

## **Tourism as a route for the economic development of rural areas of Rwanda: Vibrant hope or impossible dreams?**

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*(Received: 27 May 2012; Revision accepted: 25 August 2012)*

### **Abstract**

Rwanda's economy collapsed after the 1994 genocide. The government, as is the case with many third-world countries, decided to kick-start the economy via tourism. While this industry does create jobs, uplift poor communities and support an economic revival, careful planning and co-ordinated development is needed, certainly at grass-roots level where tourism takes place, which has both positive and negative implications for the local communities. Whether tourism can revive the economy of the country, bearing in mind the somewhat limited resources of the country, is the subject of this article.

**Keywords:** Community upliftment, economic development, Rwandan economy, tourism impacts, tourism sub-sectors.

### **How to cite this article:**

Spencer, J.P. & Rurangwa, M. (2012). Tourism as a route for the economic development of rural areas of Rwanda: Vibrant hope or impossible dreams? *African Journal for Physical, Health Education, Recreation and Dance*, 18(4:2), 1007-1041.

### **Introduction**

The article seeks to analyse the economic impacts of tourism in the Northern Province of Rwanda as they relate to the development of the region. Tourism in this Province has the potential to be a reliable sector, with expectations that its benefits may contribute not only to the economy of the Province but also to the development of Rwanda as a country. For many developing countries, including Rwanda, tourism has been viewed as one of the most lucrative industries to diversify the economy, create jobs and enhance the general welfare of that part of the population living in poverty. In Tanzania, for example, tourism is thought to account for 12% of the country's GDP (Okello and Yerian, 2009). Recorded instances have, however, borne witness to the fact that mass tourism receipts do not necessarily translate to the desired economic development of an underdeveloped country. Some literature (Briedenhann and Wilkens, 2004; Briggs and Booth, 2004 and 2007; Getz, Andersson and Larson, 2007) has also shown that the spatial distribution of tourism arrivals is uneven, the distribution of tourism resources is also uneven, and the distribution of tourism income is grossly inequitable. Implications of the above sentiments underline the fact that there have been disappointments in some developing regions of the world on

tourism's ability to pull the economy out of the doldrums of underdevelopment and poverty.

The objectives of this article can be summarised as the following:

- To identify the **benefits** of tourism's economic development for the Northern Province and its people.
- To understand the importance of **tourism proceeds** for the tourism economic development of the Northern Province and its people.
- To identify the main **beneficiaries** of tourism proceeds in the Northern Province of Rwanda, and
- To ascertain the **distribution** of tourism income in the Northern Province of Rwanda.

Rurangwa (2012) addressed these objectives through a survey conducted in the Rwandan Northern Province between 2009 and 2011. He consulted local communities, international and local tourists to the region, tour operators in the Province, and officials of the Rwandan Office of Tourism and National Parks (ORTPN). The objectives are further expanded through a literature review of tourism, and its effects on a developing economy such as Rwanda.

The Northern Province of Rwanda has natural attractions to host a tourism industry in a sustainable way, which could translate into economic development of the region. Tourism in the Province is mainly centred on the Volcanoes National Park, which covers an area of 12,000 ha of natural forest. Fauna, such as buffalo, golden monkeys, and mountain gorillas, and flora such as bamboo trees, abound. In addition, there are various other tourist attractions, such as the Musanze grottoes, Mukungwa- and Mpenge Falls, as well as a pleasant and cool climate with a mountainous landscape, which forms the basis for a viable industry (Rwandagateaway, 2009).

### **Tourism, economics and development**

Frederick (1993:215) asserted that, more than 40 years ago, tourism was a popular economic development strategy; in actual fact, tourism for most underdeveloped regions is often the only readily available option, which diversifies local economies and creates meaningful development. The economic benefits of tourism are numerous, and include:

- The creation of jobs directly or indirectly. Direct jobs include tourist guiding, travel consultancy, airline and tour operations, and hospitality employment. Jobs were also created in supporting industries and services such as security, food production, and retail business. Tourism had an additional benefit of a income multiplier effect on the economy and the job market.

- Tourism promoted increased spending on local produce and products since visitors support local businesses.
- Local entrepreneurship was also promoted as residents showcased their various skills and knowledge in fields such as arts and crafts, tourism services such as tourist guiding, and retail shops and local market ventures that included street vending.
- Economic diversification was another important positive benefit that was associated with tourism, which offered an additional source of income that insured local communities against difficult times in instances where traditional industries such as agriculture, fishing or mining fall under distress, and
- Massive infrastructural development was often associated with tourism in both an employment creator and catalyst for future economic prosperity.

The economic benefits of tourism are however, sometimes overstated. Tourism also has some negative impacts. Unplanned tourism could have devastating environmental, cultural and social and economic consequences. These negative impacts could range from environmental degradation, pollution, increased pressure on local amenities, loss of cultural identity and degradation of heritage and historic sites. Okello and Yerian (2009:605) state quite forcefully that '(t)ourism has the potential to become destructive if it over-exploits or degrades the resources on which it depends; tourism in Tanzania is particularly vulnerable to this problem, since it depends directly on the land's delicate natural resources'. In the final analysis, Frederick (1993:215) noted that the economic benefits of tourism often came at a cost, so that developers and tourism planners should consider the cost-benefit analysis of available options to proposed tourism programs that have less negative and more positive economic impacts. For the purpose of this article, the negative economic impacts of tourism are noted as:

- Visitors who came from strong economies fuel artificial inflation. Artificial inflation refers to the increase in local prices mainly due to increased demand, without any relation to the costs of production of local goods. The perception that tourists have more disposable income could cause local businesses to charge higher prices and hence discriminate between locals and tourists. The effect is that the poorer local residents may pay more for goods than what they would have without tourism.
- Foreign currency leakages, when underdeveloped countries in the pursuit of tourism ventures, are often associated with huge importation of materials which are sourced from developed countries, which ironically are source markets for tourists. Tourism receipts may fail to justify such import expenditure (Getz et al., 2007).
- Foreign domination by multinational tourism and hospitality companies suffocates local entrepreneurship potential and is often blamed for foreign currency leakage from the developing to the developed countries where multinational companies are based.

Briedenhann and Wickens (2004:71) noted that owing to financial and economic pressures governments in developing countries often fall victim to the devastating negative impacts of tourism owing to a combination of a lack of foresight, consultation, and ad-hoc planning. According to these authors proper

planning and the clustering of activities and attractions, in less developed regions, stimulates mutually beneficial relationships between neighbouring regions which can serve as a vehicle for development that is driven by tourism, which is a volatile industry and open to a range of eventualities, including 'the host country's political situation, monetary exchange rate, and occurrence of natural disasters' (Okello and Yerian, 2009:606). These authors also note that repeat visitors (and therefore monetary injections) depend on tourist satisfaction, and the absence of crime, terrorism and economic upheavals. Scholars (Frederick, 1993; Briedenhann and Wickens, 2004; Getz et al., 2007) often differ on the methodology and strategies of the nature of truly beneficial tourism prescription for developing countries, but seem to agree on two important facts: tourism comes at a cost, and properly planned tourism development is a cure for driving economic growth, reviving hope, stimulating social regeneration and improving the living conditions in marginalized regions.

Information on the development of tourism in Rwanda suffers from a lack of documentation. Some scholars have attempted to trace this development, and this article is one beneficiary of the work of such scholars. The works of Dian Fossey in the 1960s; Briggs and Booth, 2004 and 2007; Mazimhaka, 2007; Ngenzi, 2009, and Nongovernmental Organisations (NGOs) such as the United Nations in collaboration with the Government of Rwanda and its tourism bodies such as ORTPN and Rwanda Tourism Working Group (RTWG), have contributed to this article's relevant literature.

This literature, however, does point to the fact that there has been enthusiasm for the development of tourism since pre-independent Rwanda, centred mainly on mountain-tourism (Briggs and Booth, 2004; Mazimhaka, 2007; Ngenzi, 2009). Tourism satisfaction is concerned directly with life's satisfaction components (leisure, health, family and work) note Okello and Yerian (2009) and will contribute to short- and long-term loyalty to a destination or event. Grosspietsch (2004:228) stated that, before the 1994 genocide, tourism in Rwanda was the third largest foreign currency-earner making significant contributions to the gross domestic product (GDP) and to employment creation. Following the genocide, the new government rejuvenated the country with renewed hope and optimism in which tourism is one of the key drivers for sustainable economic growth (Katarebe, 2002; Stratte-Mc Clure, 2003; Grosspietsch, 2004).

Gitera (2008:14) also noted that the history of Rwanda is characterised by strife, reconciliation and reconstruction, with *sustainable economic hope pinned on tourism*. This author stated that tourism's impact on the GDP was estimated at 3.5 percent in 2008, and by 2016 it was expected to account for 5.8 percent of the GDP and 4.6 percent of total employment (Newtimes, nd). Rwanda's tourism as a whole has become a major boost not only for environmental protection but also for economic development and growth. But the general population has still

to experience the employment potential of tourism. The Northern Province has an area of over 3331 km<sup>2</sup> and a population exceeding 1 604 997 inhabitants (statistics.gov.rw 2001). This Province is the most visited by tourists to Rwanda; hence much emphasis was placed on the economic development of this young and potentially economically reliable industry in the Province. The tourism industry is still rather small but comprises many sub-sectors that work inter-dependently to satisfy the needs of tourists. Visitors come to Rwanda to see wild animals, particularly the famous mountain gorillas, whose range is restricted to the slopes of the Virunga Mountains in the Province. Tourists usually need more than one service from the different sectors to satisfy their needs.

### **The importance of tourism to Rwanda**

The importance of tourism is well recognised in Rwanda (Grosspietsch, 2004; Briggs and Booth, 2004; Mazimhaka, 2007; Gitera, 2008; Ngenzi, 2009). The potential of tourism development and the economic benefits accruing from tourism are also acknowledged. However, tourism development in Rwanda is constrained by a number of factors. These constraints range from a lack of skilled human and capital resources, underdeveloped infrastructure, lack of cutting-edge innovative marketing strategies, overreliance on one tourism product (gorilla-tourism), and lack of understanding of the potential of tourism to develop the Rwandese people. Popular trends in tourism seem to work in favour of Rwanda's tourism industry, and lean towards promotion of quality tourism as opposed to mass tourism which was popular between the 1960s and the late 1990s. Quality tourism refers to tailor-made tourism experiences, which are primarily aimed at enhancing tourism experiences on an individual level, whilst minimizing negative impacts on the host destination, according to Briedenhann and Wickens (2004:72). Terms that are interchangeably used to refer to quality tourism include sustainable tourism, eco-tourism, green-tourism and low-volume tourism. The terms are related but strictly different, and have a common connotation of human upliftment.

In 2002 the United Nations Development Programme (UNDP) delegated the United Nations World Tourism Organisation (UNWTO) to prepare a Plan of Priority Action for the revitalisation of Tourism in Rwanda (UNWTO Barometer, 2009:9). The UNDP, in conjunction with the UNWTO and the Government of Rwanda agreed that tourism was one of the quickest and most attractive strategies for the sustainable economic development of Rwanda. The reasons that were given to support this proposition, while specific to Rwanda and general to most third-world developing counties, are noted below:

- Production and consumption of tourism products and services is simultaneous and fixed at the destination point, which means that travellers have to come to

Rwanda for a tourism experience. This opens up opportunities for local businesses, including informal traders, to benefit directly from tourism (objective 1).

- Rwanda, like many other African countries, has decided advantages; landscape, flora and fauna, sunny climate, culture, art, historic- and heritage sites. The exploitation of these assets for the purposes of tourism has a dual advantage of creating jobs and generating income for local communities, while at the same time helping to preserve and conserve the cultural and natural resources (objective 2).
- Tourism has a multiplier effect of both initiating development and sustaining other industries. Tourism also comprises many sub-sectors, which are capable of supporting other economic activities, both through providing casual and flexible employment that can supplement local people's incomes, and through its domino influence on the complex supply-chain of goods and services from local economies (objectives 1, 2 and 4).
- Tourism is classified as a labour intensive industry. The implication of this is that tourism creates a variety of jobs, which helps to address the problem of unemployment, which is rampant in the Third World and African countries. Rwanda is no exception (objectives 1 and 3).
- Micro enterprises and local entrepreneurial talent is showcased in the formal and informal industries of the country. The benefits of tourism are immediate: start-up costs are lower and barriers of entry to tourism are generally low, or can be easily minimized.
- Local people do not only benefit materially from tourism, but more importantly their self-worth is promoted through local participation in the preservation and conservation of their land, wildlife, culture and heritage. Although the chief motivation for conserving the environment and culture should be economic, it has been noted that the process creates a sense of ownership and security, as tourism provides an economic diversification opportunity for local livelihoods (objectives 1, 2, 3 and 4).
- Infrastructure is the *modus operandi* for tourism. The construction and expansion of transport facilities, telecommunication facilities, power and energy utilities, water supply and sanitation, entertainment facilities and health services for the purposes of boosting tourism and the destination image, benefits poor communities in various ways, which includes employment and general improvement in living standards (objectives 1,2 and 4) (Adapted from UNWTO, 2010:9).

The potential for tourism in Rwanda is huge. In essence, underdevelopment means that there is much room for development. As tourism is in its infancy it gives an opportunity for developers to use it as a vehicle for socio-economic development. It has been noted however that though tourism is a lucrative route for development, Rwanda faces a number of constraints in its attempts to develop its tourism industry. These constraints include a lack of financial

resources, which is mainly associated with a lack of awareness among national and international financiers of the real potential of tourism for Rwanda. The potential for tourism has been accepted by the Rwandan authorities, but Government departments are bureaucratic and, in some instances, political interests overshadow the greater vision of the developmental plans for the country. Heavy reliance on importation of materials leads to foreign exchange leakages and Rwanda still needs to develop its human resource-capital to ensure that technical skills, knowledge and greater understanding is channelled into the tourism industry through education, training and development of the aspiring players in the tourism industry.

The lack of specific and measurable economic goals in the tourism industry of the Northern Province of Rwanda has several implications and consequences for the local economy and livelihood of the local people. Tourism planners and developers rely on subjective estimates, expectations and immediately visible economic indicators in their planning. The situation stated above suggests ad-hoc planning characterised by unrealistic expectations that are created by vibrant hope, without considering the balance between negative and positive impacts of tourism at a local level. There is also an inherent danger which is apparently engraved in the habit of measuring economic development of tourism only at national level without considering economic development/contribution at a local level. The lack of local results is testimony to the lack of local consultation and lack of local participation in the decision-making process of developmental routes and strategies. These consequences include a lack of co-operation to developmental goals, resistance to change as some ideas could be considered as imported, while some important local values, logistics and politics may not be considered in the tourism plans. Okello and Yerian (2009:608) argue that 'tourism satisfaction consists of attitudes and prior beliefs, post-experience assessments, and future behavioural intentions' which will enhance the destination/attraction 'image, clientele loyalty, and fortify emotional connections' that should all contribute to extended tourism.

Limited research (Briedenhann and Wilkens; 2004; Briggs and Booth, 2004; Grosspietsch, 2004; Rwandatourism.com, nd) had been conducted to establish the sustainable economic development of tourism sub-sectors. Co-ordination between these sectors had not been given much attention, while the contribution of each sector at a provincial level was not known, and the importance of the local community had not yet been emphasized. Furthermore, tourism planners and developers in the Northern Province of Rwanda had not provided enough attention to decentralization of tourism economic development from Kigali to a more local level.

According to [Rwandatourism.com](http://Rwandatourism.com), (nd), Rwanda's economy may be small and predominantly agricultural, but between 2000 and 2011, with political stability, it had posted on average an impressive 9.9% GDP growth rate while reducing inflation to 3.2% and currency depreciation to only 6.5% per annum. Tourism's impact on the GDP was estimated at 3.5 percent in 2008 and by 2016 it is expected to account for 5.8 percent of the GDP and 4.6 percent of total employment. If one considers tourism's impact on the GDP by 2016 and compares it with tourism's impact on the GDP in 2008 one finds an increase of 2.3% in eight years (Newtimes, nd).

Rwanda has three national parks, namely Nyungwe in the south-western part of the country, which is well known for its 13 different primate species and almost 200 types of trees; the Akagera National Park in the eastern region of Rwanda is the home to herds of elephant and buffalo, leopard, hyena and lions. Giraffes and zebras inhabit the savannah, and more than a dozen species of antelope inhabit this Park; and the Volcanoes National Park, which is situated in the north-west of Rwanda, protecting the steep slopes of this magnificent mountain range, golden monkeys, and the rare mountain gorilla. The respective families of mountain gorillas in this Park number only about 750 animals.

In a report by Weirplanet (2010), African tourism has emerged as the most lucrative industry for sustainable economic development and poverty alleviation. Rwanda is no exception; indeed the country has positioned itself to reap maximum benefits from tourism, using the available natural resources. The country has created a stable political climate and opened up to the international community to attract tourism and industrial investment. According to McCann (2002:390-391), economic development refers to the increase in activities that earns the public wealth as shown by growth in the number and quality of jobs, expansion of the tax base and the ability of the community to pay for services. The author makes a distinction between general development and economic development. The difference being that general development exceeds the confines of economic activities to include growth in the quality of life as a whole. Development measured in this way would include improvement in the quality of air, morality, the environment and economic growth. Economic development is desirable but the attainment of economic development can compromise some equally important aspects of life. The development of tourism for example, has been largely associated with environmental and socio-cultural degradation, the very reason why Dian Fossey opposed tourism (Briggs and Booth, 2007). Fossey's opposition to gorilla tourism was based on the fact that gorillas are vulnerable to viruses that cause flu and their constant contact with humans exposes them to diseases. Similarly, industries like mining, fishing, petroleum and agriculture had also been hailed for bringing economic growth to

benefiting communities, but had perpetuated environmental problems such as pollution and deforestation.

### Economic sustainability of tourism

The implication of these sentiments is that sustainable economic development should be in check with other important sectors of the community. What is desirable is sustainable economic development more than mere economic development. The Rwandan Government adopted the protection of the environment and the promotion of tourism among the main focuses of poverty reduction and development in its document 'Vision 2020', with the overall aim to support sustainable development. Vision 2020 is a strategic plan aimed at reducing poverty and dependency on foreign aid by promoting macroeconomic stability, entrepreneurship and a knowledge-based economy (Ministry of Finance and Economic Planning, 2000:9).

Tourism has been hailed as an industry that could assist third-world countries to deal with problems of underdevelopment and poverty. In fact, for many countries, tourism is the only realistic option to advance *sustainable* economic development. Tourism has the potential of opening up a destination to the whole world, therefore facilitating trade and investment. The World Travel and Tourism Council (WTTC, 2010:12) stated that tourism is the largest industry in the world, employing over 235 million people that generated 9.4% of global GDP in 2009. It reported that, for the same period, Rwanda received US\$428.2 million in tourism receipts, which was expected to increase to US\$863 by year 2020. Contribution to the GNP in 2010 was 8.4% and direct employment stood at 122 000 jobs, projected to reach 160 000 jobs by 2020. Export earnings from international visitors for 2010 generated 40.8% of total exports (US\$250.4mn) and total investment in tourism reached US\$250.4 million, 9.2% of total investment in infrastructure and services for Rwanda.

While the economic benefits of tourism are apparent, sustainable increases in foreign currency earnings, job creation, direct foreign investments, development in infrastructure, and commercialization of local arts and culture become possible, while local entrepreneurship is promoted as local shop owners' benefit from tourists purchasing goods, curios, local artifacts and daily conveniences. Increasingly social scientists have warned developers to be cautious of pursuing tourism for purely economic benefits while neglecting its negative impacts on the environment. These social scientists, especially environmentalist camps, are advocating *sustainable tourism development*. The United Nations World Commission on the Environment (UNWCED) defined sustainable development as '...a development that meets the needs of the present without compromising the ability of the future generations to meet their own needs...' (UNWCED, 1987:42).

The UNWCED definition implies then that sustainable tourism development is exploitation of tourism resources in such a manner that the present consumption

would not impact on the future generation consumption of the same tourism resources, a stance that is clearly stated in the Rwanda “Vision 2020” document. The UNWCED compass of thought is a noble one but achieving such a development with conflicting opinions is problematic (Tosun, 2001:289).

#### Tourism’s contribution to African development

In Africa, tourism development has been associated with slow growth due to the lack of infrastructure and marketing. Africa is rich in natural resources; but there has been an over-reliance/exploitation on these natural resources to develop and sustain a tourism industry. So, it is fortunate that current trends favour many forms of tourism, such as adventure-, cultural-, and eco-tourism that Africa is positioned to offer. The development of long-haul travel in the 1950s opened opportunities for Africa as tourists sought more adventure experiences. The northern African countries benefitted the most, mainly due to their close proximity to Europe which implied cheaper travel costs, than countries in the south of the continent. In a country like Zimbabwe, tourism only grew after independence in 1980, and flourished into the 1990s, only to decline drastically as a result of (current) political instability and economic chaos. Rwandan tourism showed reasonable growth until the 1994 genocide, where-after arrivals dropped dramatically. Table 1 shows the statistics on tourist arrival to African countries from 2008 to 2010.

The Table shows that Africa, the only region to post positive growth figures in 2009, maintained growth during 2010. The region benefited from increasing economic dynamism and the worldwide exposure created by the FIFA World Football Cup. International arrivals increased by 3 million (+7%) to 49 million, while in terms of receipts the region added US\$ 3 billion to reach US\$ 31 billion (+4% in real terms). In South Africa, which accounted for about 20% of total arrivals in Sub-Saharan Africa, arrivals were up 15% in 2010, following the successful staging of the Soccer World Cup. Other destinations in the sub-region performed above average: Madagascar (+21%), Cape Verde (+17%), Tanzania and Seychelles (both +11%). Results in North Africa (+6%) were driven by the leading destination Morocco (+11%). Statistics on Rwanda are incomplete, and therefore no clear analysis can be made. The fact remains, however, that Africa is benefitting from (especially international) tourism, and there is no reason to suspect that Rwanda will also not benefit from this growth.

#### Tourism development in Rwanda

Tourism in Rwanda started as early as the late 19<sup>th</sup> century according to records (Booth and Briggs, 2007), with British and German environmentalists and explorers who were mainly interested in research related to the vast volcanic mountains in Rwanda, and the rare species of mountain gorillas whose habitat is the Virunga Mountains.

**Table 1:** Tourist arrivals and receipts to Africa between 2008 and 2010

| Major destinations | International Tourist Arrivals |                |                |                        |                        |                      | International Tourism receipts |                            |                            |                  |
|--------------------|--------------------------------|----------------|----------------|------------------------|------------------------|----------------------|--------------------------------|----------------------------|----------------------------|------------------|
|                    | 2008<br>(1000)                 | 2009<br>(1000) | 2010<br>(1000) | Change<br>(%)<br>09/08 | Change<br>(%)<br>10/09 | Share<br>(%)<br>2010 | 2008<br>(US \$<br>million)     | 2009<br>(US \$<br>million) | 2010<br>(US \$<br>million) | Share<br>(%)2010 |
| Africa             | 44,380                         | 46,021         | 49,376         | 3.7                    | 7.3                    | 100                  | 30,316                         | 28,780                     | 31,677                     | 100              |
| Algeria            | 1,772                          | 1,912          | ..             | 79                     | ..                     | ..                   | 324                            | 267                        | ..                         | ..               |
| Angola             | 294                            | 366            | 425            | 24.3                   | 16.2                   | 0.9                  | 285                            | 534                        | ..                         | ..               |
| Botswana           | 1,500                          | 1,553          | ..             | 3.5                    | ..                     | ..                   | 553                            | 452                        | ..                         | ..               |
| Cape Verde         | 285                            | 287            | 336            | 0.7                    | 17.1                   | 0.7                  | 358                            | 292                        | 289                        | 0.9              |
| Ethiopia           | 330                            | ..             | ..             | ..                     | ..                     | ..                   | 377                            | 329                        | ..                         | ..               |
| Gambia             | 147                            | 142            | 91             | -3.5                   | -35.7                  | 0.2                  | 81                             | 63                         | ..                         | ..               |
| Ghana              | 698                            | 803            | ..             | 15.0                   | ..                     | ..                   | 919                            | 968                        | ..                         | ..               |
| Kenya              | 1,141                          | 1,392          | ..             | 22.0                   | ..                     | ..                   | 752                            | 690                        | 755                        | 2.4              |
| Lesotho            | 285                            | 320            | ..             | 12.3                   | ..                     | ..                   | 24                             | 40                         | ..                         | ..               |
| Madagascar         | 375                            | 163            | 196            | -56.6                  | 20.5                   | 0.4                  | 351                            | 308                        | ..                         | ..               |
| Malawi             | 742                            | 755            | ..             | 1.7                    | ..                     | ..                   | 43                             | 43                         | ..                         | ..               |
| Mauritius          | 930                            | 871            | 935            | -6.4                   | 7.3                    | 1.9                  | 1,449                          | 1,117                      | 1,282                      | 4.0              |
| Morocco            | 7,879                          | 8,341          | 9,288          | 5.9                    | 11.4                   | 18.8                 | 7,168                          | 6,557                      | 6,720                      | 21.2             |
| Mozambique         | 1,815                          | 2,224          | ..             | 22.5                   | ..                     | ..                   | 190                            | 196                        | 197                        | 0.6              |
| Namibia            | 931                            | 980            | ..             | 5.3                    | ..                     | ..                   | 378                            | 398                        | 438                        | 1.4              |
| Nigeria            | 1,313                          | 1,414          | ..             | 7.7                    | ..                     | ..                   | 573                            | 608                        | ..                         | ..               |
| Reunion            | 396                            | 422            | 421            | 6.4                    | -0.3                   | 0.9                  | 448                            | 425                        | ..                         | ..               |
| Rwanda             | 731                            | 699            | ..             | -4.4                   | ..                     | ..                   | 186                            | 174                        | 202                        | 0.6              |
| Senegal            | ..                             | ..             | ..             | ..                     | ..                     | ..                   | 543                            | 463                        | ..                         | ..               |
| Seychelles         | 159                            | 158            | 175            | -0.9                   | 10.8                   | 0.4                  | 258                            | 209                        | ..                         | ..               |
| South Africa       | 9,592                          | 7,012          | 8,074          | n/a                    | 15.1                   | 16.4                 | 7,925                          | 7,543                      | 9,070                      | 28.7             |
| Sudan              | 441                            | 420            | ..             | -4.6                   | ..                     | ..                   | 331                            | 299                        | ..                         | ..               |
| Swaziland          | 754                            | 909            | ..             | 20.4                   | ..                     | ..                   | 26                             | 40                         | ..                         | ..               |
| Tanzania           | 750                            | 714            | 794            | -4.8                   | 11.1                   | 1.6                  | 1,289                          | 1,160                      | 1,303                      | 4.1              |
| Tunisia            | 7,050                          | 6,901          | -2.1           | 0.0                    | 14.0                   | 2,953                | 2,953                          | 2,773                      | 2,654                      | 8.4              |
| Uganda             | 844                            | 817            | ..             | -3.2                   | ..                     | ..                   | 498                            | 667                        | 730                        | 2.3              |
| Zambia             | 812                            | 710            | ..             | -12.6                  | ..                     | ..                   | 148                            | 98                         | ..                         | ..               |
| Zimbabwe           | 1,956                          | 2,017          | 2,239          | 3.2                    | 11.0                   | 4.5                  | 294                            | 523                        | 634                        | 2.0              |

Source: World Tourism Organization (UNWTO, 2011)

This rare species of mountain gorillas increasingly became the main attraction for conservationists and tourists alike. The early development of tourism in Rwanda is difficult to account precisely due to the lack of documented records but it is believed that the first national park aimed at protecting the gorillas was formed in 1925 (Mazimhaka, 2007:42). The Albert National Park was established around the volcanic mountains of the Virunga area. Booth and Briggs (2004:177) note that the Albert National Park (renamed the Volcanoes National Park after independence in 1962), became an important research and attraction centre for environmentalists, zoologists, tourists and naturalists, in the process promoting Rwanda as a tourist destination.

In 1973 the Government of Rwanda formed the Office of Tourism and National Parks (ORTPN) to oversee the promotion of ecotourism, sustainable development and conservation. ORTPN enabled Rwanda to respond to

conservation and developmental needs through formulating new and much needed legislation for national parks, hunting and tourism. Mazimhaka (2007:42-43) noted that ORTPN, with a dual mandate to promote tourism and sustainable development, concentrated on one tourism product in the 1970s and 1980s, and created an over-reliance on mountain gorilla-tourism, which continues to today. The fact is understandable; there are only 700 mountain gorillas left in the whole world, and are only found in Rwanda (ORTPN, 2005), which now enjoys a monopoly on gorilla-tourism, and should take advantage of this, but equally important is the need for diversification of the tourism product.

### **Rwandan tourism sub-sections**

- Travel services

The development of *travel services* in Rwanda is difficult to trace due to the lack of recorded information which is consistent and coherent. In the early days international tour operators in Europe and the USA, working in partnership with international researchers and conservationists in Rwanda, were responsible for marketing and planning holidays for tourists to Rwanda. The Government had been actively involved in providing tourism services for international tourists, through ORTPN. Local tour operators are still few but have increased three-fold since 1994, according to Ngenzi (2009:50). Local tour operators and travel agencies are still in their infancy and cannot compete with international organisers according to the Rwanda Tourism Working Group (RTWG, 2002:10). In fact, the Kigali Institute of Science and Technology (KIST, 2001:32) noted a decade ago that inadequate local tour operators and travel agencies in Rwanda, including bad services from the ones presently operating, are among the factors that are hindering faster tourism growth in Rwanda.

- Transport systems

The *transport system* in Rwanda is still underdeveloped and centres mainly on road transport, (Ngenzi, 2009:50), which covers approximately 14,000km, of which only 2,662km is tarred. Most towns are connected by paved roads but feeder roads are unpaved and are of varying roughness. Public transport is by way of buses between cities and commuter taxis within the cities. Express taxis are available at a premium price. The first airport was constructed in 1986 on the outskirts of Kigali, the Rwandan capital city. Formerly known as the Gregoire Kayibanda International Airport, Kigali International (airport) serves as the main gateway into the country. The second largest international airport is Kamembe International in the City of Cyangugu in the Western Province of Rwanda. Rwanda Air is the only local airline and is operated by the Government. There is no railway transport in Rwanda. In 2006 the Government approached a Chinese

consulting firm to research and carry-out feasibility studies for a rail system. As in the past, Rwanda would have to rely on donor funds to roll out this project.

Water was the traditional form of transport in Rwanda before the advent of tourism. *Water transport* was not motorized and exists mainly on Lake Kivu and the Akagera River, serving both business and leisure travelers. Ngenzi (2009:50) noted that the water transport system of Rwanda is still underdeveloped but at least it is functional, for example, Lake Kivu is used for trans-border transport between Rwanda and the Congo in the west. Developments in the Eastern Province indicate that leisure boats are now operational on the Akagera River.

- Accommodation

Early explorers sheltered themselves in make-shift tents and log cabins in Rwanda. The local people, though very friendly and with amazingly warm hospitality, were not in the practice of *commercial accommodation*. Rather, hosting a traveller or a stranger with respect and care is one of the oldest African traditions that made vulnerable and easy prey to conquering imperialists (Nyerere, 1987). However, as settlements grew and numbers of visitors increased, the need for accommodation became apparent. The history of the early hotels in Rwanda is difficult to obtain due to lack of records. Today accommodation services are still poor and mostly below international standards (KIST, 2001:32; Ngenzi, 2009). The accommodation sector of Rwanda comprised 2500 rooms; a sum total of 141 registered hotels and guest houses, according to dated statistics of the Rwanda Tourism Working Group (RTWG, 2002:9), where 40% of the total accommodation capacity is found in Kigali.

- Food and beverage services

The development of *food and beverage services* in Rwanda is closely linked to the development of accommodation, where records documenting the development of the sector are also scarce and sketchy (Mazimhaka, 2007; Gitera, 2009; Ngenzi, 2009). The numerous restaurants in the towns of Rwanda serve African cuisine and are mainly targeted at the working class of the country. Restaurants that suit international tourists are mainly housed in hotels, and especially in Kigali (Ngenzi, 2009:50). In hotel-restaurants a good choice of reasonably priced European, Indian, Italian and Middle Eastern dishes is offered. Ngenzi also asserts that a fairly good selection of beers, wines and spirits is available, most of which are imported. There is still room for the food and beverage industry of Rwanda to develop according to KIST (2001:32) and Ngenzi (2009).

- Entertainment and leisure

Rwanda attracts mainly the adventure-tourist based on the *nature of its main tourist product* (gorilla tourism). More recently the concept of eco-tourism, which forms part of adventure tourism, is the main selling activity in Rwanda. In 2004, dependence on gorilla-tourism had increased to 93% of total income (ORPTN 2005:3) and earned 70% of the Rwanda tourism income (Ngenzi 2009:38). Early explorers promoted Rwanda as a tourist destination based on its unique geographical terrain and the existence of rare species of mountain gorillas. Alongside gorilla-tourism, the thick forests of Rwanda in the north and western provinces make outdoor recreational activities like mountaineering, trekking, hiking, rock-climbing, and canoeing viable options. There is, however, a need to market these adventure and outdoor activities with the same magnitude as, for example, the KKNK Festival in the Western Cape Province of South Africa, and other major events. Apart from adventure recreational options, the *entertainment and leisure* sector in Rwanda is limited and concentrated in Kigali (Ngenzi, 2009:51). The development of tourism has given rise to the commercialization of Rwanda's arts and culture to some extent. Traditional theatre groups, dancers and performing arts have since been entertaining tourists on various occasions, some of which are of national and traditional importance. The economic contribution of arts and cultures is not readily determinable.

Tourist *shopping* in Rwanda is mainly for artifacts and cannot compare with shopping in Dubai, Paris or Cape Town. Ngenzi (2009:51) also noted that though available active sports like golf and tennis are still underdeveloped and the facilities need improvement.

The sustained economic impacts of tourism cannot be understated; in fact, for both developed and less developed countries, tourism is seen as the most feasible option for economic development and diversification from traditional industries like manufacturing and agriculture. The impacts of tourism are two-fold; there are considerable positive impacts that arise, and by the same token, tourism can be a source of disastrous negative impacts, both on the economy and the environment. Briedenhann and Wilkens (2007) noted that while governments generally expect tourism to generate new employment opportunities for the youth, enhance community infrastructure, and assist in rejuvenating flagging national economies, some frustrations have been witnessed emanating from the paucity of revenue, and inequality in the distribution of tourism income, with these weighted against the perceived social and environmental costs of tourism. Tourism sub-sector's contribution to total revenue earned in the Northern Province of Rwanda during 2011 was estimated as follows (Rurangwa, 2012):

| Sub-sector                     | Income        | Contribution |
|--------------------------------|---------------|--------------|
| Travel services/tour operators | RWF 3 561 427 | 8% of income |
| Transport (including airfares) | 22 472 430    | 50%          |
| Accommodation                  | 5 169 000     | 12%          |
| Food and beverages             | 3 272 500     | 8%           |
| Visiting attractions           | 4 361 400     | 10%          |
| Recreation and leisure         | 2 866 000     | 6%           |
| Other services                 | 2 800 000     | 6%           |

**Source:** Rurangwa (2012:81)

Measuring economic impacts of tourism

The impacts of tourism on an economy are measured in monetary terms. The World Travel and Tourism Council (WTTC) is a research body created by the United Nations World Tourism Organisation (UNWTO) to measure and publish tourism’s economic impacts, using standard accounting procedures. This helps member nations to measure their performance in travel and tourism, including the wider impacts on the economy. The WTTC measures such indicators as:

- Direct contribution: contribution of travel and tourism to the GNP from strictly travel and tourism activities.
- Total contribution: contribution of travel and tourism activities to the GNP, including income generated from supportive industries, and multiplier effects.
- Employment: direct contribution employment created strictly within the tourism and travel industry.
- Employment: total contribution employment created within the tourism and travel industry, including other industries that support the travel and tourism industry like security, construction and infrastructural development.
- Visitor Exports: total income generated from outbound tourism.
- Investment: total expenditure by government and the private sector to goods, services and infrastructure that supports tourism.

Source: adapted from WTTC, 2010.

The WTTC, in conjunction with national governments, measures the economic impacts of tourism on an annual basis. The results of 181 member nations are also published annually with detailed reports on progress and recommendations on how to improve. Tourism contributes significantly to the global economy. Presently the tourism industry, with its eight sectors, has become the largest and the fastest growing industry in the world. According to UNWTO World Tourism Barometer (2009) tourism earnings reached a record US\$856 billion in 2007, an

increase of 5.6% from 2006. The financial crisis in the USA, and subsequent melt-down in Europe, slowed the momentum from 2008 to date. Forecasts made by the UNWTO World Tourism Barometer for the transport sector for 2010 were US\$165 billion which, when added to the US\$856 billion amounts to US\$1 trillion in international tourists' receipts. Employment in the tourism industry reached 235 million people in 2009 according to the WTTC (2010:13).

To see the impact of tourism on the global economy clearly, it is important to look at what happens when tourism is disturbed by a natural disasters, war or civil unrest. In Zimbabwe, and recently Egypt (2011) millions of dollars was lost due to political instability, and the consequent decline in tourism and sustainable economic development. When tourism is positive the global economy flourishes and national economies benefit. The FIFA World Cup assisted South Africa to maintain the highest growth in tourism's GDP contribution globally at 13%. South Africa recorded a total of 439 000 direct job opportunities and 4% growth between 2003 and 2008.

The WTTC's economic impact research shows that the global travel and tourism industry will grow more slowly in 2011 and 2012 than previously forecast. However, global travel and tourism is expected to grow by an average 4% per year between 2011 and 2021. This is down marginally from the 4.3% forecasted for the same period, with the decline due almost exclusively to the downward revisions in 2011 and 2012. By 2021 travel and tourism is predicted to account for 69 million more jobs, almost 80% of which will be in Asia, Latin America, the Middle East and Africa (WTTC, 2011:2).

According to the African Research Bulletin (2011), the Rwandan Development Board (RDB) for Tourism and Conservation released tourism arrival and related data for 2010, showing that receipts for the country were over US\$ 200m, up by over 14% compared to 2009, and 7% ahead of projected earnings. This makes tourism one of the leading economic sectors in Rwanda. The RDB also confirmed that in 2010 over 660 000 tourists visited Rwanda, and expected new airline connections would undoubtedly make a further impact in 2011, a year in which a new record was expected to be attained. RDB sources attributed the success of 2010 in great part to the ongoing diversification of the country's tourism product, and while gorilla-tracking remains the number one activity, the opening of the Nyungwe National Park and the Nyungwe Forest Lodge also made an impact on the sector's performance. For 2011, the RDB plans the establishment of birding trails outside the traditional national parks to relieve the pressure on accommodation near the main parks, and investors wishing to put up new lodges and resorts have been encouraged to contact the RDB for available sites. The Newtimes (nd) has pointed out that Rwanda had been ranked among the top five emerging destinations during the 2011 Wanderlust Travel Awards. It

is the only African country named in the top five by the British travel magazine in a world-wide poll. Based on what is written and confirmed by the RDB, tourism in Rwanda had a successful year, exceeding its target by several percentage points. The success of the tourism industry has to go parallel with research aimed at establishing the economic impact of such success on local populations, especially those located near tourist attractions.

## **Conclusion**

The Rwandan economy is heavily reliant on subsistence agriculture; plantains, sweet potatoes, tea, coffee, rice, sugar, cassava and beans, with some livestock farming. Some important minerals exist in the country, notably tin, tungsten and tantalum which are presently not economic to mine, and some natural gas reserves beneath Lake Kivu. Light industrial activity centred on tobacco, metal goods, chemicals, rubber and plastics exists, but Rwanda relies on international aid, especially from the World Bank, the EU and the USA, to survive. Outside of the activities mentioned above the only really significant emerging industry, with a possibility of sustainability, is tourism. The authors suggest that sustained tourism growth will benefit local communities of the Northern Province of Rwanda through job creation and divisions of income. The RWF 44 million referred to above would not have materialised had there not been viable tourism sub-sectors, nor would there had been any tourism revenues which could have been used on further sustainable economic development in the Province. With the ripple-down effects of the tourism income-multiplier, local entrepreneurs in particular, and communities in general, do benefit from sustainable tourism.

## **Recommendations**

Rurangwa (2012) found that, with specific actions by the Government of the Northern Province of Rwanda, the emerging tourism industry could become the major employer, and therefore economic driver. The authors therefore, advocate that the following matters be urgently considered to meet the declared objectives of this article, and further promote the local economy, based on tourism:

- Develop a strong marketing strategy that would promote the country as a destination of choice, and therefore attract more high-spending international tourists, and thus boost the local economy.
- Develop, and upgrade, existing attractions, and create new features; that means move away from the reliance on ‘gorilla-tourism’.
- A general diversification of tourism products, especially transport and accommodation, and the upliftment of general services through general education and skills development, thus benefitting local communities.

- Provide tourism infrastructure, especially an airport, to service tourists to the Northern Province, which will open up the Province to economic activities.
- Train human resources in the fields of tourism and hospitality capable of communicating, understanding, and providing tourist services and products in a professional way.
- Provide financial resources for creating and/or expanding tourism businesses.
- Inculcate a desire among Rwandese to become tourists in their own country (this is a major problem throughout Africa where there is neither the will nor the means to travel for leisure), and
- Encourage the consumption of local products. In this way the country should both reduce the dependence on imports, and boost the local economies.

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