism is nature-based tourism, the purist definitions notwithstanding.

2.5 The market
As shown in Figure 4, the tourism market consists of a number of segments: cultural tourism, rural tourism, nature tourism, sun and beach tourism, business travel, and fitness-wellness and health tourism. In turn, the nature tourism segment consists of the adventure tourism and ecotourism sub-segments. Ecotourism is also linked to the cultural and rural tourism segments of the market. Uganda’s tourism is largely confined to the nature tourism segment with some small contributions from cultural tourism, rural tourism and business travel. Globally, the ecotourism sub-segment represents a small but rapidly growing industry working within a niche market that is governed by market forces and regulations (Wood 2002).

Figure 4. The tourism market

The tourism market is shifting generally towards nature tourism and more specifically ecotourism (Table 1). The shift indicates a desire for conservation; increased participatory experiences and programmes; accommodation and facilities which are representative of the experience; and a range of benefits which go beyond the operator and visitor, and which are more long lasting (Wight 1997). These shifts are of critical significance for planners, including those in Uganda. For example, according to Wight 1997, a tourism facility can be built and operated using very environmentally sensitive techniques which can lead to a model, environmentally-friendly facility thereby attracting environmentally-sensitive tourists, and has a positive, less consumptive or polluting impact on the environment (Wight 1997).
In a study conducted by HLA and ARA Consulting (1994) and reported by Wight (1996), the typical nature tourist or ecotourist is: younger, well educated, willing to spend 8-14 days per trip, and spend $1,000-1,500 for it. The other features of the market profile are presented in Box 2.

### Table 1. Shifts from traditional tourism

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<tr>
<th>Tourism Component</th>
<th>Traditional Tourism</th>
<th>Current and future tourism market trends</th>
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<tr>
<td>Facilities</td>
<td>Accommodation as bed&lt;br&gt;Accommodation as island of luxury and pampering</td>
<td>● Accommodation as part/facilitator of the experience&lt;br&gt;● Accommodation as extension of the conservation ethic</td>
</tr>
<tr>
<td>Service</td>
<td>Fundamental requirements of the guests</td>
<td>● Total experience of the guests: understanding activity, &amp; other needs</td>
</tr>
<tr>
<td>Luxury</td>
<td>Structures to service guests&lt;br&gt;Mid range-luxury&lt;br&gt;Fun&lt;br&gt;Service</td>
<td>● Environments available to guests: &lt;br&gt;● Budget - mid range&lt;br&gt;● Education, satisfaction, appreciation&lt;br&gt;Style</td>
</tr>
<tr>
<td>Marketing</td>
<td>Mass markets&lt;br&gt;Enjoyment&lt;br&gt;Sell image&lt;br&gt;Green image (eco image)</td>
<td>● Specialty market niches-nature/adventure/culture/education&lt;br&gt;● Wilderness ethic, environmental stewardship enlightenment&lt;br&gt;● Describe benefits plus responsibilities&lt;br&gt;● Green reality (eco ethnic)</td>
</tr>
<tr>
<td>Programming</td>
<td>On-site activities&lt;br&gt;Contact during vacation, possible education&lt;br&gt;Observing&lt;br&gt;Activities specific and specialised</td>
<td>● On-site experiences, plus off-site long-lasting benefits&lt;br&gt;● Contact and education pre-, during and post-vacation&lt;br&gt;● Experiencing&lt;br&gt;● Interlinked activities and experiences</td>
</tr>
<tr>
<td>Benefits</td>
<td>Operator ($)&lt;br&gt;Customer benefits on vacation</td>
<td>● Operator, community, resource (varied benefits)&lt;br&gt;● Benefits last longer than actual vacation</td>
</tr>
<tr>
<td>Measures of success</td>
<td>Volume-based&lt;br&gt;Number of visitors&lt;br&gt;$ spent</td>
<td>● % of repeat visits and word of mouth&lt;br&gt;● Customer enlightenment&lt;br&gt;● Community/operator quality of life, cultural renewal &amp; pride&lt;br&gt;● Spreading out visitation period&lt;br&gt;● Positive economic impact &amp; variable business&lt;br&gt;● Resource conservation</td>
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Source: Wight (1977)
**Box 2. Nature Tourist Market Profile**

- **Age:** 35-45 years old, although age varies with activity and other factors such as cost
- **Gender:** 50% female and 50% male, although clear differences by activity were found
- **Education:** 82% were college graduates
- **Household Composition:** No major differences were found between general tourists and experienced nature tourists*. 
- **Party Composition:** A majority (60%) of experienced nature tourist respondents stated they prefer to travel as a coupe, with only 15% stating they prefer to travel with their families, and 13% preferring to travel alone.
- **Trip Duration:** The largest group of experienced nature tourists (50%) preferred trips lasting 8-14 days
- **Expenditure:** Experienced nature tourists were willing to spend more than general tourists, the largest group (26%) stating they were prepared to spend $1,000-$1,500 per trip.
- **Important Elements of Trip:** Experienced nature tourist top three responses were
  1. a wilderness setting
  2. wildlife viewing, and
  3. hiking/trekking.
- **Motivations for taking next trip:** Experienced nature tourists top two responses were
  1. to enjoy scenery/nature, and
  2. new experience/places.

*Experienced nature tourists were tourists that had been on at least one ecotourism oriented trip. Ecotourism was defined in this study as nature/adventure/culture-oriented travel. This research included both domestic and international travel.

**Source:** Wood (2002)

2.6 Ecotourism services and products in Uganda

2.6.1 Products and services

Currently, there are about 17 main ecotourism products and services in Uganda, experienced mostly in wildlife and forest protected areas and surrounding communities (Box 3).

**Box 3. Main Ecotourism Products and Services**

- mountain gorilla tracking
- nature guided walks
- mountaineering
- forest walk
- chimpanzee tracking
- launch trip (boat cruises)
- hot springs
- caving
- community walk
- game viewing
- bird watching
- primate walk
- butterfly watching
- sport fishing
- long distance (4-5 days) walk
- canoeing
- scenery viewing

The list of the attractions shows a limited number of attractions and very little value addition. Table 2 shows the main ecotourism attractions in Uganda's wildlife protected areas, essentially the ten national parks and virtually none in the other categories of wildlife protected areas (wildlife reserves, community wildlife management areas and wildlife sanctuaries). The key attractions so far developed in forest reserves are chimpanzee tracking and forest walks.
### Table 2. Uganda’s main ecotourism attractions in wildlife protected areas

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>KEY ATTRACTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Queen Elizabeth National Park</td>
<td>● Game viewing</td>
</tr>
<tr>
<td></td>
<td>● Bird watching</td>
</tr>
<tr>
<td></td>
<td>● Scenery viewing</td>
</tr>
<tr>
<td>Rwenzori Mountain National Park</td>
<td>● Mountaineering</td>
</tr>
<tr>
<td></td>
<td>● Bird watching</td>
</tr>
<tr>
<td></td>
<td>● Community walk</td>
</tr>
<tr>
<td>Kibale National Park</td>
<td>● Primate walk</td>
</tr>
<tr>
<td></td>
<td>● Forest walk</td>
</tr>
<tr>
<td></td>
<td>● Butterfly watching</td>
</tr>
<tr>
<td>Semliki National Park</td>
<td>● Hot springs</td>
</tr>
<tr>
<td></td>
<td>● Scenery viewing</td>
</tr>
<tr>
<td>Murchison Falls National Park</td>
<td>● Game viewing</td>
</tr>
<tr>
<td></td>
<td>● Launch trip (boat cruise)</td>
</tr>
<tr>
<td>Lake Mburo National Park</td>
<td>● Fishing</td>
</tr>
<tr>
<td>Kiddepo Valley National Park</td>
<td>● Game viewing</td>
</tr>
<tr>
<td></td>
<td>● Community walk</td>
</tr>
<tr>
<td>Mount Elgon National Park</td>
<td>● Mountaineering</td>
</tr>
<tr>
<td></td>
<td>● Viewing Sip Falls</td>
</tr>
<tr>
<td>Bwindi Impenetrable National Park</td>
<td>● Caving</td>
</tr>
<tr>
<td></td>
<td>● Gorilla tracking</td>
</tr>
<tr>
<td></td>
<td>● Butterfly watching</td>
</tr>
<tr>
<td>Mgahinga Gorilla National Park</td>
<td>● Nature guided walk (3 trails)</td>
</tr>
<tr>
<td></td>
<td>● Village walk</td>
</tr>
<tr>
<td></td>
<td>● Nature guided walks</td>
</tr>
<tr>
<td></td>
<td>● Caving</td>
</tr>
<tr>
<td>Source: Uganda Wildlife Authority Tourism Department Databank</td>
<td></td>
</tr>
</tbody>
</table>

#### 2.6.2 Key locations of ecotourism attractions

Figure 5 shows the locations of the wildlife protected areas of Uganda. They are mainly found along the western and eastern borders of the country. The middle of the country has only one wildlife protected area, Lake Mburo National Park. On the other hand, the forest reserves in the country are much more widespread (Figure 6). However, some of these reserves are plantations with very little ecotourism attractions to offer. There is no documented evidence of ecotourism products and services developed and operational outside wildlife protected areas and forest reserves. Yet, observations and anecdotal evidence suggest significant ecotourism potential on customary and private lands. Hence there is need to identify, characterise, inventory and map areas on customary and private lands having significant ecotourism potential.
Figure 5. Map showing the locations of wildlife protected areas
Figure 6. Map showing the locations of forest reserves
3.0 VALUE CHAIN ACTORS
Value Chain describes the full range of activities which are required to bring a product or service from conception, through the different phases of production (involving a combination of physical transformation and the inputs of various producers of services), delivery to final consumers and final disposal after use (Jacinto Jr., 2004). According to Jacinto Jr. 2004, in reality, value chains tend to be extended with a whole range of activities within each link and the links between different value chains.

The analysis of the value chains, popularly called Value Chain Analysis (VCA) is utilised as a tool from which to develop a framework that can inform both the development of local livelihood and enterprise initiatives and the formulation of appropriate public policy. VCA focuses on the dynamics of interlinkages and describes the full range of activities required to bring ecotourism products and services from identification through the different phases of production and delivery to final consumers.

3.1 Results of Workshop proceedings
Figure 7 shows value chain analysis for Uganda’s ecotourism as developed during a Workshop convened for key stakeholders. It lists the actors, process chain and issues. The main actors are:

- the Internet;
- travel agents;
- tour operators;
- Uganda Tourist Board;
- associations; and
- UWA, NFA, NEMA, Community.

The process chain consists of implementation, financing, standards, training and capacity building. The key issues arising from the value chain analysis carried out at the Workshop of key stakeholders consisted of the following:

- resource level: infrastructure, product development, and community involvement;
- service provision level: pricing, taxation, and sector players’ interactions;
- tourist level: advocacy, market awareness, and weak representation at the East African Community, then onto image and security and finally travel advisory services.
Figure 7. Value Chain Analysis for Uganda's eco-tourism

**ACTORS**
- Internet
- Travel agents
- Tour operators
- Uganda Tourist Board
- Tour operators
- Associations
- Community
- UWA
- NFA
- NEMA

**PROCESS CHAIN**
- International Tourists
- International tour operators
- Export market
- Domestic tourists
- Domestic Market
- Package
- Accommodation
- Ground transport
- Air transport
- Other facilities
- Activities
- Heritage
- Natural resources
- Culture

**ISSUES**
- Travel advisory services
- Image
- Insecurity
- Advocacy
- Market awareness
- Weak representation at EAC
- Pricing
- Taxation
- Sector player interaction
- Financing
- Standards and capacity building
- Training
- Infrastructure
- Product development
- Community involvement
3.2 Key developments in the Ugandan tourism sector

At the key stakeholders workshop, a number of issues were raised. Based on the issues raised, additional analysis was carried out to identify developments in the tourism sector in general (not necessarily ecotourism). These developments including efforts in training, grading systems, financing, and others together with the key institutions responsible for the promotion of tourism are presented below.

1. Training

- Was initiated under Protected Area Management and Sustainable Use Project (PAMSU) as preliminary efforts on capacity building and targeted hoteliers, trainers of trainers in the areas of food production, front office, foods and beverages etc.
- To achieve the above trainings, PAMSU later created Hotel Training and Tourism Institute (HTTI) of Jinja on pilot basis to address manpower needs and gaps in the sector. HTTI was started in 1990 and established by law in 1994.
- HTTI currently has 3 classes but plans to acquire a campus for expansion. Is a tertiary government institution that wishes to offer both hotel services and training in the same place?
- Curriculum for tourism training was developed with technical inputs from PAMSU and Uganda Sustainable Tourism Development Programme (UGSTDP). With the transfer of mandate for tertiary institutions training in tourism from Ministry of Trade, Tourism and Industry (MTTI) to Ministry of Education and Sports (MES) the developed curriculum is currently awaiting approval by MES.
- The current curriculum model awaiting approval by MES is based on that of HTTI.
- Issues at hand include other commercial institutions carrying out training but with no standards.
- It is wished that private hoteliers start demanding for well-trained staff rather than using untrained staff as were done currently.

2. Grading system

- The standard grading criteria was agreed upon by the East Africa Countries (EAC) and requires the draft Bill to become an Act before it can be implemented. However, Kenya and Tanzania have yet to put the criteria into action. A national draft is in place that can be fallen to.
- Under the planned national Bill, the tourist board is mandated to enforce the grading while Ministry of Tourism, Trade and Industry (MTTI) will undertake the monitoring and evaluation using own staff supported by those working for the districts.
- It is hoped that this approach will be sustainable, as the activities for the Uganda Tourism Board (UTB) will be partially financed by fees generated from tourism activities. Part of the funds generated will go to the district.

3. Financing

- A development trust is proposed under the Bill with the portion of the funds coming from license fees. However, success of this will depend on whether the tour operators appreciate the role of the levy. Elsewhere in other African countries, this has worked.
- Part of the development funds is to support marketing, training, and UTB operations.
- In the Bill, UTB’s role will be market Uganda to the outside world. While MTTI gives lead and the private sector takes it up.
- To help the sector develop, removal of the tax on refurbishments used was proposed.
- For example, visas for tourist prime countries were at one time removed (for approximately four years) to attract tourists and make Uganda a competitive tourist destination.
- Tourism being a slow return business, financing is difficult to access both internationally and locally. However, companies can source finance from pension funds at a lower interest.

4. Infrastructure

- PAMSU and EU have supported road opening, and maintenance of roads in National Parks. Through both projects, road maintenance equipment was procured for UWA to ensure sustainability in the long run.
- However, maintenance of trunk roads linking to the key National Parks was not addressed as it falls under the responsibility of Ministry of Works, Housing and Communication (MWHC). Trunk roads in southwestern Uganda were repaired; unfortunately, trucks transporting goods to Democratic Republic of Congo (DRC) have run these down.
- PAMSU/MTTI have many times requested MWHC on the need to improve key tourist areas access trunk roads to boost tourist visit.
- As for now, local governments maintain the feeder roads.

Uganda: Ecotourism Assessment
• In addition to roads, PAMSU has supported UWA’s range posts and parks offices development.

6. Taxes
• Efforts to address issues of taxes have already been initiated under PSFU, UTA and MFPED and these may be reviewed.

7. Markets
• In the proposed Bill, the tourism levy is to support market development.
• UGSTDP has been helping with rehabilitation of the image in the international market. However, who will fund this when the programme support ends?
• Local market could be developed by policies working within the industry. For example during off peak season the industry can agree with national parks to offer half prices and the private sector encouraged to offer reduced prices to stimulate business. As a significant market for tourism is under the private sector, this could be possible.
• Most accommodation and food investments are operating below the critical mass. The business is full of incompetent operators. New entrants also lack business training. Even then, vehicle drivers want to be tour operators yet they cannot measure up.
• To address some of the issues mentioned above, PAMSU/UGSTDP carried out some training in enterprise management after discovering that most of the enterprises lacked even the basics.
• To streamline the trade, when the Bill is in place, enterprises will have to be licensed and insured.
• Individual companies have to develop their own market, undertake market research, and develop strategies and plans that they can implement.

9. Costing/Pricing
• As costing/pricing is the responsibility of MFPED, this can only be reviewed when the officials concerned have a clear understanding of how their costing impacts on the industry. Consequently, UGSTDP plans to do a snap short of tax issues for the industry to have a basis on an argument with Uganda Revenue Authority (URA). This is also, aimed at improving the understanding of tourism amongst decision makers e.g. parliamentarians, MFPED and URA officials.
• Although tourism is a revenue earner, the incentives extended to other exports are unfortunately not extended to it. Lobbying is needed to have this changed.
• To get a fair judgment from MFPED and URA, the Industry has to get organized and clearly show how the industry works along its complex value chain.

10. Private sector
• UTA being the apex body and coordinating platform for (all sub sector associations in) the private sector, under the new Bill, it is planned to be restructured making it sustainable and functional in addressing this new role.
• However, for UTA to support the private sector, the Industry must pay for it through levies. This is happening elsewhere in Africa.
• UGSTDP has in the past embarked on the task of strengthening the private sector. Beneficiary to this strengthening support has been UTA as an umbrella organization, AUTO, Airline operators association and bird guides’ association to consolidate and reduce on the fragmentation in the industry.

11. Community
• Be empowered to offer services for tourists.
• Strategy for community empowerment has been developed from collaborations between SNV, Uganda Community Tourism Association (UCOTA) and UGSTDP.
• It is believed, real benefits to communities can come by association with UWA e.g. in mountain guiding, supply of foodstuffs as seen elsewhere e.g. South America.

12. Air Transport
• Of late, this has seen new developments e.g. KLM’s 600 new seats starting 1st November 2005. This offer of new airline seats indicates proof of increasing visits by tourists to Uganda, as airlines will only reroute through Entebbe if assured of revenue.
• Other airlines that have increased new seats include Kenya Airways. Others like SN Brussels have not changed.
• Other investment initiatives that have potential for increased tourism include the development of new camps in Kidepo National Park, Ishasha and Lake Mbumo National Park. In addition, Serena Hotel Chain is looking for concessions outside Kampala and usually being a chain it comes with market.
13. Travel Advisory

- For tour operators, travel advisory is cited as the biggest problem. As few potential tourists will neglect travel advisory by their countries at the risk of losing life assurance guaranteed by their employers. So many potential tourists simply go where their governments recommend. Consequently, if the advisory on Uganda is negative, it affects confidence to travel here. It is from this stand that the country owes a huge debt to those who ignore travel advisory and so should find a way of motivating them.
- To reverse the negative travel advisory, the country needs to address its root cause i.e. improve security as embassies will not remove it unless the country gets on top of it.

14. Image

- Uganda’s image can be improved by the release of levy funds to UTB whose role is to market the country.
- Success in market Uganda will depend on willingness of private sector to pay the levies.

15. Implementation of planned attractions

- Implementation of planned attractions is the responsibility of UWA while that of secondary attractions is the responsibility of the private sector.
- Arrangements have been made by UWA that private sector does this through concessions. UWA has been supported to develop guidelines and offer concessions that are beneficial though technical assistance from PAMSU and EU.

16. District Tourism Plans

- To boost tourism in those districts adjacent to protected areas and others with potential, PAMSU has helped them to develop district tourism plans. Under the plans, all tourism products were to be identified and prioritised. So far feasibility studies have been completed for four out of the targeted 10 districts in the country.
- In these plans, responsibility for their support is to be apportioned between the private sector and government.
- UTB is to work with districts in registration and plan is in place for it to help them develop capacity in preparation for this new roles.
- UGSTDP is in the process of working with UWA to produce compendium of concessions (60 new years) in protected areas as investor guides. The communities are to be taken up as employees.

17. Product development

- Under product development, though people come with new ideas, it is recommended that these be assessed in the same way i.e. economically, socially, ecologically for their sustainability, etc. rather than a use a quick return as this is responsible for failures in tourism.
- Agreement has to be reached over who is responsible for the development of product packages.
- Modern marketing strategies like online marketing have not yet taken up in Uganda yet these could usher in more business.
- To develop such products, the tour operator has to start from the tourist’s country of origin (e.g. USA), detail what it entails to get to Uganda and provide contacts (e.g. USA agents) who are trusted, safer to deal with and offers the tourist protection by their laws. As the mechanism at the market end wants to have an agent on the market end.

18. Poor representation at the EAC

- Representation at EAC has been constrained due to lack of funds, and government expected the private sector to pay for this. PAMSU plans to fund this, unfortunately meeting with East African community council of which tourism, wildlife and trade is key component was missed.

19. Key tourism promotion institutions

Uganda Tourism Association (UTA)

- Is the industry apex body and coordinating platform for the 8 member associations
- Is an elected member of the committee of the Private Sector Foundation (PSFU) dealing with government affairs and trade block issues like EAC, COMESA and WTO
- In the Bill, has to bring together tourism training institutions (UATTI)
- Was deeply involved in development of grading system under the auspices of the East African Community (EAC)
● Is addressing taxation issues on behalf of the sector with PSFU and MFPED and present incentive scheme is a direct outcome
● Involved in developing new national curriculum (plus proposals for examination standards) in close co-operation between HTTI, MES, MTTI and UGSTDP
● Involved in present re-branding of Uganda
● Member of International Council of Tourism Partners
● President - Prof. Wolfgang H. Thome. Email: ttg@imul.com

Uganda Tourism Board (UTB)
● In the proposed Bill, the role of UTB has been clearly spelt out.
● To address the proposed role, UTB is to be restructured and will have a department set up and linked to the districts with mandate to enforce compliance.
● For the districts to take up these new roles, UTB will support them build capacity.
● All these efforts are aimed at helping MTTI increase on its reach as currently; only three officials handle such issues. With this increased capacity, MTTI will complement the efforts of PAMSU and UGSTDP in the sector.
● UTB operates at two levels i.e. Tourism Coordination Committees (TCC) and Tourism Forum (TF).
● TCC was conceived in 1993 and is inter ministerial. It meets regularly at least monthly and handles policy issues like infrastructure, immigration, security, foreign affairs, etc.
● TF is open and comprises mostly the private sector whose participation is through representation. It meets biannually or annually and involves presentation of issues to the board for deliberation and solutions fed to the TCC. Currently, TCC does the work but there is need for TF to become proactive. Last TF annual meeting was in 2002 and the limitation has been funds. However, UGSTDP plans to fund this forum next year.
● Approval of the national bill would be a greater incentive for UTB structures.

Member associations of Uganda Tourism Association are:
AUTO - Association of Uganda Tour Operators
BAR - Board of Airlines Representatives in Uganda
HCAU - Hotel and Catering Association of Uganda
TUGATA - The Uganda Association of Travel Agents.
UAAO - Uganda Association of Air Operators
UAATI - Uganda Association of Tourism Training Institutions
UCOTA - Uganda Community Tourism Association
USAGA - Uganda Safari Guide Association
UDTA - Uganda District Tourism Associations various upcountry locations

3.3 Economic linkages
Apart from presenting the value chain as was done at the workshop, another alternative approach is to present ecotourism in a wider context and show its linkages with other sectors of the economy in a local area, district or the whole country. Such a presentation allows for the determination of the magnitude of leakages from the ecotourism economy. Figure 8 depicts a presentation of ecotourism in a regional economy.

The ecotourism chain can be arranged into three main levels: export; supplier; and economic input foundation. The three levels are further discussed below in the context of Ugandan ecotourism. The framework was derived
**Figure 8. Tourism Cluster**

**FINAL EXPORTS**

- Destinations: Theme Parks, Resorts, Events, Historical/ Cultural Sites
- Visit Experience: e.g. Eco-Tourism, Adventure & Sports Tourism, Heritage Tourism

**SUPPLIER INDUSTRIES**

- Primary Level
  - Retail
  - Accommodation
  - Restaurants
- Secondary Level
  - Inbound Travel Agents/Tour Operators
  - Transportation Providers
- Tertiary Level
  - Management, Accounting & Maintenance Services
  - Construction: Equipment, Materials, Investment
  - Food & Entertainment

**KEY FOUNDATION**

- Finance
  - Private/Public Financial Institutions
- Business Climate
  - Ministry of Finance (Tax), Planning Department, Transport Agencies
- Physical Infrastructure
  - Water, Sewage, Road, Airport
- Human Resources
  - Training: Entrepreneurship; Management; Hospitality Workers
- Innovation
  - R&D: Public (universities), Private (consulting Firms)
- Quality of Life
  - Safety & Cleanliness, Social services
- Information Infrastructure
  - Telephone (landline/cellular), Internet Service Providers
- Marketing Infrastructure
  - Regional Tourism Agencies, Hotels & Restaurant Associations, Travel Agencies, Marketing Firms

**Source:** Gollub et al (2002)
1. **Export level**

The export promotion of ecotourism consists of the destinations and events that draw people to a country, region or district. Unlike the conventional manufacturing industry, the end products of ecotourism are a mixture of tangible (places) and intangible qualities (experiences) which at the same time, are often interdependent.

Local governments in Uganda have not as yet recognised ecotourism as an important sector of development. They have not yet recognised their tourism potential because to a large extent they know very little about the different market segments of tourism, including ecotourism. Consequently, local governments in general have a narrow view of what their ecotourism offerings can or should be. One way of increasing the value of ecotourism in Uganda would seem to be for local governments to define their tourism products and package them for distinct markets. After all, apart from central forest reserves, national parks, wildlife reserves and wildlife sanctuaries which are managed by NFA and UWA, the rest of the country's natural resources management has been decentralised as provided for by the Constitution, the National Environment Act, and the Local Governments Act.

2. **Supplier level**

The supplier level is the focal area in ecotourism where economic value is created. The primary supplier sub-level consists of suppliers closest to the end of consumption (accommodation, restaurants, retail shops). This is the point where the visitor makes direct expenditure as part of the overall visit. The Ugandan supplier level is in the process of development. Accommodation providers offer a limited range of choices sometimes of questionable quality. In general, services offered by hotels and lodges, restaurants and shops need to be brought closer to international levels to generate a higher level of visitor satisfaction.

The secondary supplier sub-level consists of suppliers who are essentially intermediaries between the visitor and the destination and include inbound travel agents, tour operators and transport providers. The tertiary supplier sub-level includes suppliers who support the infrastructure of the destinations, and primary and secondary sub-level suppliers. They include: management and accounting, facility and equipment maintenance, marketing and reservations systems, working capital, food services, catering and entertainment services, and real estate investment and construction. In the Ugandan context, the key issues here are dependability, reliability and consistence. At the supplier level it is important to link tertiary sub-level in an international manner to the primary one so as to obtain a distinctive and more integrated image as well as realise higher economic multipliers.

3. **Economic input foundation level**

The ability to effectively deliver ecotourism services and build value from the final destination (export level) through the supply level depends on how well a country's economic input institutions are able to prepare and sustain the ecotourism experiences. The components of the level are the following.

(a) Human resource system. Here, the need for skills development is paramount. Hence the importance of training in various aspects of ecotourism services. A major problem in Uganda is inadequacy of effective training.

(b) Innovative system. Worldwide, innovations in tourism as a whole are rare. Uganda is no exception in this regard. Nonetheless it would be useful to innovate, with the focus being the consumers as well as technological issues. Innovative solutions are important if Uganda’s ecotourism is to be competitive, and generate larger input value to the tourism economy. The example of exporting venom instead of live snakes qualifies as an important innovation if implemented and so is the establishment of snake parks. The support of both public institutions and the private sector is important in promoting innovations.

(c) Finance system. Capital is the great enabler of tourism development. Unfortunately, the Ugandan financial industry appears not to appreciate the economic potential of the ecotourism industry. Interest rates on loans are very high and requirements for collateral excessive. If the financial sector could be given ecotourism industry specific knowledge enterprises in the industry are more likely to be better screened, thereby preserving more domestic value.

(d) Physical infrastructure. Planning and investing in physical infrastructure with ecotourism development goals in mind is a means to attract further domestic investments, as well as international investors. To promote Uganda’s ecotourism industry, the country’s roads, airports, water and sewerage services must be able to accommodate current and expected growth. Unfortunately, evidence elsewhere seems to suggest that public
investment in physical infrastructure often lags behind ecotourism growth. Better and integrated planning is therefore essential, and should take into account both public initiatives and give consideration to the sustainable use of the environment.

(e) Information infrastructure. While the information infrastructure in Uganda has improved a great deal over the last ten or so years, more needs to be done. A key ecotourism goal should be to build appropriate information infrastructure. Such an infrastructure will be an important adjunct means of preserving domestic value in ecotourism while leading to growth in related segments. Hence cellular and land line telephone services should be expanded and internet access improved.

(f) Business climate. Just like any other country, Uganda has its own regulatory, tax and administrative regimes. The important thing to remember is that the business climate is constantly changing as for example new international policies and agreements (e.g. WTO agreements) go into effect. There is need to align human resources and labour management policies, regulation of investment and credit, and plans for physical infrastructure investment and considerations of environmental sustainability around ecotourism.

(g) Quality of life infrastructure. There are quality of life issues that affect ecotourism from the perspective of the workforce as well as the visitors. The issues include: affordable housing, health care and social services for the workers; and cleanliness, ease of transportation and safety issues for the visitors. Building Uganda’s ecotourism value chain should begin with ensuring that the quality of life issues are addressed. Doing so will generate economic multipliers from developments in housing construction, furnishings, insurance, health care, and other related sectors.

(h) Marketing infrastructure. The promotion of a country, region or district has usually been the mission of governments. Through cost sharing (e.g. between central and local governments) of joint product development and marketing ecotourism areas can build the volume of visitors to the locations and diversify the segments of the ecotourism marketplace that they serve. The work of SCOPE with support from USAID in the development of Uganda’s image “Gifted by Nature” is a welcome development which should be supplemented by further development of this image by designing specific logos for the different parks taking into account their different natural resources.
4.0 ANALYSIS OF ECONOMIC AND MARKET ASPECTS

As discussed in Chapter 2, at the purest level, ecotourism was defined as ‘responsible travel that conserves the environment and sustains the well-being of local people’ (The Ecotourism Society 1995). In operational terms, however, ARA/KPMG Consulting LP (2001) stated that ecotourism focuses on interpretation and understating of the environment and culture of the areas visited and can include non-consumptive adventure recreation component, or “soft adventure” components such as canoeing. Hence ecotourism is tourism related to nature/adventure/culture in the countryside (ARA/KPMG LP 2001). This latter statement further justifies the treatment of ecotourism as being synonymous with sustainable nature-based tourism.

4.1 Ecotourism market size

Unfortunately, there are no definitive global statistical data on the overall size of the ecotourism market (ARA/KPMG Consulting LP 2001). However, some soft data and anecdotal evidence exist which can act as a gauge of the size of the ecotourism market. They include the following:

- the ecotourism market is large and growing;
- around 1992, Filion (1992) estimated that 40-60% of all international tourists are nature tourists and 20-40% are wildlife related tourists;
- according to WTO (Jan/Feb 1998), ecotourism and all nature-related forms of tourism accounted for 20% of all international travel and that ecotourism was then worth about US$ 20 billion;
- during the 1994-1995 period, 54 million Americans took part in birdwatching, a 155% increase over the 21 million contacted in 1982-83 (Cordell, 1999);
- according to Environment Canada (1999), 20 million Canadians 15 years of age and over spent US$ 11 billion on nature-related activities in Canada in 1996; and
- according to Eagles and Higgins (1998), the most prominent countries supplying ecotourists, in order of market size, are the US, the UK, Germany, Canada, France, Australia, the Netherlands, Sweden, Austria, New Zealand, Norway and Denmark.

4.2 Demand for ecotourism is growing

Until recently, ecotourism has been a niche market, but one that is among the fastest growing segments of the tourism industry (WTO Sept/Oct. 1998). WTO expects ecotourism along with cultural tourism and adventure tourism to be the hottest tourism trends for the 21st Century (ARA/KPMG LP 2001). The drivers of the increasing demand for ecotourism are the following according to ARA/KPMG LP 2001).

1. Ageing of the population in the developed world, especially in those regions where the international market demand for ecotourism is centred: North America, Northern Europe and, to a lesser extent, Japan. International Expeditions, one of the largest ecotourism companies in North America predicts that there will be a large increase in ecotourism clients by the year 2010 due to the aging of the American population (ARA/KPMG LP 2001; Hein 2000).

2. Growing tendency of travellers to take life-enriching vacations that involve education, the outdoors and nature (Wylie 1997). According to Eagles and Higgins (1998), the desire to learn and experience nature is influenced by at least three major factors:
   - the changing attitude to the environment, which is based on the recognition of inter-relationships among species and ecosystems;
   - the development of environmental education in primary and secondary schools; and
   - the development of environmental mass media

ARA/KPMG Consulting LP (2001) suggest that the trend toward de-personalisation of the workplace and high technology work and living environments are also seen as contributing to a greater demand for life-enriching ecotourism experiences.

3. Increasing desire of today’s urban, desk-bound society to be more physically active. According to the Travel Industry Association of America (TIA), the trend is driven by the desire for camaraderie among friends and quality time and family (TIA 1998).

4. Ecotourism is moving away from a niche market towards a mainstream one. According to ARA/KPMG Consulting LP (2001), while initially ecotourism attracted wealthier, more educated and well-travelled people, its client base is now expanding to include a wider range of incomes, educational backgrounds and travel experience. HLA/ARA (1994) in a survey found that 77% of general North American consumers were interested in ecotourism. In addition, North American ecotour operators indicated their clientele was both broadening and
deepening to attract inexperienced travellers (Wood 1998).

5. Ecotourism is becoming mainstream as further evidenced by the growing involvement of the mass market travel trade in the development and sale of ecotourism packages. Previously, while ecotourism operators relied on niche marketing strategies (such as word of mouth and promotion through the specialty travel trade) to market their products, there is now a movement towards the sale of ecotourism by travel agents, a group generally more focused on mass market tourism (ARA/KPMG Consulting LP 2001). Also, investor groups with ties to traditional mass-market tourism have recently entered the ecotourism market (Hein 1999).

On the other hand, some people feel that rather than ecotourism becoming mainstream, travel agents were forced to provide economic packages as a matter of economic necessity driven by the development of ICTs and also individual tourists organising their own travel. That it was a question of survival for travel agents and not a shift to mass ecotourism further supported by the material in Box 4.

The important thing is that these driving forces are not mutually exclusive. The upshot is that the significance of ecotourism is growing and encouraging more participation by various actors including tour operators, travel agents and financiers.

4.3 Market requirements

According to Wood (2002), because ecotourism was originally just an idea, not a discipline, many businesses and governments promoted it without an understanding of its most basic principles (Wood 2002). Subsequently, establishing internationally and nationally accepted principles, guidelines and certification approaches were slow, partly due to the many stakeholders involved (Wood 2002). It is equally important that each region or country affected develops its own principles, guidelines and certification procedures (Wood 2002).

When developing its own ecotourism guidelines, it would be useful for Uganda to consider some of the following:
- the amount of control retained by communities;
- the efficiency and social fairness of current concepts of protected areas and their sustainable use;
- the risk that unregulated tourists contribute to lowering genetic capital and traditional knowledge, i.e. biopiracy; and
- how to balance the needs of medium- and large-scale investors, often outsiders to local communities.

Whatever guidelines and certification are developed, they should be in line with some basic principles.

In 1993, the International Ecotourism Society published Ecotourism Guidelines for Nature Tour Operators. The guidelines have been distributed extensively and reprinted by several organisations in different languages. Subsequent evaluation forms reveal that they have widespread acceptance from the industry, NGOs and academics (Wood 2002). Uganda could domesticate these guidelines for its Nature Tour Operators (Box 4). The guidelines will help the country address questions of how to develop ecotourism in local communities, ecosystems or in specific sectors of the industry, such as accommodations or tour operations.
**Box 4. Nature Tour Operator Guidelines**

**Prepare travellers.** One reason consumers choose an operator rather than travel independently is to receive guidance: How can negative impacts be minimised while visiting sensitive environments and cultures? How should one interact with local cultures? What is an appropriate response to begging? Is bartering encouraged?

**Minimise visitor impacts.** Prevent degradation of the environment and/or the local culture by offering literature, briefings, leading by example and taking corrective actions. To minimise accumulated impacts, use adequate leadership and maintain small groups to ensure minimum group-impacts on destination. Avoid areas that are under-managed and over-visited.

**Minimise nature tour company impacts.** Ensure managers, staff and contract employees know and participate in all aspects of company policy that prevent impacts on the environment and local cultures.

**Provide training.** Give managers, staff and contract employees access to programs that will upgrade their ability to communicate with and manage clients in sensitive natural and cultural settings.

**Contribute to conservation.** Fund conservation programs in the regions being visited.

**Provide competitive local employment.** Employ locals in all aspects of business operations.

**Offer site-sensitive accommodations.** Ensure that facilities are not destructive to the natural environment and particularly that they do not waste local resources. Design structures that offer ample opportunity for learning about the environment and that encourage sensitive interchanges with local communities.


While guidelines will go a long way to solve the problem of greenwashing, the country must ultimately develop certification to ensure businesses, government agencies and NGOs/CBOs are meeting ecotourism standards. Unfortunately, efforts to certify ecotourism are in their infancy globally (Wood 2002).

Uganda does not have a certification for ecotourism. The process is quite elaborate, involving gathering data from companies on their environmental and social performance, and then verifying these data. The problem is further complicated by the fact that classically, ecotourism businesses are small, highly dispersed and regional in character with attendant difficulties in communication. However, a start can be made borrowing from the proposed guidelines for successful ecotourism certification (Box 5). Australia’s National Ecotourism Accreditation Programme is an industry initiative of the Ecotourism Association of Australia which Uganda can borrow from.

**Box 5. Tourism Accreditation Programme**

- Indicators for sustainability must be arrived at by research of appropriate parameters based on current best practice.
- Indicators for sustainability must be reviewed and approved via a stakeholder process.
- Indicators for sustainability must be arrived at for each segment of the industry, e.g. hotels, tour operators, transportation systems, etc.
- Indicators for sustainability will vary according to region and must be arrived at via local stakeholder participation and research.
- Certification programmes require independent verification procedures that are not directly associated with the entity being paid to certify. University involvement is ideal for this process.
- Certification programmes, particularly for the small ecotourism business sector, are not likely to pay for themselves through fees, and will need national, regional or international subsidisation.
- Certification programmes can be given to the operating entity, but should specify the products or locations that fulfill relevant criteria as certified.
- Certification should be ground tested before full-fledged implementation to ensure all systems are properly in line, due to the difficulty of verifying appropriate performance standards without advance testing.

Source: Epler Wood and Halpenn, (2001)

**4.4 Economic feasibility: price/cost analysis**

Although one can show through models such as the Total Economic Value (TEV) that the country’s protected areas system yields significant benefits to Ugandans and the global community, the maintenance of a protected area system such as the recently rationalised one in Uganda also incurs costs to the national economy. Typically, these costs consist of direct costs associated with the establishment and management of the protected areas; and indirect costs that they incur on surrounding populations, and opportunity costs in terms of the foregone benefits from alternative uses of the land.
According to Turpie et al. (2004), in the Namibian case, economic benefits of the protected area system clearly outweigh the costs involved in its management by 1:5-12. Hence they concluded that the present costs were clearly justified from an economic perspective.

Historically, park management, where most of Uganda's ecotourism occurs at the moment, has been government-financed. Even the Uganda National Parks, by then a parastatal was not financially self-sufficient, whenever necessary using public funds to cover its operating and development expenditure deficits. This is not just a Ugandan problem but a global one for parks.

Driml and Common (1995) showed that the economic benefits of nature-based tourism in selected Australian locales far exceeded the government expenditure to manage the sites. The management budgets were only 3.5% of the tourist expenditure; while the revenues raised by government through user fees represented only 8.5% of the government expenditure (Driml and Common 1995).

In Canada, due to the varying administrative structures (government department or parastatal), the recovery of management costs from tourist charges varies from only 1% in the Province of British Columbia to about 52% in the Province of Saskatchewan. Goodwin et al (1995) found in three parks in India, Indonesia and Zimbabwe that the income from tourism was between 7% and 24% of total expenditures. The major source of income is entrance fee and charges for an assortment of services. Eagles (2001) found that in many parks around the world, the fees are modest and not subject to market forces. As a consequence, the income from tourism is well below the park budget, constituting a small percent of the money used for management. In the USA, 33.8% of state park budgets were recovered from various types of tourism fees (McLean 1999).

According to Eagles (2001), globally, the trend is for government to demand that parks earn much higher amounts of their budgets from tourism sources. Corresponding to this requirement is the development of forms of management, such as parastatals (such as UWA and UTB) that allow for park agencies to function with the efficiencies of a private corporation (Eagles 2001).

The situation is slightly different throughout Africa where the norm is for parks to earn much or most of their operating budgets from tourism (Eagles 2001). In this respect, South Africa is a leader. The South African National Parks (SANP) system is now at 80% budget recovery from tourism achieved mainly by:
operating an impressive array of tourism business in the national parks;
providing a range of accommodation, ranging from campgrounds through family cabins to hotels;
all of the food and souvenir shops are SANP operated;
many of the tours are park-operated;
future possibility of licensing of intellectual property rights, such as logos and park names;
there is a public policy goal of financial self-sufficiency;
differential fees are becoming more common; and
prices are becoming associated with service level, higher prices corresponding to more services.

While UWA operates like a business corporation, it has not reached the level of cost recovery of SANP. The Protected Area Management and Sustainable Use (PAMSU) of the World Bank and other development partner assistance and government subvention make up for the Authority’s budget shortfall. UTB on the other hand is wholly dependent on government subventions, and European Union and other development partner assistance. In Uganda's liberalised economy, it is unlikely that UWA can begin operating its own lodge facilities. The future lies in product diversification and increases in its present structure of fees and charges to attain the implicit public policy of financial self-sufficiency.

### 4.5 Analysis of problems related to markets and economic feasibility

In general, worldwide, the majority of institutions in charge of wildlife and forest protected areas are weak in tourism competencies. Where expertise exists, these are usually the results of learning on the job about visitors and tourism management (Eagles 2001). As a result, institutions such as UWA and NFA have negligible expertise in leisure pricing policy, in tourism economics, in marketing, in tourism management, in social statistics, in service quality or in leisure studies. Until the formation of UWA and more recently, NFA, their predecessors (Uganda National Parks, the Game Department and the Forest Department) were not equipped to undertake business management. Hence their marketing, pricing policy, economics and financial expertise were generally deficient, and to some extent these weaknesses have been inherited by the new institutions. The need for financial self-sufficiency is however, now making UWA and NFA to take business management more seriously alongside the traditional roles of conservation. Some of the problems related to markets and economic fea-
sibility include:

- lack of good visitor statistics on overall protected area usage, and potential income from visitors;
- inadequate ecotourism demand characteristics information such as how different attributes such as biodiversity endowment influence tourism. The same is true for the quality of the attraction and visitor security;
- park pricing policies for different segments of ecotourists including the basis on which prices are arrived at. For example what is the basis on which UWA's current tariffs are arrived at? Economic analysis or negotiations? Who controls the prices charged by individual tour operators? Or, is there an ecotourism price watchdog? and
- ecotourism facilities development in protected areas compared to those situated just outside parks or forest reserves.
5.0 TECHNICAL AND INFRASTRUCTURE ASPECTS

5.1 Existing techniques and infrastructure

Most national parks where ecotourism attributes exist have management plans. These plans include infrastructure development. Most of the infrastructure consists of buildings, the purchase of vehicles and equipment, constructing fences in some cases, and upgrading already existing roads or building entirely new ones. The development of tracks and trails is part of the road infrastructure programme.

5.2 Human resources and expertise

As far back as 1995, Driml and Common (1995) observing the Australian ecotourism scene questioned the ability of the then management structure in Australia to ably maintain environmental quality in the face of large increases in tourism.

According to Eagles (2001), much of the visitor management in most national parks of the world is reactive rather than proactive. This is so because the parks receive whatever visitor use that occurs, and then try to develop mechanisms to define and manage appropriate activities and levels of use (Eagles 2001). This situation is also readily applicable to Ugandan park management staff. With respect to ecotourism especially:

- It is very rare for park agencies to consistently and professionally evaluate and monitor the wants and levels of satisfaction of their visitors, and it is even rarer for evaluation to be done on potential visitors or past visitors who do not return;
- The majority of park agencies are weak in tourism competencies;
- Very few agencies and almost no parks, have professional expertise in leisure pricing policy,
- tourism economics,
- marketing,
- tourism management,
- social statistics,
- service quality, and
- leisure studies;

Generally, the private sector is the force behind the tourism in parks — attracts the visitors, services their basic needs, and provides most of the tourism services. It is the private sector that has developed the internationally recognised, park-based ecotourism over the last quarter century; and

The Uganda Wildlife Authority (UWA), a government parastatal which came into being in 1996 was a merger of the Uganda National Parks and the Game Department. UWA has undergone several re-structurings since its formation about 10 years ago. It remains to be seen if the existing structure now adequately addresses most of the needs of management. UWA protects the biodiversity in wildlife protected areas and at the same time is supposed to identify products suited to tourism development including ecotourism. Once identified and adequately developed, marketing of the tourism product is the mandate of the Uganda Tourist Board (UTB) and in case of ecotourism, UEPB.

Similar to the aforementioned weaknesses of global park management agencies, these institutions suffer the same problems. In particular:

- While research is crucial to minimise the impacts of ecotourism in natural areas and to build technical capabilities that manage and deliver quality ecotourism, both UWA and UTB lack this capacity;
- The capacity to advise or carry on proper facilities planning which takes into account the concept of “Limits of Acceptable Change (LAC)” is missing within UWA; and
- There simply is no capacity within any of the institutions of government to plan and develop ecotourism facilities outside wildlife protected areas. Yet features of ecotourism promote such small-scale, low-key,
5.3 Possibilities of value-added generation

In conventional economic terms, value added is the total value of the goods and services produced, less the cost of raw materials and other goods and services consumed during the production process (Turpie, et al 2004). In other words, value added is different from expenditure and is that part of the expenditure that becomes income generated within the ecotourism industry or sector. This section, however, looks at value added differently from the typical economic interpretation. It dwells more in generating more revenue from a given tourism attribute or product.

Ecotourism earnings in Uganda are currently confined to protected areas (wildlife and forests) and derive from non-extractive activities such as game viewing, gorilla and chimpanzee tracking and bird watching, among others. Furthermore, tourist accommodation facilities in the protected areas are not sufficiently diversified consisting of formal hotels (Mweya Safari Lodge, Paraa Lodge and Apoka Lodge), luxury tented camps in various parks, and campsites. These features suggest there are still opportunities available for increasing the value of the country’s ecotourism sector. Some of these opportunities include the following.

1. Promoting extractive activities, particularly hunting and fishing outside protected areas. For example in Namibia, hunting is a high value per capita activity in terms of the relatively small number of visitors engaged in the activity yet who contribute a significant portion to nature-based tourism and tourism as a whole.

2. Diversifying the range of accommodation facilities for ecotourists. The existing range of accommodation could be added on, especially for areas outside protected areas with significant ecotourism attributes. Accommodation facilities such as hunting farms, guest farms and self-catering entities would increase the range of ecotourism services and products offered to tourists.

3. Obtaining greater value from trade in wildlife by promoting the export of products from wildlife and not the animals or plants themselves or destroying them. An example is the export of snake venom instead of the snakes themselves.

There are several avenues through which the value of ecotourism in Uganda can be realised. Of the possible range of preliminary activities which need to be carried out to add value are, first, carrying out an assessment of ecotourism opportunities outside the traditional protected areas. The second one requires the activation of the wildlife use rights provided for in the Wildlife Act 1996.

Part VI of the Wildlife Act 1996 provides for six classes of wildlife use rights. Any person, community or lead agency can apply to UWA for the six wildlife use rights listed below in Box 6.

<table>
<thead>
<tr>
<th>Class</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Hunting</td>
</tr>
<tr>
<td>B</td>
<td>Farming</td>
</tr>
<tr>
<td>C</td>
<td>Ranching</td>
</tr>
<tr>
<td>D</td>
<td>Trade in wildlife and wild products</td>
</tr>
<tr>
<td>E</td>
<td>Using wildlife for educational and scientific purposes</td>
</tr>
<tr>
<td>F</td>
<td>General extraction</td>
</tr>
</tbody>
</table>

Source: Uganda Wildlife Act 1996

5.4 Analysis of weaknesses related to techniques and infrastructure.

In Uganda, the development of infrastructure in protected areas where most of the ecotourism takes place at the moment is preceded by the preparation of general area management plans. However, a major area of weakness relates to the procurement of adequate funding for the development and maintenance of infrastructure.
On the other hand, for areas outside protected areas having significant ecotourism attributes, there are unfortunately no criteria and indicators for designating ecotourism sites. Furthermore, there are no set of development standards and a total absence of zoning.

Ecolodges are typically found in remote parts of a country. These remote areas are generally the least to receive government investments in health, education, electricity, potable water and access roads. Consequently the ecolodge owner is often the one who must provide these services.

Like many parts of the world, it is difficult for foreign visitors to visit the remote ecotourism sites in the country. It is difficult for them to gain knowledge of the ecotourism area, to obtain access, to get all the necessary equipment and learn how to use them, to gain suitable transport, and to visit most of the ecotourism areas. These foreigners often experience limited accommodation facilities. They find most providers of ecotourism products and services have no specific quality service goals, leave alone being aware that they need them.

The providers of ecotourism products and services along the value chain are increasingly facing the challenge of having to deal with increasing levels of education of consumers which in turn is leading to demands for increasing sophistication in management and provision of services. The development of information technology is also having a profound effect on the provision of ecotourism goods and services.

Finally, overall, management of ecotourism facilities in the country has been reactive as opposed to proactive. This has resulted in limited innovations in the design, development and operation of infrastructural facilities.
6.0 ENVIRONMENTAL AND BIODIVERSITY ASPECTS

Compared to many other African countries, Uganda has a relatively more comprehensive set of environmental and natural resources policies and laws. The supreme law of the country is The Constitution of the Republic of Uganda, 1995. This law provides every citizen the fundamental right to a healthy environment. The National Environment Act, 1995 is the overarching legislation on environmental matters, having been derived from the National Environment Management Policy, 1994. Sectoral policies and legislation exist and are by design in conformity with the provisions of the overall environmental policy and law. They include those directly addressing biodiversity conservation such as the:

- National Fisheries Policy, 2004;
- National Forestry Policy, 2001;
- Wildlife Policy, 1996;
- National Forestry and Tree Planting Act 2003;

The laws are in turn operationalised through a set of regulations and guidelines such as the one dealing with environmental impact assessments (EIAs) and environmental audits.

Uganda is also a signatory to several Multilateral Environmental Agreements (MEAs) including the Convention on Biological Diversity (CBD). Some of these MEAs have already been domesticated through instruments such as the National Biodiversity Strategy and Action Plan (NBSAP).

The National Environment Management Authority (NEMA) is the institution responsible for the overall management of environmental matters in Uganda. NEMA is legally mandated to monitor, supervise and co-ordinate environmental matters in the country. NEMA is able to do so by delegating some of its responsibilities to lead agencies. NEMA relates horizontally to lead agencies within the central government system and vertically with districts, lower levels of local government, civil society organisations, and the private sector. This snapshot of environmental management in Uganda provides the framework within which ecotourism takes place.

However, it is worth emphasizing that while there is an extensive policy and legal architecture for environmental management in Uganda, the main problem relates to enforcement of what already exists. There is limited capacity to enforce.

6.1 Description of ecotourism systems and their relationship with environment and biodiversity

A key feature of ecotourism is sustainable development, namely: economic, social and environmental objectives in an integrated manner. Ecotourism systems may be grouped into the following five categories:

- attractions and activities;
- transportation;
- tour operation;
- infrastructural developments; and
- operation of lodging and food facilities.

For those undertaking ecotourism visitations, often called ecotourists, the attractions and activities system is directly applicable. Those organising ecotourism activities must address the issues of transportation, tour operating and infrastructural developments systems of ecotourism. The accommodation and food system is the responsibility of those who sell ecotourism services. Organised in this manner it is possible to identify negative and positive environmental effects and priorities for improvements by management of the various actors as presented in Table 3. Under priorities of management improvement, there is a call for the issuance of guidelines for those undertaking ecotourism experiences. It is important that the guidelines are developed based on sustainable use and respect for the environment.
### Table 3. Environmental impacts of ecotourism systems

<table>
<thead>
<tr>
<th>Actors</th>
<th>Ecotourism system</th>
<th>Positive Effects</th>
<th>Negative Effects</th>
<th>Priorities of management improvement</th>
</tr>
</thead>
</table>
| Undertaking | Attractions and activities | - Experience of unique features  
- Viewing fauna and flora  
- Education and knowledge  
- Enhanced awareness  
- Solitude/spiritual | - Trampling of vegetation  
- Erosion  
- Littering along roads, tracks and trails  
- Fire hazard  
- Extraction of rare flora and fauna specimens (biopiracy)  
- Over-crowding | - Issue guidelines  
- Include fire management aspects in protected area management plans  
- Minimise littering through education and careful design and maintenance of trails |
| Organising | Transportation | - Ease, speed and time savings | - Air pollution from gas emissions  
- Vehicle breakdowns, oil spills  
- Accidents  
- Garbage disposal  
- Noise pollution | - Use of efficient modes of transportation  
- Enforcing speed limits and time of travel in PAs |
| Tour Operators | Infrastructural development | - Ease of arrangements | - Waste paper disposal | - Waste minimisation |
| (a) Roads, tracks and trails | | - Employment  
- Improvement in community access | - Habitat alteration  
- Disturbance of animal migratory routes  
- Oil spills  
- Erosion  
- Borrow pits  
- Spread of communicable diseases  
- Use of resources (firewood, etc.) | - EIA for roads and tracks  
- Proper design of trails |
| (b) Lodges, Campsites Development | | - Employment | - Visual intrusion  
- Extraction of resources (grass for thatching, poles, etc.) | - EIA and periodic audits  
- Issue guidelines for ecolodges and campsite development |
| Selling | Accommodation and food | - Employment  
- Increased household income from sale of food items and handicraft  
- Lease fees | - Extraction of firewood  
- Garbage disposal  
- Wastewater treatment  
- Sewage outflow  
- Fire hazard | - EIA and periodic audits  
- Issue guidelines for operating ecolodges and campsites |
6.2 Activities implemented to assure sustainable use of biodiversity

Biological resources constitute a capital asset with great potential for yielding sustainable benefits (UN 1993). Hence urgent and decisive action is needed to conserve and maintain genes, species and ecosystems, with a view to the sustainable management and use of biological resources (UN 1993). The biological resources of Uganda are the basis of the country's ecotourism.

Uganda is a signatory to and ratified the Convention on Biological Diversity (CBD) which calls for the conservation, sustainable use and equitable sharing of the benefits of biological diversity. The country has domesticated the CBD perhaps much more than the other MEAs it is signatory to. As stated in the National Environment Action Plan (MNR 1995), one of the objectives of the National Environment Management Policy is to conserve and manage sustainably the country's terrestrial and aquatic biological diversity in support of national socioeconomic development.

Strategies for the conservation, sustainable use and equitable sharing of biodiversity resources were elaborated in the National Environment Management Policy 1994 (MNR 1994) and reproduced in the National Environment Action Plan as shown in Box 7.

Some of the activities which have been carried out to ensure the sustainable use of Uganda's biodiversity include the following.

1. Preparation of the National Biodiversity Strategy and Action Plan (NBSAP).

2. Preparation of general management plans for wildlife protected areas and central and local forest reserves in which issues of sustainable use are addressed.

3. Production of the Environment Impact Assessment Regulations 1998 and the EIA Guidelines, 1997 through the EIA process. Where biodiversity is threatened by development activities, adequate mitigation measures are required to be put in place.

4. Merely listing mitigation measures is not enough. The implementation of the mitigation measures are monitored (perhaps less regularly than is desirable) through inspections or more focused audits.

5. The UNDP/GEF East African Cross-Border Biodiversity Project and its predecessor addressing capacity building in the region were some of the major initiatives addressing the conservation, sustainable use and equitable sharing of benefits of biodiversity resources.

6. The UWA carried out the rationalisation of the country's protected area system.

7. There have been institutional reforms, including the creation of the National Forestry Authority, to better manage the country's forest resources.

8. A new National Fisheries Policy was adopted in 2004 and one of its objectives is the sustainable use of the fisheries resources.

9. The Wildlife Act 1996 specifies six classes of wildlife use rights also in part aimed at increasing the stock and sustainable use of wildlife resources, and relieving extractive pressure on protected areas.

10. Pilot studies have been carried out by UWA on private or customary lands regarding the sustainable extractive use of wildlife outside protected areas.

11. Several studies have been carried out (Ogeda, et al 2004; Moyini et al 2001) on mainstreaming environment into sectoral development polices, plans and programmes. Although these studies did not deal with biodiversity specifically, the biophysical element of environment was addressed.

12. Attempts are being made at adding value to biodiversity resources. However, these efforts are still at experimental stages. For example, the Uganda Industrial Research Institute has carried out product development studies on venison obtained during the sustainable extractive harvesting pilot trials on private and customary lands.
13. Community involvement or participation is seen as key to the conservation and sustainable use of biological resources. In this regard, one of the objectives of the National Environment Management Policy is to ensure that individuals, groups, businesses and other economic entities have appropriate incentives and disincentives with regard to sustainable resource use and environmental protection. Communities bordering wildlife protected areas participate in the management of the resource through an institutional structure known as Community Protected Area Institutions (CPIs) and receive benefits through revenue sharing, resource harvesting in multiple use zones and operation of ecotourism facilities. Community participation in forest reserves is mainly through collaborative forest management arrangements. A number of these arrangements are in place. The Beach Management Units (BMUs) are being developed (in some areas are already operational) to ensure communities have a greater say in the management of the fisheries resources within their jurisdictions.

14. Many of the biodiversity resources are under-valued which has led to their inefficient use. One of the policy objectives of the National Environment Management Policy 1994 is: to incorporate the cost of producing or maintaining natural resources into the costs incurred by (and benefits derived from) resource users through use of appropriate management mechanisms such as leases, management contracts, user fees, concession agreements, and similar pricing mechanisms. The National Forestry Authority has successfully tested and is applying the auction process for determining the true value of resources. The UWA is re-negotiating concessions granted to lodge developers with, among others, the objective of obtaining better value from ecotourism attractions.
Box 7. Strategies for the conservation of biodiversity

- Develop comprehensive and co-ordinated policies, strategies and actions for biodiversity conservation
- Enact and/or reactivate legislation on the management of natural resources to provide for conservation of biodiversity in its widest sense, including areas outside the PA system
- Develop a policy framework and guidelines for the identification and management of buffer zones and buffer areas in and around PAs to help reduce conflicts between multiple uses and users (e.g. livestock and wildlife)
- Establish a mechanism for collaboration between Protected Area management and the neighbouring communities in order to resolve potential conflicts through the involvement of local people in the planning, management and decision making process, and ensure that a portion of benefits from the Protected Area system is offered to the local communities
- Bring sectoral institutions concerned with biodiversity conservation - particularly Forestry, Game, National Parks and Fisheries — together under a common management authority to enhance coordination and eliminate duplication and conflict; incorporate all three levels of biodiversity conservation into this institution's policies and programmes
- Re-assess priorities in Protected Area management and rationalise the Protected Area system to maximise its cost effectiveness in the conservation of biological diversity
- Identify valuable areas of terrestrial biodiversity outside protected areas, and in consultation with local communities and land owners, explore means of protecting such areas, including gazetting as protected areas, purchase of land-use rights or conservation easements
- Identify and map valuable areas and sensitive habitats of aquatic biodiversity, particularly breeding, nesting and feeding areas, and in consultation with traditional and commercial fisheries, explore means of protecting such areas, including gazetting, the purchase of fisheries use rights, or conservation easements
- Foster public support for intended biodiversity actions and encourage private investment in tree planting and wildlife conservation by placing greater emphasis on increasing public awareness on biodiversity values
- Re-institute methods of adoptive management and continue the process of sustainable resource management techniques, based on research results and monitoring programmes
- Strengthen links to international biodiversity conventions, e.g., CITES, Ramsar, World Heritage Sites, etc
- Co-operate in the conservation of shared biological resources with other countries
- Integrate and coordinate in situ and ex situ methods of genetic and species conservation, e.g., seed and sperm banks, botanical gardens, orphanages and captive breeding sites
- Encourage community participation in natural resource management programmes especially for those people living on land adjacent to protected areas

Source: adapted from the National Environment Management policy, 1994; National Environment Action Plan, 1995

6.3 Analysis of issues regarding biodiversity conservation

Due to Uganda's unique biogeographical location, the country is rich in biodiversity (7 of Africa’s 18 plant kingdoms; more than 18,000 species known to exist or recorded), including over 5000 plant species, 15 primate species, 156 mammalian species, and 1008 bird species. Uganda is home to more than half of the world's population of mountain gorillas, which places a great responsibility on the country to conserve this world heritage. Unfortunately, the country's biological richness is on the decline due to a number of causes, including:

- encroachment;
- over-exploitation and depletion;
- pollution and ecosystem degradation;
- poaching and illegal trade; and
- the introduction of alien invasive species into the country’s ecosystems.
Notwithstanding the foregoing, the principal loss of habitats and some species is mainly due to conversion of natural ecosystems into agricultural land. The underlying cause of habitat alteration is the high rate of growth of Uganda’s population which at 3.4% per annum is higher than the world average and even the one of Sub-Saharan Africa. During the 1970s and early 1980s, Uganda lost significant numbers of wildlife populations. Some species such as the white rhino and the black rhino became extinct. The wanton destruction of wildlife populations in the absence of law and order in the 1970s and early 1980s was the main reason why today, wildlife populations outside protected areas are drastically reduced. Although the situation has improved a lot, biodiversity loss is still there sustained by the high levels of poverty in rural areas. The majority of the poor in Uganda live in rural areas. The poor are both agents and victims of environmental degradation. Poverty is being addressed by the Government and its development partners. Headcount poverty has declined from 56% in 1992 to 38% by 2004 (UBOS 2004).

According to Pomeroy & Tushabe (2004) the overall rates of biodiversity loss have declined for such important groups as large mammals and primates, including apes, as well as birds such as pelicans and fish eagles. But woody biomass in all its forms continues to decline, together with all the biodiversity that depends upon trees, and biodiversity loss seems to be an almost — inevitable consequence of agricultural intensification (Pomeroy & Tushabe 2004). Overall, however, Uganda — as reflected by the Living Uganda Index — is doing better than the planet as a whole: overall, the rates of loss are around 0.8% for Uganda, but above 1% for planet earth (Pomeroy & Tushabe 2004) as shown in Figure 9.

**Figure 9: Biodiversity indices for Uganda and the Planet Earth**

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Source: Pomeroy & Tushabe (2004)
7.0 SOCIAL ASPECTS
The social aspects of ecotourism derives from the principles of sustainable development — defined as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This definition has further been translated into sustainable tourism. In the context of social aspects, sustainable tourism products are those which are operated in harmony with the local environment, community, and cultures so that these become the permanent beneficiaries not the victims of tourism development (Lipman et al 1997).

7.1 General socio-economic conditions of relevant actors
The principal actors in ecotourism of relevance to the social aspects of ecotourism are: the tourists themselves (those undertaking); tour operators, transport companies and lodge owners and operators (those organising); governments (those regulating and managing the resource); communities (those owning the resources in some cases, operating and benefiting from activities); and non-governmental organisations (those working closely with communities and interfacing with the other actors). The relevant social aspects for each of the actors is described below.

7.1.1 Those undertaking
Generally, people interested in ecotourism are those who are economically well off but at the same time attach great importance to nature conservation, particularly remote and relatively undisturbed areas. Ecotourists are also concerned with social equity issues and are willing to pay a premium for services if some of the benefits can flow to the rural communities. Ecotourists in general are well educated people who are in a better position to understand and value different cultural features in rural areas. They also seek greater interaction with local communities.

7.1.2 Those organising
The primary motive of tour operators, transport companies, and lodge owners and operators is profitability. In this sense, their main pre-occupation is cost-minimisation, market expansion and where feasible opportunities for monopoly of specific areas. Hence they have a tremendous influence on how ecotourism satisfies the social objective of sustainable development. Un-regulated, they are most likely to impact negatively on communities by seeking a disproportionately larger share of rents accruing from ecotourism.

7.1.3 Those managing the resource and regulating
The central and local governments are responsible for regulating the activities in the ecotourism industry through various laws and regulations. Whether directly or through parastatals, agencies or departments, the different levels of government in Uganda have legal mandate to manage the ecotourism resources of the country on sustainable basis.

Wildlife, both in and outside protected areas, is the responsibility of the Uganda Wildlife Authority. For wildlife outside protected areas, UWA may delegate some of its responsibilities to local governments or local communities. The National Forestry Authority (NFA) is responsible for the management and conservation of Uganda’s Central Forest Reserves (CFRs) while local governments are responsible for the Local Forest Reserves (LFRs). Both CFRs and LFRs make up 30% of Uganda’s forest area. The remaining 70% is on customary or private land. This ownership pattern could be used to develop ecotourism products on customary lands which is owned wholly or in partnership by the local communities.

The other social aspects of relevance relate to taxation of ecotourism services, and the collection of fees and rentals. There are two additional important provisions with regard to social aspects. The first is collaborative or joint management of the resource base with communities in the surrounding areas. The second is revenue or benefit sharing. The UWA is mandated to pass over to the surrounding communities, through their local governments, 20% of entrance fees earned from the wildlife protected areas.

7.1.4 Communities
The generally accepted wisdom world over is that the poor are both agents and victims of environmental and natural resources degradation. In Uganda, about 38% of the population lives below the poverty line (MFPED 2003). Basing on the Population and Housing Census of 2002, therefore, over 9 million Ugandans live below the poverty line (UBOS 2004). Furthermore, the majority of the poor live in rural areas and are heavily dependent on natural resources for their livelihoods (MFPED 2003). Therefore, one way of looking at ecotourism is that if successfully developed, it can be a means by which rural communities can be meaningfully involved in efforts to eradicate poverty.
7.1.5 Civil Society Organisations (CSOs)
Throughout the developing world, CSOs particularly NGOs play a prominent role in tourism development. They are usually involved in either: protection of biodiversity and the environment; or sustainable development for local people. NGOs also offer potentially ideal partnership with the private sector. For example, CSOs can research on best practices, guide training, regional planning and stakeholder meetings, community development, protected area management, and targeted conservation initiatives (Wood 2002).

Furthermore, NGOs often work to ensure that ecotourism is developing in a manner that is consistent with national and international conservation and sustainable development priorities, including: developing their own ecotourism programmes; and implementing the grassroots ecotourism initiatives focused on the conservation of local resources that can benefit from ecotourism's economic and educational potential (Wood 2002).

In Uganda, within the CSO fraternity, there are many non-governmental organisations (NGOs) and community-based organisations or associations (CBOs/CBAs) involved in conservation activities. The few international NGOs that operate in the country have the knowledge and the resources to be effective partners in ecotourism development in Uganda. Unfortunately, the majority of local NGOs and almost all CBOs and CBAs lack the capacity for meaningful participation in ecotourism development in the absence of initiatives to first build their capacities and avail them with financial resources to do the job.

7.2 Participation of local communities

There are a number of ways in which communities participate in and benefit from ecotourism activities in their areas. These include: employment, share of resource user fees, hunting opportunities, small business linkages and social spending, and other multiplier effects.

7.2.1 Employment
Salaries and wages are a key source of revenue flows from ecotourism activities to local people in the surrounding communities. For a household, the remuneration generates by far the largest single flow of benefits to rural people, if they can find work at the various ecotourism activities and also be compensated fairly. According to Massyn (2004), in the southern African setting the organisers of ecotourism activities often recruit skilled workers from outside the immediate region. The remuneration of these skilled workers recruited from outside often represents a disproportionate share of an enterprise’s wage bill, leaving little for those employed locally. Also it is common for the organisers of ecotourism activities to pay significantly lower salaries and wages in the name of remaining competitive. Otherwise, remuneration particularly to women workers, is a strong transmission mechanism that impacts directly on needy rural households (Massyn 2004).

The provision of employment opportunities for women and other vulnerable groups in rural society allows poor households to receive direct payments from the firms (Massyn 2004). While there are legal provisions for revenue sharing in Uganda (e.g. The Wildlife Act, 1996) the fact that monies are passed to local governments for onward transmission to the communities raises real possibilities of local elites and government structures intercepting the funds before they reach the households.

To overcome some of these problems, communities must be empowered through ownership, resource rights and enhanced negotiating skills to have more effective bargaining power. Firms undertaking ecotourism activities could also be encouraged to employ and train local people. Such a move would prevent or at least lessen leakages out of the regional economy (Massyn 2004). Other options include: promotion of equity participation; designing procurement policies that favour the rural communities; and setting statutory minimum employment standards and collective bargaining rights (Massyn 2004).

7.2.2 Resource user fees
According to Massyn (2004), community benefit is often enhanced through a combination of wages and significant rentals or user fees. However, this requires that communities have a stake in the land or over the resources, as noted by Massyn (2004) below on the benefits of ecolodge development:

“...a carefully structured system of rights for local people — combined with a willing private sector partner, a competitive set of natural assets and effective bargaining by the local rights holder — result in levels of rentals that exceed the quantitative impacts of the lodges’ wage bill. This source of revenue is important because it can be used for both household dividends as well as collective projects to improve livelihoods in the villages”.

Uganda: Ecotourism Assessment
However, for resource user fees to represent a significant stream of benefits flow to households and communities, it must be devoid of some negative forces common in rural areas, including the control of patronage. Ideally, it would be necessary to delink or formalise the division of rentals and lease fees from government (Massyn 2004).

7.2.3 Hunting on customary or private lands
Under the Wildlife Act 1996, there are several wildlife use rights permitted. Although officially there is a ban on hunting, the UWA is piloting trophy hunting on customary and private lands to collect data on sustainable harvesting levels and other technical and society dynamics aspects. In the southern African states, studies have shown that consumptive tourism revenues (mainly from trophy hunting) are an important supplement to lodge revenues. According to Massyn (2004), hunting: (a) is often an important generator of collective benefits to resource-owning communities; and (b) provides an important supplement to revenues generated by wages and rentals. With respect to social benefits, hunting has three important features, namely:

- the industry is not as fickle as non-consumptive tourism;
- hunting generates quick returns with little investment; and
- in remote areas and those with marginal tourism assets, hunting often is the only viable wildlife-based commercial activity (Massyn 2004).

7.2.4 Small business linkages and social spending
Conventional thinking was that through the development of ecotourism activities in remote areas there would be strong linkages with small businesses in the locales. However, studies such as those of Massyn (2004) in southern Africa have shown that whereas small business outsourcing is symbolically important in shaping the texture of the tourist experience, it is generally a relatively insignificant source of revenue flow to local residents. To increase this significance would require building linkages between the local rural economy and the ecotourism business as well as relatively high levels of local economic capacity.

Notwithstanding the foregoing, social spending associated with the activities of ecotourism organisers dedicated to the normative ideals of the industry can attract significant amounts of investment into the local rural economy (Massyn 2004). Furthermore, the value of secondary expenditure in the local economy can sometimes be boosted by the activities of philanthropic organisations linked to firms in the organising aspects of ecotourism. According to Massyn (2004), a good example is Conservation Corporation Africa’s Africa Foundation which channels donor funds from philanthropic third parties into local development projects including: small-scale schools (primary), clinics, water distribution and sewage treatment learning and building, and electricity and telephony.

7.2.5 Other multiplier effects
Ecotourism development projects such as the construction of lodges can in turn bring important social infrastructure advantages to otherwise inaccessible remote areas. For example, villages can benefit from improved road access, potable water supplies, and in some cases bulk electricity being brought into the area for the planned developments.

For example, according to Massyn (2004), the development of ecolodges can have important people development impacts, including:

- capacity building;
- ecolodges enterprises often become mechanisms that stimulate a wide range of sustainable activities and linkages to the centre;
- through their involvement in the ecotourism industry, remote isolated places are linked to the national and global economies; and
- often a learning curve is catalysed by negotiation around ownership rights, thereby leading to an enhanced ability to access resources in a bureaucratic environment.

7.2.6 Community participation
The definition of ecotourism by The International Ecotourism Society as ‘responsible travel to natural areas that conserves the environment and sustains the well-being of local people’ not only implies that there should be recognition of, and positive support for, the conservation of natural resources, but also that there is a necessary social dimension to ecotourism (WWF International 2001). Some of the guidelines for encouraging community participation in ecotourism generally is presented in Box 8.
Box 8. Basic Steps to Encourage Community Participation

- Understand the community’s Role. Communities should exercise control over their growth and development. They will in many cases need technical assistance to make appropriate decisions and should be given adequate information and training in advance. Allocate time, funds and experienced personnel to work with communities well in advance. Avoid allowing communities to feel they are powerless to influence patterns of development.

- Empower Communities. Participation is a process that is more than just making communities the beneficiaries of an ecotourism project. Jobs are an important benefit, but they do not replace empowerment. Communities must genuinely participate in the decision-making process. This involves more than just consultation. Processes must be initiated to ensure that communities can manage their own growth and resources wisely.

- Urge Local Project Participation. Project managers must identify local leaders, local organisations, key priorities of the community, and ideas, expectations and concerns local people already have. Information can be gathered for community. The opinions gathered should be disseminated and discussed with the community along with other information such as government market statistics or regional development plans. Training opportunities must be formulated at this phase to help community members gain planning skills, and also the entrepreneur skills required to run small businesses.

- Create stakeholders. Participation can be encouraged at two levels - for individuals and for local organisations. Investment in project development areas should be encouraged, either in cash, labour or in-kind resources. Developing lodging by local entrepreneurs, and setting standards for local services by local organisations are two good examples.

- Link Benefits to Conservation. The links between ecotourism benefits and conservation objectives need to be direct and significant. Income, employment and other benefits must promote conservation.

- Distribute benefits. Ensure that both the community and individuals benefit from projects.

- Identify Community leaders. Identify opinion leaders and involve them in the planning and execution of projects. Identify leaders that represent different constituents to ensure that a cross-section of society is involved (including both men and women). Be sure the project has good information on the local social structure. Strategise on the effects of the projects on different social groups and never assume that all parts of society will cooperate or agree. Be strategic and gain appropriate allies early.

- Bring about change. Use existing organisations already working in the community to improve its social well-being through economic development. Development associations or local cooperatives are good prospects. Groups involved in organising recreation can also be good allies. Community participation through institutions is more likely to bring about effective and sustained change.

- Understand Site-Specific Conditions. Be aware that authority structures vary greatly in each region. Consensus is not always possible, nor is the full participation of all sectors of society (women are often excluded).

- Monitor and Evaluate progress. Establish indicators in advance to track tourism impacts - both positive and negative. Goals such as employment and income levels are only one type of indicator. The project should track negative impacts such as evidence of rapidly escalating prices for local goods, inflation in land prices, antagonism towards visitors, frequency of arrests, change in youth activities, and evidence of drug, prostitutions and other illicit activities. Ideally, the more the local community is fully involved in ecotourism development the less these problems should develop. Another important indicator of local involvement is evidence of initiatives within the community to respond to the negative influences of tourism.

Source: Brandon (1993)

The above guidelines are more applicable for the inclusion of communities in ecotourism activities situated in Uganda’s wildlife and forest protected areas. The guidelines can strengthen the Community Protected Area Institutions, a mechanism that has been put in place to encourage community participation in the operations of the Uganda Wildlife Authority in the protected areas. The guidelines are equally important for reinforcing the successful operations of Collaborative Forest Management arrangements being promoted by the NFA; and the Beach Management Units introduced by the Department of Fisheries Resources. However, there is another and more specific form of community participation in ecotourism. It is what is known as community-based eco-tourism.
Community-based ecotourism is a form of ecotourism where the local community has substantial control over, and involvement in, its development and management, and a major proportion of the benefits remain within the community (WWF International 2001). As defined, there is little, if any genuine community-based ecotourism in Uganda at the moment. However, significant opportunities exist for the promotion of community-based ecotourism, particularly on customary land. First, approximately 70% of the country’s forested areas lie within private and customary lands. Second, some customary lands have significant populations of wild animals which could be used as centres of tourist attractions. As shown in Table 4, there are five major steps involved in the promotion of community-based ecotourism. These five steps represent action areas necessary for the promotion of community-based ecotourism in Uganda. Unfortunately, there is no government institution (both at the centre and local governments) directly responsible for the implementation of the range of activities involved in the promotion of community-based ecotourism. One possibility is to encourage competent non-governmental organisations to assist communities develop and manage their ecotourism attractions. The Uganda Community Tourism Association (UCOTA) is one such organisation.

**Table 4: Actions for promotion of community-based ecotourism**

<table>
<thead>
<tr>
<th>Category</th>
<th>Specific actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Characterising the attraction</td>
<td>* Inventorying potential community-based ecotourism sites</td>
</tr>
</tbody>
</table>
| 2. Considering whether ecotourism is an appropriate action | * Considering the potential gain  
* Checking the preconditions for ecotourism  
* Adopting an integrated approach          |
| 3. Planning ecotourism with communities and other stakeholders | * Finding the best way to involve the community  
* Working together on an agreed strategy  
* Ensuring environmental and cultural strategy |
| 4. Developing viable community-based ecotourism projects | * Ensuring market realism and effective promotion  
* Putting forward quality products         |
| 5. Strengthening benefits to the community and the environment | * Managing impacts  
* Providing technical support  
* Obtaining the support of visitors and tour operators  
* Monitoring performance and ensuring continuity |

*Source: adapted from WWF International 2001*

The second option is for communities to enter into joint venture arrangements with the private sector, premised upon the understanding that ecotourism is a business. Therefore, it makes sense to encourage private enterprise and investment were appropriate, within a structure which enables the community to benefit, and have decision-making power over the level and nature of tourism in its area. There are various ways in which the community can relate to private enterprise. The UEPB can assist the communities evaluate the various options for suitability through supporting specific studies related to identification and viability analysis. UEPB may in turn need technical assistance from organisations such as the ITC.

One key option is for domestic or foreign businesses to be granted a concession to operate by the community, in return for a fee and a share of revenue. There are many examples worldwide where such arrangements have worked well. Zimbabwe’s CAMPFIRE arrangement one such successful arrangement. Another option is for the community to own and run an ecotourism business. Experiences elsewhere have shown that sometimes the ownership options suffer from lack of organisation and incentives, but this can be overcome with time.

**7.3 Management capacity**

The agencies that are largely responsible for managing the resource base for ecotourism evolved from line ministry departments into parastatal bodies in form of authorities. Hence the staff have had to adapt to a new way of management that is results-oriented with cost recovery in mind. In essence these institutions now act more or less as corporations. Hence these institutions must develop ecotourism management competencies and begin to understand the dynamics of visitors’ needs and wants. Key ecotourism competencies which the institutions need to acquire are:

- understanding the visitors’ needs and wants;
- service quality management;
The capacities of both UWA and NFA are largely deficient in the key competency areas and require rectifica-
tion. None of the institutions has either an economist or a business analyst in their institutional structures.
Capacity in finance is represented by people with accounting backgrounds. Funds could also be made available
via loans if the Ugandan banks accept future income as collateral. The UWA and NFA would have to champion
this cause.

In the Strategic Plan 2002-2007, the UWA proposed a revision of its management structure based on the fol-
lowing guiding principles:

- cost-effectiveness and policy on strategic partnerships;
- improving efficiency through internal mechanisms and avoidance of duplication of roles with other
  agencies;
- putting resources where the organisational business is by emphasising “value for money”; and
- contributing to government policy by involving the private sector.

The role of the Department of Tourism, Business Development and Planning of UWA, among others, is to
develop policies for tourism development, concessions and biodiversity conservation, and ensure that those poli-
cies already developed are reviewed and updated regularly. The UWA strategic plan recognised the institution's
over-reliance on external funding. Internally generated funds contribute less than 25% of total re-current
expenditure budget, leaving the rest to be financed by government and development partners. The organisation
needs to build management capacity to become self-reliant.

7.4 Legal issues (barriers, restrictions and taxes)
According to WWF International (2001), reasonable conditions for undertaking tourism business are:

- an economic and political framework which does not prevent effective trading and security of investment;
- national legislation which does not obstruct tourism income being earned by and retained by the
  business owners or communities.

Uganda's economy is fully liberalised. Currencies are freely convertible. Dividends can also be freely repatriat-
ed by foreign companies. The Wildlife Act 1996 provides for the granting of concessions to developers in protect-
ed areas. The Act also provides for the entitlement of local communities to 20% park of entrance fees. It also
provides for the granting of six wildlife use right classes to qualified individuals, communities and lead agen-
cies. The National Environment Act 1995, among others, provides for:

- tax incentives to encourage good environmental behaviour including the conservation of natural
  resources;
- user fees to ensure that those who use environmental resources pay the proper value for the utilisa-
tion of the resources;
- tax disincentives to deter bad environmental behaviour that leads to depletion of environmental
  resources or that cause pollution; and
- issuance of guidelines for the conservation of biodiversity in situ and ex situ.

Government has streamlined and liberalised its trade regime. Actors in ecotourism benefit from the new
regime. For example, market-determined exchange rate is in place; and there are no restrictions on capital
account transactions. However, key actors in the ecotourism business (e.g. tour companies) have expressed a
strong desire to have their industry zero-rated for tax purposes. So far there has been no response from govern-
ment.

7.5 Analysis of difficulties and weaknesses related to social aspects
As a result of the rural location, one of the difficulties encountered in promoting, and weak areas of, ecotourism
must of necessity relate to community issues. There are three aspects to community issues. The first is how can
communities participate meaningfully in ecotourism activities within protected areas. The second aspect con-
cerns the promotion of ecotourism development on private and customary lands. Third, is the preservation of culture as the volume of ecotourism activity increases and there is more interaction between people with foreign cultures and the local communities.

Within the private sector (tour operators, lodge owners etc.) there are some challenges. First, there is a need to identify efficient incentives measures to promote the procurement of goods and services locally but in accordance with acceptable levels of production. This includes such things as food items and other inputs required. The current view is that local communities supply very little of the goods and services needed by tourists. Second, if ecotourism on customary land is to be promoted in the near future, then there will be a need to develop modalities for effective private sector-community joint ventures. Third, there is a need for a review of the tax regimes of ecotourism businesses.
8.0 GENERAL NECESSITIES AND SOLUTIONS

This chapter addresses the economy and markets, the environment and biodiversity, and the social and infrastructure including the techniques aspects. In a way, the chapter addresses issues to do with sustainability. The three pillars of sustainable development are economic, social and environmental. With respect to ecotourism, a key to sustainability is harmony between the place, the visitor and the host community (Wight 1997). It involves avoiding leaving the visitor unsatisfied, exploiting the local community, or depleting the resource (Wight 1997). To ensure sustainability, there is a need for integrated planning which involves:

- carefully defining objectives;
- understanding the natural resources base and ecosystems;
- understanding land ownership, resource management and use patterns;
- understanding threats to the ecosystems;
- designing an ecotourism strategy as part of an overall land and water management plan; and
- preparing detailed plans for developing an ecotourism business (Wight 1997).

Table 5 shows the needs of the various actors along the ecotourism value chain and possible solutions, inorder to ensure sustainability of the industry.

Table 5. General Necessities and solutions

<table>
<thead>
<tr>
<th>Aspects</th>
<th>Value Chain Actors</th>
<th>Needs</th>
<th>Solutions</th>
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</thead>
<tbody>
<tr>
<td>Undertakers</td>
<td>● Expanded market base&lt;br&gt;● Improvement of quality of roads on tourist routes&lt;br&gt;● Consistency in standards&lt;br&gt;● Well maintained tourist roads, tracks and trails&lt;br&gt;● Competitive cost of air travel&lt;br&gt;● Diversified range of tourist attractions&lt;br&gt;● Realistic value-based pricing (value for money)</td>
<td>● Develop domestic tourism&lt;br&gt;● Follow up on government programmes to improve roads&lt;br&gt;● Develop standards for tourism vehicles&lt;br&gt;● Prioritise maintenance in budgeting allocations&lt;br&gt;● Train communities on roads/vehicle repairs (labour-based roadworks)&lt;br&gt;● Review competitiveness of air travel, airport tax structure, visa fees, adequacy of infrastructure and availability of aircraft for domestic flights&lt;br&gt;● Carry out research on additional and alternative tourist attractions&lt;br&gt;● Develop ecotourism pricing policy</td>
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<tr>
<td>Organisers</td>
<td>● The need to make ecotourism zero rated with respect to taxation&lt;br&gt;● Enhanced capability and capacity&lt;br&gt;● Clear guidelines and simplified procedures</td>
<td>● Encourage ministry responsible to advocate for tourism to be zero rated&lt;br&gt;● Carry out training needs assessment on economic and market matters for organisers&lt;br&gt;● Develop appropriate guidelines and procedures</td>
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<tr>
<td>Sellers</td>
<td>● Increased awareness in the domestic market&lt;br&gt;● Co-ordinated marketing efforts&lt;br&gt;● Increased level of incentives to enhance viability&lt;br&gt;● Targeted, aggressive marketing&lt;br&gt;● Reasonably priced, accessible financing</td>
<td>● Promote domestic tourism&lt;br&gt;● Carry out market feasibility assessments&lt;br&gt;● Reduce fragmentation&lt;br&gt;● Introduce incentive measures to enhance investment&lt;br&gt;● Develop strategic marketing plans&lt;br&gt;● Develop appropriate packaging and/or branding</td>
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<tr>
<td>Service Providers</td>
<td>● Ecotourism appropriately prioritised in the development agenda&lt;br&gt;● Reasonably priced, accessible financing&lt;br&gt;● Reductions in import costs&lt;br&gt;● Reduced energy taxes&lt;br&gt;● Timely removal of travel advisories</td>
<td>● Lobby for a review of the ecotourism sub-sector&lt;br&gt;● Create awareness of policymakers and financiers&lt;br&gt;● Promote formation of venture capital funds· Offer cost-reducing incentives for the ecotourism industry&lt;br&gt;● Consider eliminating or reducing import duties&lt;br&gt;● Training in product pricing&lt;br&gt;● Create awareness about ecotourism for those issuing travel advisories</td>
<td></td>
</tr>
<tr>
<td>Aspects</td>
<td>Value Chain Actors</td>
<td>Needs</td>
<td>Solutions</td>
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<tr>
<td>ENVIRONMENT AND BIODIVERSITY</td>
<td>Undertakers</td>
<td>● Effective environmental standards</td>
<td>● Develop guidelines and standards for environmental protection and biodiversity conservation</td>
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<td></td>
<td></td>
<td>● Proper environmental management</td>
<td>● Improve enforcement</td>
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<td></td>
<td></td>
<td>● Effective accommodation standards, solid waste disposal and zoning</td>
<td>● Organise training related to ecotourism’s aspects on the environment and biodiversity</td>
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<tr>
<td></td>
<td></td>
<td>● Knowledgeable tour guides, lodge workers and interpreters</td>
<td>● Develop standards and waste minimisation systems and appropriate zoning and enforce them</td>
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<td></td>
<td>Organisers</td>
<td>● Improved image/brand names</td>
<td>● Build the capacity of tour guides, ecolodge workers and interpreters through appropriate training systems</td>
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<td></td>
<td>● Affordable vehicle leasing</td>
<td>● Provide training to the organisers of ecotourism</td>
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<td>● Adequate, accurate and timely information</td>
<td>● Training in different aspects of environmental management and biodiversity conservation</td>
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<td>● Capable, skilled people</td>
<td>● Develop appropriate training programmes</td>
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<td></td>
<td>Sellers</td>
<td>● Improved environmental management and biodiversity conservation</td>
<td>● Increase enforcement efforts</td>
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<tr>
<td></td>
<td>Service Providers</td>
<td>● Enhanced training opportunities</td>
<td>● Develop appropriate guidelines, standards and procedures</td>
</tr>
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<td></td>
<td>National Authorities, Institutions</td>
<td>● Effective enforcement in place</td>
<td>● Create effective public-private sector-community partnerships</td>
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<tr>
<td></td>
<td></td>
<td>● Incentives measures established</td>
<td>● Promoting private sector involvement</td>
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<td></td>
<td></td>
<td>● Promoting private sector involvement</td>
<td>● Prior information and appropriate behaviour procedures literature for ecotourists</td>
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<td></td>
<td></td>
<td>● Build the capacity of tour guides, ecolodge workers and interpreters</td>
<td>● Value culture</td>
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<td></td>
<td></td>
<td>● Improved image/brand names</td>
<td>● Promote better employer/employee interactions</td>
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<td></td>
<td></td>
<td>● Affordable vehicle leasing</td>
<td>● Carry out periodic surveys of worker attitudes</td>
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<tr>
<td></td>
<td></td>
<td>● Adequate, accurate and timely information</td>
<td>● Develop motivational materials</td>
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<td></td>
<td>● Capable, skilled people</td>
<td>● Promote better employer/employee interactions</td>
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<td>● Improved environmental management and biodiversity conservation</td>
<td>● Carry out periodic surveys of employee attitudes</td>
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<td>● Effective enforcement in place</td>
<td>● Develop motivational materials</td>
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<td>● Incentives measures established</td>
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<td>● Promoting private sector involvement</td>
<td>● Prior information and appropriate behaviour procedures literature for ecotourists</td>
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<td>● Build the capacity of tour guides, ecolodge workers and interpreters</td>
<td>● Value culture</td>
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<td>Sellers</td>
<td>● Regional co-operation</td>
<td>● Promote East Africa as a one-stop ecotourism hub</td>
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<td>Service Providers</td>
<td>● Competitive remuneration for employees</td>
<td>● Promote better employer/employee interactions</td>
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<td>● Competitive remuneration for employees</td>
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<td>● Communities to place higher values in ecotourism</td>
<td>● Develop motivational materials</td>
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<td>● Communities empowered to participate effectively in ecotourism activities</td>
<td>● Equitable sharing of benefits</td>
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<td>● Preservation of traditional values, beliefs and cultures</td>
<td>● Grant appropriate resource rights to communities</td>
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<td>● Communities to place higher values in ecotourism</td>
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<td>● Preserve traditional values, beliefs and cultures</td>
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<td>● Promote better employer/employee interactions</td>
<td>● Develop guidelines for the preservation of cultural resources</td>
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|         | Undertakers       | ● Sufficient accommodation facilities backed by enforceable standards  
|         |                   | ● An effective grading system of accommodation facilities in place  
|         |                   | ● Well maintained transport infrastructure | ● Encourage private sector to develop additional facilities  
|         |                   |       | ● Finalise and implement grading system  
|         |                   |       | ● Provide low-cost financing for facilities development  
|         |                   |       | ● Improve on maintenance through training |
|         | Organisers        | ● Suitable licensing system in place | ● Develop licensing and regulation |
|         | Sellers           | ● Improve upon information infrastructure | ● Increase investments to ease communication between ecotourism sites and urban centres |
|         | Service Providers | ● Increased share of locally procured materials  
|         |                   | ● Well trained transportation repair crew  
|         |                   | ● Adequately resourced infrastructure development programmes  
|         |                   | ● Assured security | ● Increase reliability and quality of local materials supply  
|         |                   |       | ● Raise the priority level of ecotourism infrastructure development in government budgetary considerations  
|         |                   |       | ● Improve upon security conditions |
9.0 GENERAL RECOMMENDATIONS

Ecotourism as defined in this assessment, essentially equating it to nature tourism, is growing. However, the industry is facing some challenges while at the same time there is clear evidence of unrealised opportunities. Some of the general recommendations emanating from the assessment include the following.

1. From the purist’s definition of ecotourism, Uganda does have nature-based tourism but the specific market segment of ecotourism still needs to be developed. Hence, there is a need to develop an ecotourism policy and strategic plan and then form a national ecotourism society with the guidance of The International Ecotourism Society to encourage and properly develop ecotourism opportunities.

2. Even when ecotourism is defined as the broader market segment of nature tourism, currently all the attractions developed are in forest and wildlife protected areas. Yet, some evidence exists to suggest that there are ecotourism attractions outside the protected areas. There is, therefore, a need to inventory and develop the attractions outside the protected areas.

3. It is not clear how UWA and NFA arrive at their tariffs for ecotourism services in the protected areas. What is clear though is that the prices are not based on any meaningful degree of economic analysis. Perhaps some considerations may be based on the move towards cost recovery. Since earnings from wildlife protected areas represent less than 30% of recurrent budgets leaving the bulk of the recurrent and virtually all of development expenditure to be financed by the government and its development partners, there is, therefore, an urgent need to carry out an analysis of the prices the providers of ecotourism attractions charge.

4. The tour operators and travel agents take the prices charged by UWA and NFA as given. They then add the cost of their operations, allowance for risk and a margin for profit to the price the authorities charge and present this to the tourist as the total price for their services. Unfortunately, there is no institution responsible for over-seeing the pricing mechanism used by the private operators. There is, therefore, a need to carry out a comprehensive analysis of the profitability of ecotourism and ensure that the prices the private operators charge do not include significant amounts of windfall profits which would impair the international and regional competitiveness of Uganda’s ecotourism industry.

5. At the moment most ecotourism attractions are owned by the government parastatal bodies (UWA, NFA). Local communities benefit from ecotourism through employment and sharing of revenues with the parastatal bodies. However, the community's share is negligible. There is need, therefore, to promote community-based ecotourism, including the ability of communities to become lessors of ecotourism attractions and as joint venture partners with the private sector in ecotourism businesses.

6. While there is some minimal regulation of ecotourism businesses at the moment, there is a clear need to put in place additional standards and certifications to help guide the development of the ecotourism industry in Uganda.

7. There is need to develop a better characterisation of the ecotourism market and to align the market features to the preferences of visitors. Equally important is the issue of ecotourism branding.

8. There is need to profile the characteristics of the ecotourism visitors coming to Uganda. This will help in designing the right products for the visitors.

9. As a means of market diversification, the promotion of the operationalisation of the wildlife use rights provided for in the Wildlife Act, particularly wildlife farming and ranching, could lead to the diversification of ecotourism products.

10. The tax regime for the ecotourism regime has been flagged as an important issue by private operators. The reasons advanced to have ecotourism zero-rated however, are not evidence-based. There is, therefore, a need to carry out a study on the efficiency of the existing taxation regime.

11. Up to the present, there has been no comprehensive analysis of the economic impact of ecotourism in Uganda. Yet, such an analysis would be extremely informative for the purposes of informed policy making. Using macroeconometric models such as the Social Accounting Matrix (SAM) the economic significance of ecotourism in Uganda can and should be estimated.
12. The ecotourism industry if well planned can enhance the realisation of domestic value. Otherwise industry characteristics indicate potential for loss of value through leakages. How much leakage there is in the present Ugandan ecotourism industry is unknown. There is, therefore, a need to carry out an analysis of the pattern and magnitude of leakages so as to take efficient corrective measures.
References


Environment and Natural Resources. Makerere University. Kampala, Uganda.


