
TOURISM FOR SUSTAINABLE DEVELOPMENT IN ZAMBIA

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Abstract (10pt)

This study was conducted in Zambia during 2015-2016. It used the secondary data, both at macro and regional levels. The objectives of this study were to know the tourism policy of the government of Zambia for sustainable development and to find out the performance of the tourism sector from 2005 to 2014 with regard to the number of tourist arrivals, direct tourism earnings, job creation, etc;. The study concluded that the tourism policy contributed for job creation and foreign exchange earnings for sustainable development. The study recommended for allocation of a greater share of Aid to tourism development, strengthen the capacity of tourism providers, placing of tourism in higher position in national policies, co-ordination of inter-sectoral linkages and promotion of rural/village tourism for sustainable development.

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Introduction:

“Tourism is one of the most dynamic economic sectors, with significant global reach, and as such can make an important contribution to the achievement of the Sustainable Development Goals (SDGs), particularly in the areas of job creation, sustainable consumption and production and the preservation of natural resources, as stated in Goal 8, Goal 12 and Goal 14 of the SDGs” (Rifai 2016). The sector’s cross-cutting nature and impact positions it to contribute strongly to attain all of the 17 Goals. Tourism has been recognized for its critical contribution to sustainable development. It is time to step up the efforts to advance policies and business strategies that ensure the contribution of the tourism sector to the Sustainable Development Goals (UNWTO 2016). The UN Secretary

General, Ban Ki Moon (2015) stated in his message on the occasion of the World Tourism Day, “Let us work together to maximize the immense potential of tourism to drive inclusive economic growth, protect the environment and promote sustainable development and a life of dignity for all”. Tourism is a powerful vehicle for economic growth and job creation all over the world (World Bank 2014).

International tourism receipts in destinations around the world grew by 3.6 percent and the international arrivals increased by 4.4 percent, reaching a total of 1,184 million, in 2015 . For the fourth consecutive year, international tourism grew faster than world merchandise trade, raising tourism’s share in world’s exports to 7 percent in 2015. The total export value from international tourism amounted to US\$ 1.4 trillion or US\$ 4 billion a day on average during 2015 (UNWTO 2016).

The Tourism is one of the leading job creators in the world. The industry employs more than 98 million people directly, representing over 3 percent of all employment. When indirect and induced impacts are included, the industry contributes to around one in every eleven jobs worldwide. The share of world employment in Travel and Tourism is greater than that for the Auto Manufacturing and Chemicals Manufacturing industries combined, across every region of the world (World Economic Forum 2013). One job in tourism generates 1.5 jobs elsewhere (UNWTO 2014). The study by Hamilton, et al (2007) revealed that a \$250,000 investment in the tourism sector generates 182 full-time formal jobs. This is nearly 40 percent more than the same investment in agriculture and over 50 percent more than in mining.

The following table (1) shows the global international tourist arrivals.

Table (1) : Global International Tourist Arrivals (Millions)

Countries	1990	2000	2010	2011	2012	2013	2014
Europe	263	388	486	516	534	563	588.4
Asia Pacific	56	110	205	218	233	248	263.0
America	93	128	150	156	163	169	180.6
Africa	15	26	50	49	52	56	56.0
Middle East	10	24	58	55	52	52	50.3
Global	438	674	940	990	1034	1087	1138

Source: UNWTO World Tourism Barometer 2015

The table (1) shows that the number of international tourists reached 1,138 million in 2014, 51 million more than in 2013, i.e., an increase of 4.7 percent.

The vision of Zambia for tourism sector is to see Zambia as a major tourism destination of choice with unique features which contributes to sustainable economic growth and poverty reduction by 2030.

Tourism is one of the priority sectors for development in Zambia and has the potential to be a major contributor to socio-economic development of the country. The target of SNDP (2011-15) was to reach international tourist arrivals to 1,250,000; annual direct tourism earnings to US\$ 449 millions; employment level to 45,000; bed space to 25,500 and the average length of stay for

tourists to 14 days in 2015 (SNDP 2011-15). The performance still remained far below potential because the challenges of poor and inadequate infrastructure, limited investment, fragmented operations, policy and legal framework, inadequate marketing and limited skilled manpower. The tourism industry is facing a number of infrastructure and investment challenges in Africa that are holding back its progress (Turner and Sears (2013)).

The objectives of this study are to:

1. Find out the tourism policy of the government of republic of Zambia
2. Know the performance of tourism sector from 2005 to 2014
3. Ascertain continental international tourist arrivals to Zambia.
4. Examine the number of bed spaces available to tourists by province
5. Research the number of persons – male and female - employed in tourism sector.
6. Investigate the annual direct earnings from tourism activities by province.

Since this study used the macro level data and also province-wise information on the performance of tourism sector in Zambia, it differs from other studies which used either macro data or sample data.

Methodology:

The study used secondary data. The data were collected from UNWTO, National Development Plans, Ministry of Tourism and Ministry of Finance and Planning. The key performance indicators of tourism sector were the number of tourist arrivals, direct tourism earnings, employment created, bed space and occupancy rate. Tables were used to show the performance of tourism sector. Percentages were calculated to show the growth in the performance of tourism sector – number of tourist arrivals, direct tourism earnings and employment created. Occupancy rate was calculated as percentage to bed spaces available. The number of persons employed were divided into male and female and their percentages to total were calculated by province. The direct earnings from tourism activities in each province were calculated as percentages to total earnings in the country. Conclusions were drawn on the basis of data analysis and policy recommendations were given.

Tourism Policy:

Until 1991 tourism was not a priority sector. But since 1991 the social and economic potential of the sector was recognized. The Government realized that there was need to formulate guidelines through clear and well-defined policies for the development of tourism. The Government of Zambia decided that the tourism development should be led by the private sector with the public sector providing the necessary enabling environment through appropriate policy measures and support infrastructure improvements. According to the Government Policy of 1997 the government encouraged the participation of the private sector in tourism, ensured that the tourism development was environmentally sustainable, encouraged the diversification of the tourism product, provided investment incentives in tourism and encouraged rural community participation.

Some major policy reforms that were taken place since 2000 include the restructuring of the Ministry of Tourism, Environment and Natural Resources in 2003; the process of the formation of the Forestry Commission, which commenced in 2004; and the enactment of the Zambia Tourism Board Act to facilitate restructuring of the Zambia National Tourist Board into a purely marketing body. A new legislation aimed among others at streamlining licensing procedures and reducing the

cost of doing business in the tourism sector was undertaken during the Plan period. The restructuring of the Ministry's statutory bodies was completed to support the Plan. The general policy of the Government during the Fifth National Development Plan (FNDP) was for the private sector to drive tourism development within the overall public sector tourism policy framework. In this respect, the role of the Government continued to be that of:

- (i) Facilitation of tourism development
- (ii) Formulation and implementation of tourism related policies
- (iii) Enactment of legislation to consolidate legislative developments
- (iv) Elimination of conflicts or overlaps within and outside the sector, and
- (v) Introduction of appropriate administrative structures necessary for the implementation of the policies.

The major public sector institutions that continued to operate in the tourism sector were the Ministry of Tourism, Environment and Natural Resources (MTENR); the Zambia National Tourist Board as restructured; the Zambia Wildlife Authority; the National Heritage Conservation Commission; the National Museum Board; the Environmental Council of Zambia; the Forestry Commission and the Hotel and Tourism Training Institute Trust.

The emphasis of the public sector was on policy formulation, infrastructure development, regulating the sector and monitoring and evaluation of the entire sector performance. The role of Government was to stimulate growth in the tourism sector by formulating and implementing policies that create an enabling environment for the private sector to contribute positively towards economic growth and wealth creation through tourism development. In order to effectively implement the Fifth National Development Plan and to attain the Vision 2030, the current institutional arrangements were restructure to support the Plan. To address the challenge on the collection of actual data a Task Force Committee on tourism satellite accounting comprising MOFNP, CSO, BOZ and MTENR was set up.

During the Sixth National Development Plan (SNDP) Government continued to review the policies and legal frameworks in order to align them to new developments and continued to provide an enabling environment for accelerated private sector investment and development. Efforts were made to encourage private sector participation in eco-tourism in rural areas so as to promote employment and reduce poverty.

In line with the objectives of accelerating development through private sector investment, the Government continued its regulatory reform programme so as to streamline and simplify the business licensing framework as well as to strengthen enforcement. The amendments to the Tourism and Hospitality Act of 2007 was operationalized with the Zambia Tourism Board Act of 2007 and the Environmental Protection and Pollution Control Act of 1990. The National Museums Act of 1966, the Zambia Wildlife Act of 1998 and the National Heritage Conservation Commission Act of 1989 was reviewed. In addition, the Tourism and Wildlife and National Parks Policies was reviewed while the National Heritage Policy was developed. Further, a comprehensive policy framework on arts and culture was put in place while the existing National Cultural Policy of 2002 was reviewed to bring together various aspects of arts and culture. These include copyright and intellectual property rights, film and cinematography, the folk culture and creative industries in order to support a holistic strategy for the development of the sector.

Climate is a principal resource for tourism, as it co-determines the suitability of locations for a wide range of tourist activities. As the tourism sector is closely connected to the environment and climate itself it is a highly climate-sensitive economic sector. Extreme temperatures and droughts and floods induce biodiversity loss, habitat degradation and reduce landscape aesthetics. Since the tourism industry and destinations are evidently sensitive to climate change and variability, climate change impacts are important considerations in its development.

The New National Tourism Policy of October 2015 provided a strategic framework for the sustainable development of tourism in Zambia. It specified roles for a cross-section of public and private sector stakeholders. The Policy positioned the tourism sector as one of the country's major contributors to job creation and foreign exchange earnings. It has shifted from a traditional emphasis on wildlife-based leisure tourism to growth in business tourism. The focus of tourism accommodation has shifted from wildlife lodges and camps to hotels, motels and guesthouses. To achieve these objectives there is need to overcome multiple challenges, which are specified in the policy, such as inadequate physical infrastructure, limited products, limited community participation, weak marketing etc.,

Data Analysis and Results:

(i) **Performance of Tourism Sector:**

The following performance indicators are used to measure annual performance for the tourism sector during FNDP. They are number of tourist arrivals, direct tourism earnings and employment levels. The following table (2) shows the key performance indicators of tourism sector during FNDP.

Table (2): Key Performance Indicators (KPIs) of Tourism Sector during FNDP

KPI	2005	2006	2007	2008	2009	Overall Target
Number of Tourist Arrivals		690,000	805,059 (16.67)	811,775 (0.83)	653,758 (19.46)	1000,000
Direct Tourism Earnings (USD millions)	165	176.7 (7.09)	188.0 (6.39)	200.0 (6.38)	212.0 (6.0)	
Employment Levels in Tourism		21204	22756 (7.32)	24,308 (6.82)	25,860 (6.38)	30,000

Source: Annual Progress Report of the FNDP, MFNP, Lusaka

Note: Figures in the parentheses are percentages.

The total number of tourist arrivals decreased by 19.4 percent in 2009 comparing to 2008. The direct tourism earnings increased from \$ 200 million in 2008 to \$ 212 million in 2009, an increase of six percent. The employment level reached 25,860, whereas the target was 30,000.

The table (3) shows the Key Performance Indicators (KPI) from 2010 to 2014.

Table (3) : The Key Performance Indicators (KPI) from 2010 to 2014.

KPI	2010	2011	2012	2013	2014
Tourist Arrivals (Intl.)	815140	920299 (12.90)	859088 (-6.65)	914576 (6.45)	946969 (3.54)
Direct Tourism Earnings (% to GDP)	2.1	2.4	3.0	3.5	4.1
Direct Employment Levels ('000)	24.6	28.5 (15.85)	31.2 (9.47)	28.9 (-8.65)	29.3 (1.38)
Bed space	19,000	20,140 (1.65)	22150 (2.86)	73,991 (2.55)	74,853 (1.16)
Occupancy rate	60	62	65	68 (T) 60.1 (A)	71(T) 61.9 (A)
Length of stay (days)	7	7	10	10	14 (40.0)
Number of Arts and Cultural practitioners accessing arts and cultural infrastructure	500	500	750 (25.0)	1000 (25.0)	1250 (25.0)

Source: Ministry of Tourism, Zambia, Statistical Digest, July 2014; WTTC travel and tourism economic impact 2015 and SNDP Ministry of Finance and Planning, Zambia

Note: Figures in the parentheses are the percentages. T= Target; A= Actual

The table (3) shows that the international tourist arrivals increased from 914576 in 2013 to 946969 in 2014, an increase of 3.54 percent. The direct tourism earnings increased from 3.5 percent in 2013 to 4.1 percent of GDP in 2014. The direct employment in tourism sector increased from 28.9 thousand in 2013 to 29.3 thousand in 2014, an increase of 1.38 percent. The bed space and occupancy rate increased from 73,991 in 2013 to 74,853 in 2014, i.e., 1.16percent and the occupancy rate from 60.1 percent to 61.9 percent respectively. The length of stay of the tourists increased from 10 days to 14 days, i.e., 40 percent, during this period. The practitioners accessing Arts and Cultural infrastructure increased from 1000 to 1250 i.e., 25 percent, during the same period.

(ii) Continent-wise International Tourist Arrivals to Zambia:

The table (4) shows International Tourist Arrivals to Zambia during 2010 to 2014.

Table (4): International Tourist Arrivals to Zambia during 2010 to 2014.

Continent	2010	2011	2012	2013	2014	Market Share in 2014 (%)
Africa	583356	652276	654114	720465	731507	77.2
Europe	111772	113831	65826	78542	78074	8.2
America	34326	51668	31559	41171	44647	4.7
Australia	10430	12599	10814	10136	11201	1.2
Asia	75256	89925	96775	64262	81540	8.6
Total	815140	920299	859088	914576	946969	100

Source: Ministry of Tourism and Arts, Zambia, Tourism Statistical Digest, July, 2014.

In 2014, Africa contributed 77.2 percent to the total arrivals while the second largest contributor was Asia which contributed 8.6 percent; Europe contributed 8.2 percent of the total arrivals. Americans contributed 4.7 percent whilst Australia contributed a marginal 1.2 percent to the total arrivals .

The majority of the visitors who came to Zambia used Road as their mode of transport, representing 70.3 percent, followed by Air 27.7 percent, Rail 1.6 percent and Water 0.1 percent , respectively (Ministry of Tourism and Arts 2014).

(iii): Number of Bed Spaces Available to the Tourists by Province:

The table (5) shows the number of bed spaces by province.

Table (5): The Number of Bed Spaces by Province.

Province	Bed Spaces in 2013	Bed Spaces in 2014
Central	6730 (56.6)	6791 (57.5)
Copperbelt	4167 (60.5)	4196 (63.5)
Eastern	8612 (60.8)	8724 (64.2)
Luapula	1052 (55.8)	1059 (57.8)
Lusaka	28642 (62.3)	28957 (63.5)
Muchinga	1374 (62.3)	1390 (66.2)
North Western	1130 (60.9)	1154 (63.3)
Northern	1696 (63.1)	1713 (62.1)
Western	1253 (54.3)	1263 (56.4)
Southern	19335 (63.9)	19606 (64.8)
Total	73991 (60.1)	74853 (61.9)

Source: Ministry of Tourism and Arts , Tourism Statistical Digest, July, 2014.

Note: Figures in the parentheses are annual average room occupancy rates.

The table (5) shows that Lusaka and Southern Provinces had the highest number of bed spaces, as compared to other provinces due to the fact that a large number of accommodation establishments were found in these provinces. Livingstone in Southern Province had a high concentration of hotels and lodges which were located within town and the outlying areas. There

was marginal increase in number of bed spaces in 2014 comparing to the previous year. The average room occupancy rate was 61.9 in 2014, representing an increase of 2% as compared to 60.1 in 2013. Muchinga Province recorded the highest room occupancy of 66.2% while Western Province recorded the lowest at 56.4 percent.

(iv) Number of Persons Employed – Male and Female- in the Tourism Sector by Province:

The table (6) shows the number of persons employed in the tourism sector by province.

Table (6): The Number of Persons Employed in Tourism Sector by Province.

Province	Male 2013	Female 2013	Total 2013	Male 2014	Female 2014	Total 2014
Central	1725(48.6)	1823(51.4)	3548(100)	1741(67.4)	840(32.6)	2581(100)
Eastern	2889(45.4)	3472(54.6)	6361(100)	2927(45.4)	3517(54.6)	6444(100)
Lusaka	8736(47.4)	9679(52.6)	18415(100)	8832((47.4)	9785(52.6)	18617(100)
Southern	9162(40.7)	13318(59.3)	22480(100)	9290(40.8)	13504(59.2)	22748(100)
Western	359(38.2)	581(61.8)	940(100)	362(38.2)	586(61.8)	948(100)
Copperbelt	861(46.7)	982(53.3)	1843(100)	867(46.7)	989(53.3)	1856(100)
North Western	492(43.4)	642(56.6)	1134(100)	502(43.4)	656(56.6)	1158(100)
Luapula	364(38.7)	577(61.3)	941(100)	377(39.4)	581(60.6)	958(100)
Northern	404(48.8)	424(51.2)	828(100)	408(48.8)	428(51.2)	836(100)
Muchinga	393(46.4)	454(53.6)	847(100)	398(46.4)	459(53.6)	857(100)
Total	19,650 (44.36)	24,642 (55.64)	44,292 (100)	25,704 (45.01)	31,345 (54.99)	57,003 (100)

Source: Ministry of Tourism and Arts, Zambia, Tourism Statistical Digest, July, 2014.

Note: Figures in the parentheses are percentages.

The table (6) shows that the number of employed in the tourism sector in Lusaka and Southern Provinces were the highest due to several lodges and hotels. Southern Province had a number of tourist attractions such as wildlife and nature based sites. Livingstone attracted a lot of foreign and local tourists who visit the tourist attraction sites. It may be observed that the percentage of female employees was higher than the male employees in tourism sector. It was 54.99 and 45.01 respectively in 2014. It was higher in all the provinces, except in Central province.

(vi) Direct Earnings From Tourism Activities by Province:

The table (7) shows Annual Direct Earnings (ZMW) by province during 2013 and 2014.

Table (7): Annual Direct Earnings (ZMW) by Province during 2013 and 2014.

Province	2013	2014
Central	4004.00 (0.14)	4040.04 (0.14)
Copperbelt	22088.30 (0.81)	22242.92 (0.80)
Eastern	42719.80 (1.56)	43275.16 (1.56)
Luapula	2966.06 (0.10)	2986.82 (0.10)
Lusaka	1215467.89 (44.58)	1228838.04 (44.51)
Muchinga	6098.00 (0.22)	6171.18 (0.22)
North Western	11200.00 (0.41)	11435.20 (0.41)
Northern	4034.00 (0.14)	4074.34 (0.14)
Western	2552.54 (0.09)	2575.51 (0.09)
Southern	1415162.47 (51.95)	1434974.75 (52.03)
Total	2726293.06 (100)	2760613.96 (100)

Source: Ministry of Tourism and Arts, Tourism Statistical Digest, July, 2014.

Note: Figures in parentheses are the percentages.

Table (7) shows the direct earnings that were generated from the tourism sector. In 2014, there was an increase of 0.9% comparing to the previous year. Southern Province recorded the highest earnings (52.03%) while Western province recorded the lowest earnings (0.09%).

Conclusions and Policy Recommendations:

Conclusions:

- The present tourism policy in Zambia positioned the tourism sector as one of the country's major contributors to job creation and foreign exchange earnings for sustainable development.
- The total number of tourist arrivals increased from 690,000 in 2006 to 946,969 in 2014, i.e., an increase of 37.24 percent. The market share of tourist arrivals to Zambia in 2014 was the highest for Africa (77.2%) and lowest for Australia (1.2%). The direct tourism earnings in 2014 were 4.1 percent to Gross Domestic Product.
- The Province-wise distribution of bed spaces showed that in Lusaka Province they were the highest (38.68%) and in Luapula Province they were the lowest (1.41%) in 2014. The annual average room occupancy rate in the country in that year was 61.9 percent. It was the highest for Muchinga Province (66.2%) and lowest for Western Province (56.4%).
- The total number of persons employed in tourism sector in 2014 was 57,003 and the percentage of male and female was 45.01 and 54.99 respectively. In Southern Province the highest percentage of persons were employed (39.90%) due to more tourism products where as it was the lowest in Northern Province (1.46%) due to lower number of tourist places.

- The annual direct earnings from the tourist activities in 2014 were K 2760613.96 . It was the highest in Southern Province (52.03%) and lowest in Central Province (0.14%) and followed by Western Province (0.09%) and Luapula Province (0.10%).

Policy Recommendations:

1. The Government of Zambia should participate in UNWTO's programmes that have a bearing on the tourism interests of the country and its tourism policy.
 2. Since tourism has immense potential for jobs growth and sustainable development there is need to allocate a greater share of aid to tourism. At present tourism sector is receiving only 0.78 percent of the total aid for Trade disbursement and a mere 0.097 percent of the total Official Development Assistance (ODA), despite the sector accounting for 6 percent of developing countries' exports. Increasing financial support will not only enable the creation of clear and effective development policies but also help mobilize private sector investment in tourism and related infrastructure and services.
 3. There is need for strengthening the capacity of tourism providers to allow them to offer a services portfolio and quality products in line with the country's marketing strategy.
 4. Statistical information on tourism should be gathered and disseminated to promote results-focused management, highlighting strategic issues for policy decisions.
 5. Visa facilitation is critical to economic growth and job creation through increased tourism demand and tourist spending. Visa application processes, entry procedures and provision of precise and accessible information for tourists should be enhanced.
 6. The links between tourism and aviation should be strengthened to maximize both sectors' impact on employment, inclusive growth and sustainable development. The Air Transport and Tourism have potential to improve socio-economic prosperity and to promote sustainable development and achievement of the SDGs.
 7. The tourism sector should be placed in higher position in national policies and the tourism's role as a key driver of economic growth, sustainable development and employment.
 8. The policies and inter-sectoral linkages at all levels, i.e., international, national, regional and local levels should be coordinated.
 9. The tourists from the markets with high travel and propensity to spend should be targeted. For this purpose advertising, publicity and public relations, trade and consumer promotions are needed.
 10. Rural Tourism/Village Tourism should be promoted as an effective means to reduce poverty in Zambia on par with China where Chinese authorities decided that by 2020
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three million rural tourism businesses will be receiving two billion annual visitors, lifting two million of China's rural population out of poverty every year.

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