

Ministry of Foreign Affairs, Danida

MEMA, Natural Woodland Management Project and
Udzungwa Mountains Forest Management Project

Test of Green-tourism Concept

October 2002

COWI in association with
Danish Forestry Extension

List of Abbreviations

DBO	District Bee-keeping Officer
DGO	District Game Officer
DFE	Danish Forestry Extension
JGST	Jungle Giraffe Safari Tours
MEMA	Name of the project
NRC	Natural Resource Committee
SWOT	Strength Weaknesses Opportunities and Threats
TA	Technical Advisor
Tshs	Tanzanian shillings
VNRC	Village Natural Resources Committee

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Annexes

1. The concept for the test tour (prepared by JGST)
2. Marketing of the test tour (text in Danish)
3. Information to the participants before departure (text in Danish)
4. Questionnaires
5. Camp report by Mads Nørdam
6. Itinerary

Introduction

The concept for the green-tourist test tour was developed in January and February 2002 by the project, the marketing consultant team and stakeholders in the Iringa area. At that moment it was decided to run a test of the concept (please refer to annex 1). Danish Forestry Extension (DFE) promised to advertise for nine participants in the test tour. Between February and September 2002 a group of stakeholders formed a tour operating company, Jungle Giraffe Safari Tours (JGST) to be responsible for all activities in Tanzania during the test tour. District officers, project staff, owners of JGST and marketing specialist/forester Mr. Karsten Raae supervised and monitored the test tour supported by the local consultant Mr. Mads Nørdam. Moreover, Mr. Karsten Raae followed up on the marketing of honey from the villages (please refer to the Marketing Action Plan Report from February 2002). This report is prepared by Mr. Karsten Raae, DFE.

The Consultant would especially like to express his thanks to Mr. Henrik Lerdorf, Senior Technical Advisor to the project and Mr. Kimaru, District Game officer.

Terms of Reference and expected outputs

It was decided upon arrival not to go into details with the honey business as it has been handed over to the District Beekeeping Officer (DBO). Instead attention was be paid to the test of the green-tourism concept.

Regarding the honey sale:

- ? Review of contracts for honey delivery;
- ? Analysis of economic performance;
- ? Evaluation of the level of satisfaction amongst the honey producers; and
- ? Identification of constraints in the concept and development opportunities.

Regarding the green-tourism concept:

- ? Costumers satisfaction analysis;
- ? Performance evaluation of Jungle Giraffe Safari Tours;
- ? Calculation of income generated in the villages;
- ? Villagers perception of the concept;
- ? Identification of strengths, weaknesses, threats an opportunities of the concept and the main actors involved; and
- ? Economic analysis of the set-up.

Output is expected in the form of a short report focusing on:

- ? Lessons learned;
- ? Recommendations; and
- ? Actions to be taken.

Part of the annexes will be in Danish, although conclusions will be in English. A draft report was discussed with the Project staff before departure of the Consultant.

Methodology

The analyses are based on the responses from the participants on three different questionnaires. Information has been compiled and is presented in annex 4. Moreover, the Consultant has interviewed the participants/guests in the test tour on several occasions. Mr. Mads Nørddam has especially focused on the five days in the camp participating in activities and monitored performance of JGST and the perception of the guests. Information obtained from the interviews has together with the Consultants' own observations, discussions with project staff, JGST, stakeholders and the questionnaires provided the basis for drawing up the lessons learned and conclusions in this report.

Product green-tourism

The product consists of numerous specific elements, that all can be grouped under the heading experience of nature and local culture. Single elements that could be provided by the project beneficiaries are inter alia:

- ? Giving the guests a chance to provide themselves with meat – hunting and fishing
- ? Living as a group close to nature
- ? Discovering and experiencing rural Africa
- ? Visiting villages and participating in daily routines and cultural events
- ? Walking safaris in the Miombo woodland guided by local nature interpreters

SWOT Analysis of the Green-tourism Concept:

Strengths:

- Huge areas of unspoiled Miombo woodland.
- Relatively good hunting possibilities.
- Very rich fishing opportunities.
- Sufficient labour force in the villages.
- Good nature interpreters and scouts.
- Interesting historical and cultural sites.
- Accessibility - relatively good roads.
- Apparently a quite high game carrying capacity.
- Existence of NRC's to administer the use of the natural resources.
- Many interesting sites and offers outside the areas belonging to the project beneficiaries.

Weaknesses:

- Lack of planning and organisational skills.
- Not yet possible for tourists themselves to shoot.
- No precise knowledge of game carrying capacity in relation to hunting.
- Lack of permanent infrastructure in the camp.
- Lack of knowledge about what tourists want and expect.

Opportunities:

- Legislation allowing tourists to shoot will be launched soon.
- JGST is eager, motivated and can develop the capacity to perform and expand.
- Villagers recognise the possibilities in tourism.
- There is still plenty of room for improvement.

Threats:

- Well prepared competitors entering the market.
- Legislation allowing tourists to shoot will not be launched.
- Depletion of natural resources.
- Bureaucracy.
- Villagers eventually negative perception of tourism.

Analysis of the Test Tour

Income generated in the villages – collectively and individually

- ? The campsite at Governors place has been rented by JGST. For a total of five nights total fee 90,000 Tshs paid to the Village Natural Resources Committee (VNRC).
- ? Events like sailing, visiting of cultural sites and walking safaris have been paid for to the VNRC. 4 events 20,000 Tshs per event, totally 80,000 Tshs.
- ? The VNRC has been paid 125,000 Tshs for game hunted on their quota by a local hunter on behalf of the tourists. The meet has been eaten in the camp.
- ? Water has been paid for and 5 litres of diesel to operate the pump to the VNRC of Izazi.
- ? Migole fishermen (boat owners) have been paid 100,000 Tshs for hiring of boats.
- ? Masai living in Nyangoro have been paid 20,000 Tshs for dancing, the elders 20,000 Tshs for organising the event of visiting the Kombo cave, and the medicine man 20,000 Tshs for opening the cave. A sheep to sacrifice has been purchased in the village at a price of 30,000 Tshs.
- ? Supplies of beers, soft drinks, meat and small necessities have been purchased in the villages, as well as other services.
- ? The staff in the camp was tipped altogether 90,000 Tshs by the guests (20,000 each for cook and servant, 50,000 for other staff).
- ? Establishment of the camp, guarding, scouting and other services from villagers have totally created casual jobs corresponding to 30 man-days and was paid for totally 161,280 Tshs.
- ? Kalenga museum has received 12,000 Tshs from the visiting guests.

JGST economic performance

Below you will find the original budget for the test trip. I decided to fix the price at a level of 1250 USD per participant in a double room and 1300 USD in single room. On top of this price comes the air fees, approx. 1000 USD. DFE marketed the test tour in Denmark at a fixed price of 18,500 DDK per person - accommodating the risk that all guests wanted single rooms, the dollar exchange rate - and the time planning the test tour. Moreover, DFE paid for the shooting of two Impalas, a number of Dik-Diks and birds to secure game meat for the camp.

The prices calculated for the game is considerably higher than those calculated in the communities' Village Natural Resource Management Plans. Those who wanted a trophy could ask to have the animal shot and participate in the hunt. If successful, they paid the fixed price from the budget. The difference has also been given to the VNRC as a donation from the participants (thank you for welcoming us on your land).

At a meeting with the owners of JGST a detailed breakdown of expenses has been made. These have been compared with the budget. The following conclusions have been drawn.

The good earners for JGST have been:

- ? Operating the camp a mark up of approx. 350% leaves plenty of room to invest in a proper set up;
- ? Arrangements with the Udzungwa Mt. View Hotel a markup of 70% is most satisfactorily considering the effort needed to make the arrangements;
- ? M&R Hotel's services have been at ordinary rates that have a long proven record of being profitable and competitive;
- ? An agreement with the Wami-Mbiki Camp has resulted in a markup close to 100%;
- ? Savings at the expenses on operating the cars (the guide acting as a driver) and the fact, that the fee per kilometre was calculated high has made this part of the total operation profitable and leaves room for smaller improvement of the standards of the cars, the mark up has been estimated to more than 20%; and
- ? Arrangements with White Sands Hotel in Dar around 35%.

Budget for test tour for 9 participants/guests

Activity	Thsh	USD	USD (per person)
Two nights at guesthouse including all meals at 35USD		630,00	70,00
Entrance fee National Park incl. guide		144,00	16,00
Night at MR Hotel 25USD		225,00	25,00
5 nights in tented camp including all meals 30USD per night		1.350,00	150,00
Visit to Kombo cave 2USD		18,00	2,00
Boat tips on Mtera 2USD		18,00	2,00
Game scouts, guards, cooks and local guides 5 days 6 USD per person		540,00	60,00
Two nights at Ruaha River Lodge including entrance fee and national park guide for safari 100USD		1.800,00	200,00
Two nights at Kizolanza farm including all meals per night 50USD		900,00	100,00
One night in Wami-Mbiki Camp including dinner and breakfast 35USD		315,00	35,00
One night in Dar at beach hotel 100USD		900,00	100,00
Two Land Rovers 2,500 km/600thsh + 14 days/30,000 Thsh	3.840.000,00	4.173,91	463,00
Skilled guide 14 days 50USD per day		700,00	80,00
Total amount		11.713,91	1.303,00
Fixed price double room			1.250,00
Fixed price single room			1.300,00
Extra:			
Participation in hunting groups of 3 per event 7 chances 30USD			70,00
Trophy incl. certificates –Impala	35.000,00		40,00
Trophy incl. certificate Dik-Dik	10.000,00		12,00
Birds	5.000,00		6,00

Not included soft drinks and beers + two meals etc. in Dar

The less good earners for JGST have proved to be:

- ? Visiting Udzungwa National Park – break even; and
- ? Staying at the Kizolanza Farm – break even.

Only the stay in Ruaha National Park seems to have caused a loss. The budget was calculated with 100 USD per person per night. Staying at the River lodge was 65 USD per night, entrance fee including cars 22 USD, hire of guides and safari Land Rover 13 USD, extra for one single room equalling 3½ USD per person per day and staff expenses equalling 17 USD altogether 120½ USD per day/night, a budget overrun of approx. 20%.

All in all the profit for JGST is considered satisfactorily, taking into consideration that this tour was a test. It has been considerably higher than it could have been expected if more and needed investments especially in camp infrastructure had been made by JGST.

Villagers' perceptions of the concept

Mr. Kimaru, DGO did a quick survey on the villagers' perception of the green-tourism concept. His conclusions are the following:

- ? In general tourists are accepted and welcome;
- ? There exists knowledge about the possibilities in tourism especially hunting. It is practised in neighbouring areas, hence it is known that it could be developed into a source of local income;
- ? Villagers are aware of the potential competition between local hunters and tourist hunters. Local hunters only pay for their licenses and do not contribute to the economy in the villages, besides possible occasional hire of scouts;
- ? Tourists pay to the NRC committees for the game they shoot. This makes it attractive for the villagers to invest in training of scouts and offers of services; and
- ? Villagers are aware that MEMA has been behind this test, which have added to the projects good local reputation.

The DGO claims that income generation from tourism based on the natural resources supports conservation through an intensified reporting of illegal incidences related to the use of the natural resources.

The reaction from the VNRCs, when they are handed over the common outcome of the test tour of 295,000 Tshs, is still to be seen.

Lessons learnt

The test tour proved that the concept is good and addresses a large market segment. However, the practicalities of the concept need some adjustments especially concerning camp standards. Also options for the tourists themselves to hunt are very important. Other important issues follow:

- ? Provide more detailed practical information including programme details before departure;
- ? Don't drive too long on the first day as guests are very tired after the flight from abroad;
- ? Make sure that the guide takes the lead right from the beginning, and that time schedules are kept to the highest possible extend;
- ? Plan breaks in advance on the long distances, through identification of interesting places to visit;
- ? Elaborate checklists for all operations;
- ? Be more aware of safety and security, e.g. the necessity of first aid kits in the cars and at the camp;
- ? Do not compromise on standard of vehicles;
- ? Have the camp prepared in due time before the guests arrive;
- ? Raise the standard of the tents and installations considerably, and make sure that tents for couples are equal (same size) and for singles much bigger than experienced;
- ? The camp should be bigger allowing more privacy to the guests and it should be moved to a better location. Less wind and noise, better views;
- ? Activities offered in the camp were sufficient and good, except for the hunting, which has to be better planed. Very good local scouts are available and should be used;
- ? Negotiate terms for visits of the tourists with the villages in due time – have the necessary permissions and make sure that all are well informed about your whereabouts;
- ? Have a person in the camp who knows how to treat trophies properly;
- ? One person in JGST should be responsible for the whole operation. There was a lack of leadership until the guests arrived;
- ? The guide, who performed very well, should be given more responsibility by JGST including financial arrangements;
- ? Ruaha National Park (River Lodge) and the stay at Kizolanza farm were successes. However, Kizolanza can only accommodate eight persons under evenly good conditions (four double rooms); and
- ? Number of overnight stays in any particular place has to be maintained according to the final programme the guests have received.

Recommendations

- ? It is highly recommended that training in organisation and planning is conducted together with discussions on tourists' expectations;
- ? It is recommended to set standards for cars, safety, camp infrastructure etc.;
- ? To make one more test locally before broader scale marketing in Denmark;
- ? Do not have more than one group at the same time and make sure that there is a period to recover between groups' arrivals;
- ? Involve district officers especially the DGO in the preparations;
- ? Try to have the carrying capacity of the area calculated;
- ? Investigate the possibilities for JGST to cooperate with the Wami-Mbiki project; and

- ? JGST should hand over the responsibility for further development of the concept to one person responsible and hire that person on a regular basis and authorise him/her to make decisions on behalf of JGST; and

Action to be taken

- ? Identification of one or more Danish/European travel agencies interested in forming a joint venture or making a business agreement with JGST for further development of the concept;
- ? Approach Danida's Private Sector Programme and by use of its Start-up Facility have the necessary training conducted, fine tuning of the concept, infrastructure developed, a marketing action plan elaborated and business agreements between JGST and an Danish/European partner set-up;
- ? Elaboration of a business plan and strategy for JGST; and
- ? Hand over of DFEs and the project experience with the concept.

Honey

The revised Marketing Action Plan from February 2002 recommends that a test delivery of honey be sent to the factory in Bomalang'ombe. This has taken place as 200 litres of processed honey have been delivered. The present outcome is by the DBO estimated to be at least one ton. Based on the payment for the relative large quantities sold at one time, many producers have experienced an improved liquidity leading to investment in new and improved beehives.

The DBO has been equipped with a modern honey refractometre enabling him to quality check honey.

No business contract has yet been undersigned between the producers and the factory. It seems as if the process is losing a little bit of momentum. Hence it is recommended to have the DBO engaged more seriously in the facilitation of the honey sale.