

7

Tourism



"Tourism is the sector with the highest employment generation potential."

Tourism is the sector with the highest employment generation potential (World Bank 2014). Recent studies showed that when the price of gold—Tanzania's largest export by value—fell, the country's fiscal and foreign-exchange revenues were primarily supported by tourism (DFID 2016). Despite this positive outlook, tourism in Tanzania has mostly performed at a fraction of its potential. The sector is poorly managed, underinvested, under-resourced, and lacks a coordinated all-of-government approach and vision. Tourism in the country is generally viewed by the public sector as a source of tax revenue, and policies to ensure sustainability and social and economic inclusion are absent, or, at best, remain unimplemented.

Developing new areas and products that can expand the tourism value proposition (for investors, tourists, and citizens) are significant challenges that require concerted political will and collective vision, policy, strategies, reforms, and both public and private sector investments. The need for this pathway has been recognized by the private sector for some time and is now part of the Tanzanian government's agenda, which the World Bank and other partners support. A review of the existing Tourism Policy and a new National Tourism Strategy are supported by a World Bank-sponsored Private Sector Competitiveness Project.¹ This Diagnostic Trade Integration Study (DTIS) for Tanzania is therefore a timely input to these important new initiatives. In 2015, more than a million tourists travelled to Tanzania, contributing (directly and indirectly) nearly 12 percent of gross domestic product (GDP), making it the country's largest export services sector (WTTC 2016). Travel and tourism-related services receipts totaled US\$2.2 billion, representing more than 25 percent of the country's total exports and 60 percent of the country's services receipts (WTTC 2016 and MNRT Statistics). In 2015, the

industry directly supported 467,000 jobs, and, through backward links, was responsible for more than 1.3 million jobs or 12.2 percent of the nation's total employment.² And, in 2014, Tanzania earned more per visitor (US\$1,770) than each of its main competitors, Kenya (US\$643), Uganda (US\$628), Botswana (US\$634), and South Africa (US\$978).³

Over 80 percent of Tanzania's leisure tourism is generated by the country's world-class wildlife and landscapes of the "northern circuit"—Ngorongoro Conservation Area, Serengeti, Lake Manyara, Tarangire, and Mount Kilimanjaro National Parks—and the island of Zanzibar's beaches and resorts. According to data from the Tanzania National Parks Authority and the Ngorongoro Crater Conservation Area, more than 70 percent of visits to the country's protected areas are concentrated in Ngorongoro Crater, Serengeti, Tarangire, and Lake Manyara National Parks (MNRT statistics).

Analysis by the World Bank (2015a) identified tourism's potential to generate "additional jobs by developing products in beach, adventure, conference, and cultural-heritage tourism, and broaden its appeal to tourists by diversifying beyond the current low-volume, high-value strategy that is so heavily weighted toward the wildlife-based northern circuit." The study concluded that the tourism sector is "hobbled by outdated policies, an unclear vision, and a disabling business environment," and thus, "Tanzania does not benefit fully from the full range of opportunities that the tourism sector offers."

This chapter analyzes the issues highlighted by recent reports produced by the World Bank and other development partners. It examines Tanzania's current competitiveness through the lens of a typical tourism value chain and extensive interviews with private sector tourism associations, investors, and operators. The next sections highlight key areas where reforms could support Tanzania's ability to sustain existing tourism growth and expand into new areas and products. Four specific areas for actions have been identified: (1) improving the tourism policy and legal and regulatory environment for public sector governance and business operations; (2) human resource development in both the public and private sectors; (3) access to finance, especially for small and medium enterprises (SMEs); and (4) access to land for new tourism investment and security of tenure in protected areas.

Tourism Growth Trends, Market Segments, and Sector Assets

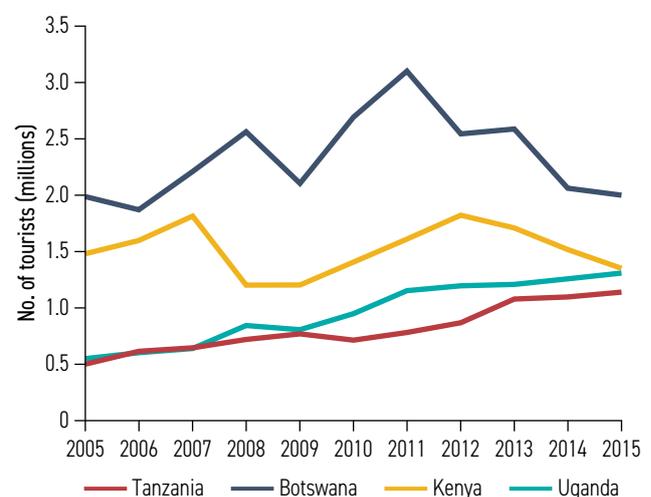
Growth Trends

In just a decade, Tanzania's tourism numbers have more than doubled, from about 500,000 in 2005 to over 1.2 million in 2015 (figure 7.1). Growth in numbers has been steady and less volatile than competitor destinations (such as Kenya or Botswana). Although Tanzania underperforms its competitors in terms of tourist volume, it is doing better in terms of value per tourist—demonstrating that Tanzanian companies are able to charge a premium and the prevailing low-volume, high-value tourism policy is effective. The flipside, however, is that it has constrained the growth and diversification of the country's tourism products and operators beyond the higher-premium offers; the policy and existing legislation actually raised barriers to entry for smaller operators, in effect, tethering growth of the products and operators in the northern circuit.

Market Segments and Sector Assets

Most of Tanzania's tourism growth has been driven by the northern circuit's world-class natural and wildlife assets and Zanzibar's beaches and resorts. There are growing trends towards cultural, marine, and adventure (especially bicycling and trekking) tourism. However, wildlife viewing remains the country's main attraction, with more than 44 percent of its land area comprised of game reserves and national parks. There are 16 national parks, 29 game reserves, and 40 controlled conserva-

FIGURE 7.1: International Arrivals to Tanzania, Kenya, Uganda, and Botswana, 2005–15



Source: Derived from United Nations World Tourism Organization.

tion areas and marine parks that constitute the potential nature-based product offer. Although Ngorongoro Crater's area is less than 1 percent of the Serengeti's, it gets more visitors. Figure 7.2 shows this skewed tourist visitation in Tanzania.

Among the 91 members of the Hotels Association of Tanzania (HAT), which include some of the most established operators in the country, most are concentrated in the north. HAT members with properties in the protected areas have 220 establishments (5,650 rooms and 10,543 beds). Among these establishments, 66 percent are concentrated in northern destinations, which, as figure 7.2 shows, attract over 90 percent of all visits to wildlife areas. However, HAT members are increasingly looking at southern destinations for opportunities. They now have 75 facilities (34 percent of the total) with 1,081 rooms (24 percent) and 2,236 beds (27 percent) in the protected areas, which receive less than 7 percent of all visits to wildlife areas. Overall occupancy rates in southern Tanzania are significantly lower than the north. Table 7.1 shows that the northern destination regions (Arusha and Kilimanjaro) account for the second-highest concentration of accommodations, rooms, beds, and employees after Dar es Salaam: 17 percent of establishments, 20

percent of rooms, 24 percent of beds and employees. Dar es Salaam accounts for 24 percent, 34 percent, and 32 percent, respectively (Tanzania Tourism Statistical Bulletin 2014).

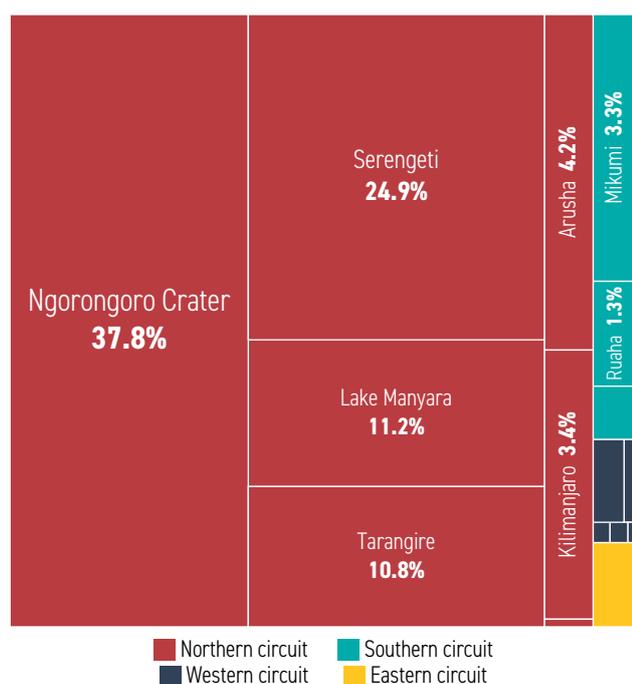
This imbalance is assessed in a strategy commissioned by the U.S. Agency for International Development (USAID) and the government of Tanzania.⁴ The strategy aims to assist with the potential for further development of southern Tanzania's tourism circuits and products. The World Bank is assisting through a project that also focuses on southern Tanzania, with an emphasis on the development and conservation of nature-based tourism, enhanced local economic benefits, and improved landscape management.⁵

Further, security of tenure in protected areas, infrastructure within and around tourist attractions, more frequent air access, availability of local labor, and viable tourist products, have been defined by the private sector as the binding constraints to further development in the south.⁶

Cultural tourism experiences are becoming more popular as add-ons to safari visits. Over 700 tour operators in Tanzania offer cultural-tourism activities. The Tanzania Cultural Tourism Program (TCTP) has helped create over 42 "cultural tourism enterprises" (CTEs) in communities near Arusha, Dodoma, Kilimanjaro, Lindi, Mara, Manyara, Mbeya, Morogoro, and Tanga. They are supported by the Tanzania Tourist Board (TTB), the Tanzanian Ministry of Natural Resources and Tourism (MNRT), the United Nations World Tourism Organization (UNWTO), the Tanzania Private Sector Foundation-Cluster Competitiveness Program, the Food and Agricultural Organization of the United Nations, and the Centre for Development of Enterprises. With their support, the CTEs offer opportunities such as local life experiences, traditional dances and ceremonies, sampling of local cuisine, home-stays, handicrafts, community development initiatives, indigenous knowledge, historical heritage, nature walks, and local folklore.⁷ All of these experiences are becoming important links in the country's tourism value chain, thus offering expanded opportunities for more local microenterprise, jobs, and incomes.

As these initiatives progress, especially for expanding tourism in the southern region, it will be critical to define

FIGURE 7.2: Total Visitors to Protected Areas, 2014



Source: Derived from the Tanzanian Ministry of Natural Resources and Tourism.

Note: Others not shown on the figure - northern circuit: Mokmazi = 1.1%; southern circuit: Udzungwa Mountains = 0.6%; Kitulo = 0.05%; western circuit: Saanane = 0.7%; Katavi = 0.3%; Gombe = 0.1%; Mahale Mountains = 0.1%; Rubondo Island = 0.05%; eastern circuit: Saadani = 1.1%.

TABLE 7.1: Number of Tourist Standard Accommodation Establishments around Tanzania, 2013

Region	No. of establishments	No. of rooms	No. of beds	No. of employees
Arusha	127	3,394	5,188	3,513
Dar es Salaam	291	8,758	10,231	6,470
Kilimanjaro	79	1,766	2,711	1,357
Tanga	80	1,061	1,403	848
Mwanza	54	1,490	1,579	1,133
Mara	8	123	142	45
Morogoro	50	1,107	1,183	1,051
Pwani	28	617	495	485
Lindi	15	161	219	161
Mtwara	38	493	544	366
Iringa	28	591	805	418
Manyara	63	1,152	1,270	699
Mbeya	82	1,442	2,760	1,905
Tabora	49	581	585	274
Singida	68	796	832	328
Dodoma	140	2,138	2,185	1,066
Njombe	10	1	127	71
Total	1,210	25,793	32,259	20,190

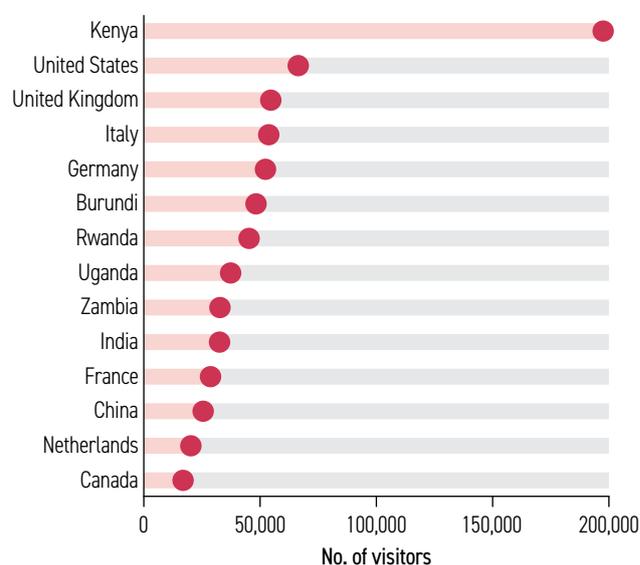
Source: Derived from Tanzania Tourism Statistical Bulletin.

market segments and test assumptions that these offers will appeal to the country's main generating markets (see figure 7.3). Among these markets, the world's highest spenders (from largest) are China, the United States, Germany, the United Kingdom, France, Canada, Italy, and the Netherlands.⁸ The United States and the traditional markets of Western Europe are by far the most dominant consumers of the Tanzanian tourism experience, and these, along with the fast-growing Chinese market, should be the focus of market research and promotion activities.

Tourism Policy and Institutional Framework

Tanzania's most recent National Tourism Policy is nearly 20 years old and dates from September 1999. Overall, the policy was a sound document that outlined several economic, social, environmental, and cultural objectives, as well as multiple specific policy strategies, all of which sought to ensure sustainability and maximum benefits for the country and its citizens. The strategies proposed for the core areas in the policy were all logical actions, however, they lacked implementation plans, appropriate resources, and institutional capacities to carry them out.

Overall responsibility for the tourism policy and its implementation in Tanzania lies with the MNRT on

FIGURE 7.3: Origin of International Visitors, 2015

Source: Derived from United Nations World Tourism Organization.

Note: The data records the total number of nonresident visitors by nationality, which includes nontourists. Tourists account for 77 percent of all international visitors to Tanzania.

the mainland and the Ministry of Tourism in Zanzibar. Despite the sound rationale and best practice of all the tourism and related areas of responsibility (wildlife, antiquities, forests, national parks, and so on) being consolidated under the umbrella of the MNRT, there is significant fragmentation and overlap in mandates and responsibility within the different functional divisions

and organizations under the ministry, and between the MNRT and its bodies and other ministries.

The MNRT is organized in four major operating divisions:

1. **Tourism Division:** The division is responsible for sector policy and planning, manpower training, classification and licensing of hotels and tourism agencies, and supervises the Hotel and Tourism Training Institute and the TTB. Important sections for investors within the division are the Tourism Training Unit, the Tourism Agency Licensing Authority (TALA), and the Hotel Board (the latter two being responsible for licensing and controlling travel agencies, tour operators, and accommodation facilities).
2. **Wildlife Division:** The division is responsible for all wildlife management outside designated parks and conservation areas and issues regarding hunting concessions and licenses. Management is split between the department and six parastatals:
 - Tanzania National Parks
 - Ngorongoro Conservation Area Authority
 - College of African Wildlife Management, Mweka
 - Serengeti Wildlife Research Institute: covers research for the whole country
 - Tanzania Wildlife Company
 - Tanzania Wildlife Authority: responsible for managing wildlife outside national parks
3. **Tanzania Forest Service (TFS):** The division was formed out of the Forest and Beekeeping Division (FBD) within the MNRT. It has taken over the responsibilities of the FBD for the management of national forest reserves (natural and plantations), bee reserves, and forest and bee resources on general lands. The FBD is responsible for the development of forest policy, laws, and regulations.
4. **Antiquities Division:** The division is responsible for managing the country's cultural heritage and patrimony.

Across all departments, the MNRT lacks the resources to effectively regulate the sector, manage assets, and implement development strategies. The different divisions operate as silos and are protective of their mandates to the extent that policies are often conflicting, particularly with respect to private sector operations in and around wildlife areas. For example, terms and conditions in concession contracts and fees are inconsistently applied.

Development Challenges

Policies and Governance

The multiple tourism development challenges faced by Tanzania are undermined by the inconsistent implementation of existing policies and the absence of a common all-of-government vision and direction for tourism development, which is further compounded by an unclear legal and regulatory environment, where approvals for new investments (or ongoing business operations) take too long and appear to be discretionary. Overall, the main issues could be summarized as:

- The general lack of capacity, motivation, and direction within each division and agency due in part to the constraints of the public service regulations;
- Each division within the MNRT takes an independent-silo approach—overlooking the critical cooperative and synergistic demands of the sector;
- Obvious inefficiency and duplication of governance, administration, and operational expenses;
- The lack of effective consultation, advisory, and engagement mechanisms with the private sector;
- The devolution of powers to regional governments without proper guidelines, protocols, or mechanisms for coordination;
- The TALA enterprise licensing and registration scheme is focused more on fees and tax collection than standards and quality assurance—which is its most important purpose;
- Coastal areas with tourism development potential are under the jurisdiction of at least four overlapping government agencies and ministries, making decisions about land use and approvals for investment very difficult to reach;
- Key teams are missing qualified professionals, especially on project management, destination planning, engineering, legal, and digital marketing;
- Competent and qualified staff cannot be retained and motivated because of public service salary constraints; and
- Fees collected from the tourism industry, such as the training levy, are not channeled appropriately to their decreed purposes.

For Tanzania to fully realize its tourism potential, these are the critical binding constraints that it needs to address: a clear tourism vision, a new policy, a strategic action plan, updated laws and regulations, and compe-

tent and resourced institutions to implement the action plan. Perhaps, most of all, the tourism sector requires a strong political economy and consistent inter-ministerial dialogue—a process that requires leadership from the top level of the government.

Public-Private Dialogue

In 2014, a Tourism Task Force (TTF) was initiated through the Tanzania National Business Council (TNBC). This important public-private dialogue initiative has resulted in a series of concrete recommendations to address the growth and inclusion challenges of the tourism sector in the country. They were presented to the Tanzanian government through the Tourism Confederation of Tanzania (TCT). The TCT is an umbrella organization that represents the private business sector (subsector associations) involved in the travel and tourism industry in the country; it is the unified voice of the industry. Members include the HAT, the Intra-African Travel and Tourism Association, Tanzania Air Operators Association, the Tanzania Association of Cultural Tourism (TACTO), the Tanzania Association of Tour Operators, the Tanzania Hunting Operators Association, the Tanzania Professional Hunters Association, the Tanzania Society of Travel Agents, the Tanzania Tour Guides Association, the Tourism Professional Hospitality Association of Tanzania, the Zanzibar Association of Tourism Investors, and the Zanzibar Association of Tour Operators.

While still existing on paper, the TTF and the TNBC have been dormant since the change of government in May 2015. These dialogue and advocacy platforms should be revived and formalized through memorandum of understandings (MOUs) with the respective local and national government bodies.

General Agreement on Trade in Services

Through an international trade lens, the General Agreement on Trade in Services (GATS) offers a framework for examining the challenges and opportunities for increasing and sustaining Tanzania's tourism competitiveness. Under the GATS, 125 World Trade Organization-member countries committed to liberalize tourism services as a means of trade and thus economic expansion and development (although there has been no further action by any member since 2004).⁹ The GATS framework focuses on two key areas of liberalization: Improving "market access" and extending

"national treatment" to foreign services and service suppliers, thus offering foreign suppliers the same treatment as nationals. Countries have committed to liberalize services in general, and tourism, specifically according to market access and national treatment through four "modes of supply" for three tourism subsectors (hotels and restaurants, travel agencies and tour operators services, and tourist guides services) and an open-ended "other" category. Box 7.1 shows the tourism service commitments for Tanzania and regional competitors.

Tanzania made three commitments for the tourism subsectors in terms of market access or national treatment:

1. Partial liberalization for only four-star hotels and above for market access.
2. Commercial presence: Acquisitions of domestic firms and mergers by foreigners are subject to approval by Cabinet. The acquisition of land by foreigners or domestic companies, which are deemed foreign because of foreign equity ownership, is subject to the same approval.
3. Presence of natural persons: Unbound, except for measures concerning senior managers who possess skills unavailable in Tanzania.

Market access for four-star hotels (and above) is symbolically positive, suggesting that higher-end investments are welcomed, but there's been no investments of this kind in the past decade. Foreign acquisitions of domestic firms and land are subject to approval regardless of the commitment on commercial presence. And the presence of natural persons, thus international movement of labor, is most relevant for the industry at the management level, but that is not included. Commitments on tourism services do not necessarily reflect liberalization leading to increased arrivals and/or receipts. Table 7.2 lists the GATS tourism commitments for Tanzania and their regional comparators in the East African Community (EAC) and the Southern African Development Community (SADC).

Regional Integration

Opportunities

Regional integration aims to increase trade and investment and promote competitiveness for all member countries of the EAC. Streamlining policies

BOX 7.1: Understanding GATS Terminology

A specific commitment in a services schedule is an undertaking to provide market access, and national treatment for the service activity in question on the terms and conditions specified in the schedule. When making a commitment a government, therefore, binds the specified level of market access and national treatment, and undertakes not to impose any new measures that would restrict entry into the market or the operation of the service. In many cases, the binding listed the existing restrictions, or even listed additional restrictions to provide for policy space. Consequently, commitments cannot be used to infer liberalization.

The four "modes of supply" are:

MODE 1: Cross-border trade. This is the delivery of a service from the territory of one country to the territory of another country. In tourism, an example would be a company such as the United Kingdom-based Safarihub selling travel packages online for delivery in Tanzania.

MODE 2: Consumption abroad. This covers the supply of a service of one country to the service consumer of any other country. Mode

2 is the actual consumption of the service purchased and delivered in mode 1, thus wherein a person travels to a foreign country to consume the tourist services. In other words, consumption in Tanzania of Safarihub's package would be considered consumption abroad.

MODE 3: Commercial presence. This covers services provided by a supplier from one country in the territory of another country. An example is the establishment abroad of a branch of a hotel chain or tour operator, thus the &Beyond Ngorongoro Crater Lodge, which is owned by the South Africa-based &Beyond company.

MODE 4: Presence of natural persons. This covers services provided by a supplier from one country through the presence of natural persons in the territory of another country. An example would be the &Beyond Ngorongoro Crater Lodge hiring a foreign manager. Cross-border movement of labor relates to this mode.

Source: Derived from the WTO Trade in Services website https://www.wto.org/english/tratop_e/serv_e/serv_e.htm.

Notes: GATS = General Agreement on Trade in Services.

TABLE 7.2: EAC and SADC: GATS Tourism Commitments

Country	Hotels and restaurants	Travel agencies and tour operators	Travel guides	Other
EAC countries				
Burundi	Extensive	Extensive	Extensive	Extensive
Kenya	Extensive	Extensive	Extensive	No commitments
Rwanda	Extensive	No commitments	No commitments	No commitments
Tanzania	Partial	No commitments	No commitments	No commitments
Uganda	Partial	Partial	No commitments	No commitments
Competing SADC countries				
Botswana	Partial	Partial	No commitments	No commitments
Mozambique	No commitments	No commitments	No commitments	No commitments
Mauritius	Partial	Partial	Partial	Partial
Namibia	Full	Full	No commitments	No commitments
South Africa	Partial	Extensive	Partial	No commitments
Zambia	Extensive	Extensive	Extensive	Extensive
Zimbabwe	Extensive	Partial	Partial	No commitments

Source: Derived from World Trade Organization.

Notes: EAC = East African Community; SADC = Southern African Development Community; and GATS = General Agreement on Trade in Services.

and regulations can lead to increased coordination and pooling of resources especially for the following tourism-related improvements: improved road and air access, fewer visa restrictions, increased cross-border movement of people and goods, more harmonization of national policies and standards, more coordinated trade and investment promotion, as well as on safety and security—all of which bodes well for increasing the volume and benefits of EAC regional tourism.

Potential improvements from regional integration could increase intra-regional travel. This is important because, as of 2014, over 40 percent of Tanzania's international arrivals were from East Africa (see table 7.3).

In 2014, as table 7.4 shows, EAC countries received 4.7 million international arrivals and earned US\$3.9 billion. Among the EAC countries, Tanzania accounted for nearly half of all tourism receipts and a quarter of all arrivals.

TABLE 7.3: International Arrivals to Tanzania from Eastern and Southern Africa, 2009-14

Country or region	2009	2010	2011	2012	2013	2014	Growth, 2009-14 (%)
Eastern Africa	304,856	334,986	354,635	411,065	456,552	458,695	50.5
Kenya	177,929	193,474	171,473	183,269	193,078	188,214	5.8
Burundi	14,581	17,440	34,341	43,194	34,873	51,553	253.0
Rwanda	14,331	14,754	17,676	25,199	46,637	50,038	250.0
Uganda	32,826	31,869	32,634	36,583	39,488	36,420	11.0

Source: Derived from United Nations World Tourism Organization 2016 Yearbook of Tourism Statistics.

As table 7.4 shows, intra-regional travel is already substantial. The no-visa requirement for EAC citizens and uni-visa for non-EAC citizens visiting EAC countries are helping to increase the flow of tourists. Although most of these arrivals were for visiting family and friends, Kenya, Uganda, and Rwanda are preparing strategies to target more leisure visitors from EAC countries; tapping the EAC market is a development that Tanzania could also benefit from actively pursuing. EAC regional integration is also relevant for tourism development because policy coordination in areas such as safety and security standards and programs, adoption of international hotel classification standards, and joint marketing of East African tourism would enable countries to pool their financial resources and expertise for greater benefits and thus increased tourism access, demand, and competitiveness.

Strategic Interventions

Strengthening coordination on regional tourism policy and marketing was addressed in Article 115 of the EAC Treaty, which requires member states to develop a regional strategy for tourism promotion, with the development objective of “ensuring equitable distribu-

tion of benefits” from sustainable tourism and wildlife resources. Yet, no EAC state has developed a specific regional strategy (individually or as a group). Nevertheless, the treaty identified several strategic interventions for action, which could provide a foundation for the EAC-member state regional strategies. Although all of the proposed interventions would certainly be a boost to tourism, a feasible starting point are the following top-priority interventions from the treaty:

- Market and promote East Africa as a single tourist destination, which, since 2006, has been partially occurring via the East African Tourism and Wildlife Coordination Agency (EATWCA) at international tourism fairs.
- Operationalize the EATWCA, which was created as an implementing agency for EAC tourism activities, including the implementation of the EAC Tourism and Wildlife Marketing Plan and Strategy of 2007.

In addition to these priority strategic interventions, a World Bank (2016a) study recommends increasing EAC coordination for improving and sharing statistics and research. It recommended several other interventions,

TABLE 7.4: Total Tourist Arrivals and Receipts in EAC Countries, 2014

Destinations	International tourist arrivals			Total international tourism receipts		Market share of SSA (%)	
	Receipts per visitor (US\$)	Total no. (million)	Change, FY2015 (%)	Total (US\$, billion)	Change, FY2015 (%)	Arrivals	Receipts
World	1,041	1,200	4.4	1,250	-	-	-
Sub-Saharan Africa	751	34.2	-0.6	25.7	-	2.8 (of world)	2.1 (of world)
EAC	-	4.7	-	3.9	-	13.7 (of SSA)	15 (of SSA)
Tanzania	1,770	1.13	4.7	2	16.5	3.3	7.80
Kenya	643	1.26	-12 (2013)	0.811	-13.7	3.7	3.16
Uganda	628	1.26	4.9	0.792	-40.7	3.7	3.10
Rwanda	329	0.926	7.2	0.305	3.8	2.7	1.20
Burundi (2010)	28	0.142	-	0.4	79.0 (2013/12)	0.4	0.02

Source: Derived from United Nations World Tourism Organization.

Notes: EAC = East African Community; SSA = Sub-Saharan Africa.

but improved research would provide the data needed to achieve other interventions such as improved crisis management and the creation of multi-country itineraries based on market demand and interest.

The EATWCA could both stimulate and benefit from increased statistics and research coordination. It was created as an implementing agency for EAC tourism activities, and, logically, an expanded entity should be the host site for the research portal mentioned earlier. Armed with the best possible data and research from each country, the agency would also be better positioned to achieve the other interventions, notably, joint marketing and the development of regional initiatives, especially related to routes and circuits, which would generate more operator and investor confidence and interest.

Increasing Economic Links

Tanzania's Tourism Value Chain

For Tanzania to become more competitive and provide expanded benefits from tourism, the multiple links across the tourism value chain (figure 7.4) should be strengthened.

Figure 7.5 is an illustrative example of the tourism value chain in Tanzania, it is based on estimates from the chief financial officer of a Tanzanian company that owns and operates multiple camping sites and lodges in the country, along with full food and beverage services and tour operations.

The value chain analysis in figure 7.5 highlights the following:

- Only US\$5,226.80 is relevant to Tanzania.
- The consumer price of US\$8,000 for the eight-day package only shows what the consumer was willing to pay for a safari experience in Tanzania, such as US\$1,000 per day.
- The US\$2,773.20 is "not a leakage" to the economy of Tanzania. These are fees retained by a company operating in another country.
- These are standard commission fees paid to retail and wholesale buyers and sellers.

The only time it can be considered a "partial" leakage is if there was transfer pricing between vertically-

integrated companies that sell in the source market and operate safaris and accommodation in Tanzania, but even then, the companies operating in the source market have costs and pay taxes locally.

For Tanzania to get a share of the US\$2,773.20, consumers would need to book directly with in-country agents and/or suppliers, such as the lodge and local tour operators. This would require a stronger internet presence and consumer confidence in Tanzanian service providers. The current business model for most tourism businesses in Tanzania is to be represented and marketed abroad through agents and brands in the source markets. Consumer protection laws in source market countries would have to be enforceable in Tanzania, including through the insurance and reinsurance markets.

The costs of the eight-day safari to the operator in Tanzania are as follows:

- Total US\$633.84 per day
 - US\$200 per day in food and lodging (31.5 percent of total)
 - › US\$123.5 per day transport (19.48 percent of total)
 - › US\$133 per day company overhead and local office operating costs (20.98 percent of total)
 - › US\$65.75 per day in salaries (10.1 percent of total)
 - › US\$73.26 in government taxes, fees, and levies (11.56 percent of total) (This does not include elements of overheads, salaries, and lodging fees that might also include taxes and fees to the government.)
- The same company operates safaris in Kenya and Uganda and they indicated that on average, Tanzanian safaris are 30–35 percent more expensive to operate. The reasons cited were:
 - Longer distances and high fuel costs
 - Unreliable and expensive electricity
 - Higher labor costs due in part to lower productivity
 - Higher resupply and repair and maintenance costs in lodges

Although input costs are proportionately high in Tanzania, taxes and levies for operating tourism companies are lower compared to other countries in the region. This brief value chain analysis has not been sufficient to explain why input costs are high and further analysis is recommended.

FIGURE 7.4: Typical Tourism Value Chain

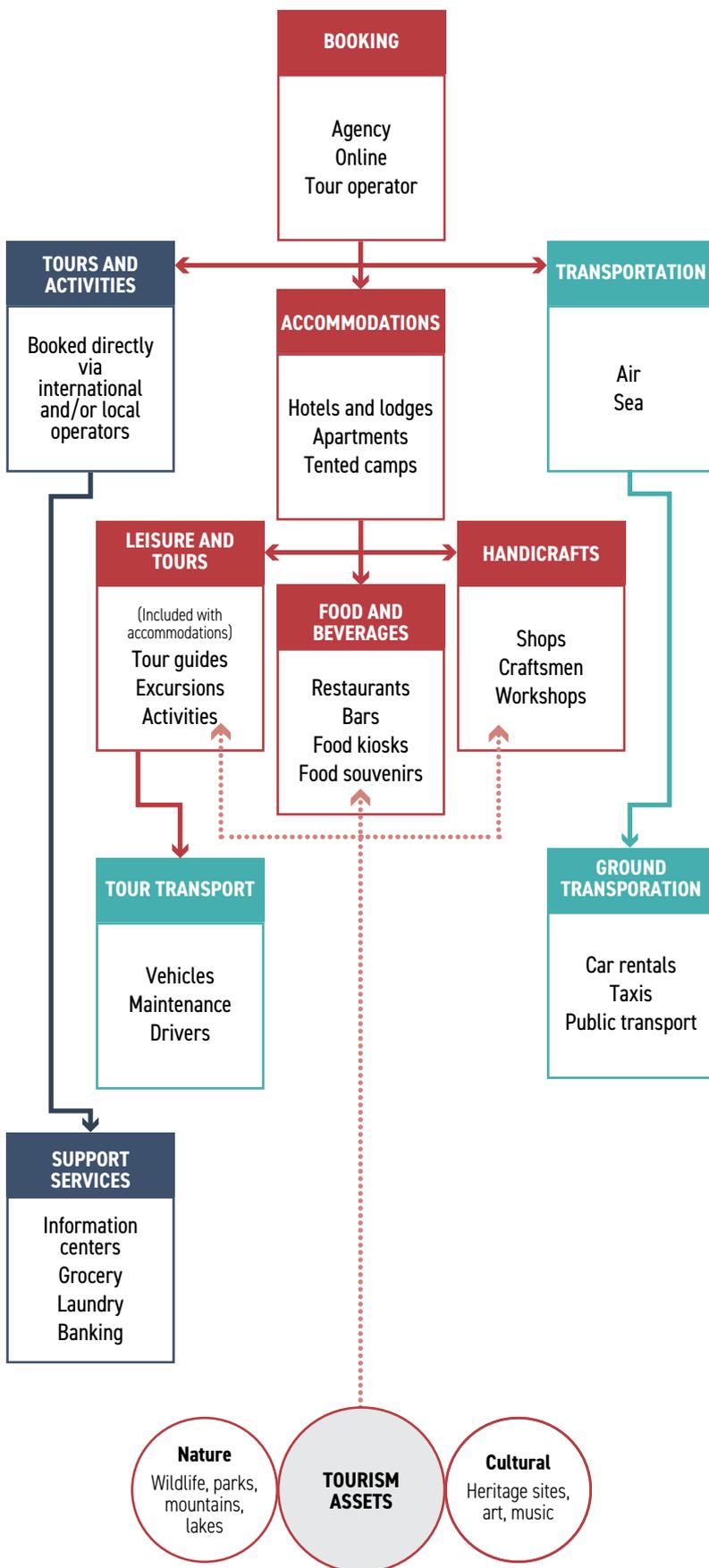
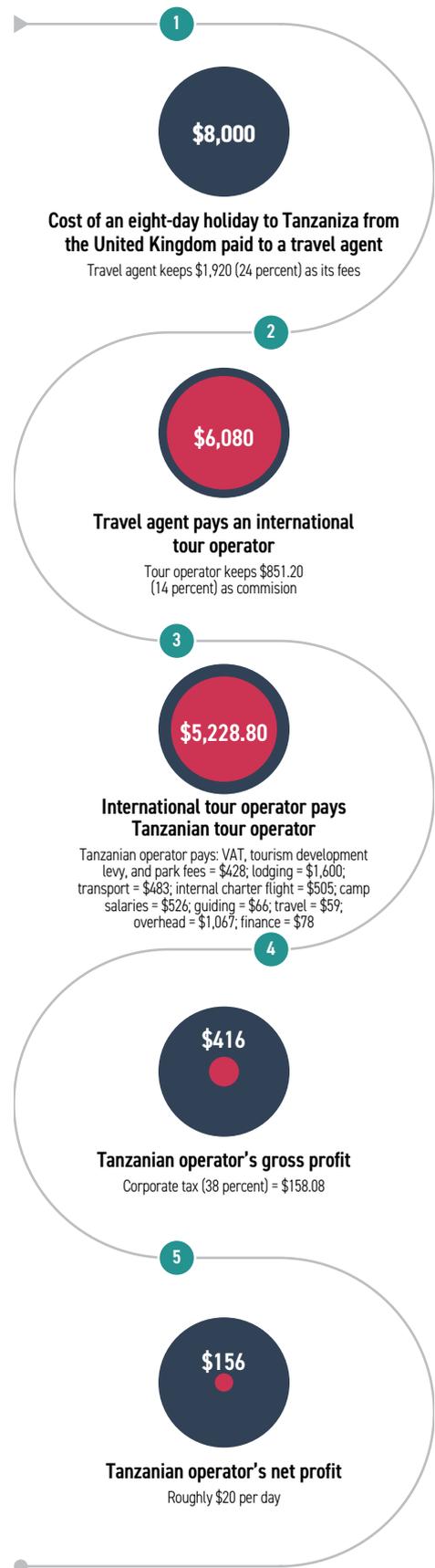


FIGURE 7.5: Illustrative Operator Value Chain for Tanzania



Integrate with Local Communities

Tourism can be an important source of local employment, income generation, and overall economic growth, as well as essential for conservation of natural and cultural heritage. Tourism-related assets (particularly wildlife) are typically not valued by communities as assets and are often subject to poaching and encroachment.¹⁰ Protected areas are sometimes regarded by the communities as restricting grazing and farming and thus restricting their livelihoods.

When communities are supplying goods, services, and activities for tourism (for example, food, beverages, handicrafts, guiding, cultural demonstrations, lodging services, and so on), the influx of tourists could benefit them. This influx could also stimulate a new (or expanded) export market for some of the goods, especially food and beverage. Numerous efforts are underway to help develop local communities to tap the tourism value chains for their benefit.

The Tanzania Cultural Tourism Program facilitates increased cultural experiences in multiple communities across the country for both tour and lodging operators and independent travelers. They helped establish the CTEs throughout the country, which provide local income generating opportunities such as tour guides, CTE coordinators, traditional dance and music performances, storytelling, accommodations, and direct sale of locally produced goods such as handicrafts, food, and beverages. The CTEs have the potential to scale-up and expand their service offerings, increasing visitor engagement with communities and local purchases by operators.

Increasing Local Purchases

In December 2015, the United Nations Industrial Development Organization and the International Trade Centre, in collaboration with the Tanzanian Ministry of Industry and Trade, organized a workshop on “Strengthening Tourism Market Linkages for Tanzanian Producers and Processors”; which was based on a United Nations Inter-Agency Cluster on Trade and Productive Capacity project.¹¹ Although “only 60 percent of produce sold to the tourism industry is being sourced locally,” the workshop noted that in Kenya and South Africa, more than 90 percent of produce is locally sourced.¹² And yet, 22 percent of all tourism spending in Tanzania is for food and beverages.¹³ The latter is substantial, but with only

60 percent of all produce sourced locally, there is also opportunity for growth.

Increased sales to the tourism industry are constrained by the following factors:¹⁴

1. Lack of direct communication channels due to the absence of standardization measurements, which makes it difficult to assure quality control of products;
2. Lack of a legal framework to enforce compliance with contracts;
3. High informality in the sector, which results in insecurity for farmers and for companies entering into contract-farming; and
4. Inefficiencies in the supply chain, as a result of lack of knowledge on integrated pest management, market information, farmers not being organized, poor irrigation infrastructure (limits production of off-season crops), weak management systems, and limited availability of organic pesticides.

Additional challenges cited by tourism-industry stakeholders include:

- Lack of consistent and dependable product quality,
- Unreliable delivery times,
- Inferior or inadequate product packaging,
- Prices are sometimes lower and delivery more predictable for imported items, and/equipment—such as laundry and kitchen appliances—have to be procured internationally.

International visitors expect hotels, tour operators, and restaurants to provide services, facilities, and food and beverages that meet international standards. With visitors, able to instantly broadcast negative reviews to hundreds—if not thousands—of people over TripAdvisor, Facebook, Twitter, or other social media channels, upholding these standards is assumed. However, meeting these standards can be a challenge for local producers.

Nevertheless, there are companies and producers who are increasingly meeting these standards and selling to the industry. These include:

- **Natureripe Kilimanjaro:** Mango juice and jam, cashews, and honey.

- **Masasi Food Industries Company:** Tomato ketchup, mango juice, mango slice pickle, mixed fruit jam, pineapple jam, and bottled water.
- **Darsh Industries:** Processed fruit products, including tomatoes; now selling to 10 hotels.

Opportunities for Increasing Visitor Engagement with Local Communities

Cultural Tourism in Tanzania

Cultural tourism is one of the fastest growing tourism segments worldwide, which is yet to realize its full potential for Tanzania. Cultural tourism offers one of the few economic opportunities for remote communities to reduce poverty, create employment, and stimulate regional development (Silberberg 1995). It also offers the opportunity for rural areas to showcase their cultural traditions (such as festivals, rituals), values, and lifestyle.

The CTEs throughout Tanzania have provided an excellent platform for this market segment to grow. The Cultural Tourism Program estimates that at least 1,500 people are employed in cultural tourism ventures as coordinators, tour guides, food providers, dancers, and handicrafts producers. Cultural tourism also includes home-stays and demonstrations of handicrafts production and herbal medicine rituals. Local communities benefit, not only from employment and income generation, but also through the revenue generated for their Village Development Funds (VDFs), which support community development projects. Although the majority of CTEs are concentrated in the northern destinations, they offer useful models for developing and maintaining cultural tourism offers, as well as managing the VDFs for the entire country. An estimated 70,000 annual visitors participate in cultural tourism activities in the northern part of the Tanzania. According to a baseline survey conducted by the TTB and the TCTP, in 2014, over 712 licensed tour operators in Tanzania include cultural-tourism activities in their itineraries.¹⁵

Tanzania Association for Cultural Tourism Organizers

The Arusha-based Tanzania Association for Cultural Tourism Organizers (TACTO) is an independent association that works with a range of cultural tourism

providers. It empowers disadvantaged communities to transform their lives through the development of sustainable micro-enterprises that offer cultural tourism products to tourists.

A Best Practice Example for Cultural Tourism in Tanzania: Mto wa Mbu CTE

The Mto wa Mbu CTE is between Arusha and Ngorongoro Conservation Area, ideally situated as a stop for visitors on their way to the parks. It employs 50 people including local guides, who lead visitors on multiple activities: climbing Balaa Hill; tours of a Maasai Boma, market, village, and farm; tours of the Miwaleni waterfall and lake; biking to Lake Manyara; cultural dance performance; local food production; and local brewing. Traditional lunches are prepared and served by local women in their homes. Local farmers sell their products including bananas and other fruits to the tourists and accommodation establishments. According to the ITC (2015), 50 percent of the food sourced in Kilimanjaro and the northern safari circuit is produced locally, accounting for around US\$5 million per year for the local farmers.

According to Elirehema Maturo, TCTP coordinator for the TTB-Arusha Branch, the Mto wa Mbu CTE earns up to US\$0.3 million per year. It contributes 20 percent of its annual revenue to surrounding villages through the VDFs, which supports community projects such as school construction, health centers, and clean water projects. The CTE also supports the women who make lunches for the visitors, bicycle hire groups, guides, and souvenir shop owners. In addition, the TCTP provides grants to around 300 farmers within the Mto Wa Mbu area to enable them to preserve their rice fields. The TCTP has also set up a microfinance scheme for small vendors to borrow from US\$30 up to US\$200. Lastly, the TCTP has supported the establishment of eight "roots-and-shoots" environmental clubs in Mto Wa Mbu, for 2,100 youths in the area villages.

Similar CTEs and cultural tourism programs have been established in the areas of Longido, Mulala, and Tengeru. Some of the revenue generated supports school construction, as well as a dispensary (Mulala) and orphanage (Tengeru).

BOX 7.2: Nomad Tanzania

Nomad Tanzania, one of the country's major tour operators, insists on maximum support of local communities through their day-to-day operations, as well as the Nomad Trust, which channels guest contributions to community and conservation support efforts. Examples of their community support activities include:

- **Microfinance loans** for their local guides to buy their own safari vehicles. They then hire the guides and their cars, allowing them to earn double.
- **Internal staff development and promotion** so that all have the opportunity to realize their own ambitions within the company. Some of their guides, for example, started as waiters or room stewards.
- **Rigorous guide training** for old and new guides to advance their knowledge of wildlife, bush craft, photography, and basic hospitality skills to make them amongst the best in the African safari industry.
- **Concession fees** are paid to Nduara Loliondo, a Maasai community area that serves as an important buffer zone bordering the Serengeti National Park to ensure that wildlife can move unhindered through the area. This helps create an incentive to look after the game that passes through.

- **Eco-loos:** In some of their especially remote locales, water bowlers must travel 80 kilometers each day to collect enough water for the guests to take a shower. To reduce the burden on sensitive habitats, they have adopted eco-toilets that use a minimum amount of water and environmentally sound digesters.
- **Home-grown vegetables:** In the remote Mahale Mountains, the locale is a 24-hour ferry journey from the nearest town (or a four-hour flight), where most of their camp food comes from. Through the Nomad Trust, they have set up a near-by community vegetable garden, which now supplies most of their vegetables, and provides valuable income for the local community.
- **Support for local organizations and businesses:** Most of the furniture in their Lamai locale, for example, was made by a company that has been training former street kids to become expert carpenters.

In addition to Nomad Tanzania, other tour operators and organizations are conducting similar efforts throughout the country. Tanzanian operator, Classic Tours & Safaris, and international operators such as Micato, Overseas Adventure Travel, and Abercrombie & Kent also include community support, as well as community visits in their programs.

Small-Scale Tourism and Gender Considerations*Small-Scale Tourism*

According to a survey, apart from a few large hotels and tour operators, with more multiple accommodation facilities, most operators in Tanzania are small scale (MITI and FSDT 2012). At the time of the survey, in September 2010, there were an estimated 3.1 million businesses owned by 2.7 million people, with 54 percent in rural areas and owned by women. Services, which would include tourism, comprised 30 percent of all the businesses. The survey found the following challenges for small-scale businesses:

- Only 43 percent keep records (mostly basic and patchy). Only 4 percent are formally registered (Tanzania Business Registry) and 5 percent have Tax Identification Numbers.
- 68 percent are single-employee businesses (including the owner).
- Education of owners: 74 percent completed primary education and only 7 percent have secondary education or higher.
- Business running skills: 72 percent had no training and only 21 percent and 7 percent had business and technical training respectively.

- Access to finance: Only 20 percent have formal access to finance and 69 percent are excluded.
- 91 percent of owners did not take a loan to start their businesses.
- Only 0.4 percent have insurance.
- On reasons to run business: 72 percent said they did it for survival reasons whereas 20 percent run their business part time.

Barriers to accessing finance include financial illiteracy, lack of collateral, lack of record keeping, informality, banks take a long time to process the loan, strict regulations, and lack of proper products for small businesses.¹⁶

Among these challenges, addressing the lack of business skills is a top priority because it would enable the businesses to operate more effectively and professionally, and thus become more knowledgeable of and eligible for finance. Training and capacity building are needed for record-keeping, business operating skills, and financial planning. Increasing local purchases and community engagement, as mentioned previously, could help spread the benefits of tourism—but not if 57 percent of the businesses do not keep records, only 5 percent pay taxes, and only 0.4 percent have insurance.

The lack of the latter (especially) would disqualify any prospective tour operator or transport operator from contracting with tour operators from the European Union (EU) and North America, as well as operators from other parts of the world.

Tour operators in the EU, for example, are subject to the EU Package Travel Directive, which places full liability on the operator if anything goes wrong; that operator would, therefore, want to be sure that the Tanzanian operator who is serving their clients is sufficiently insured.

Limited Number of Suppliers in Tanzania

With very few SMEs insured and operating professionally in Tanzania, it is not surprising that the MNRT reported (see table 7.5) a relatively small number of registered and licensed suppliers. Kenya, for example, has over 600 licensed tour operators (nearly double the number of Tanzania's) and over 400 luxury and four-star tented camps (more than 10 times of Tanzania's). Kenya received only 130,000 more international visitors than Tanzania (1.26 million for Tanzania and 1.13 million for Kenya), but of the total, they received nearly 300,000

Americans compared to 70,000 for Tanzania in 2013. The low numbers for Tanzania suggest that there is a potential for increasing the number of suppliers, particularly those who cater to the American market, which tends to spend more for East African trips. Further, given the much lower number of American visitors in Tanzania, this also suggests an opportunity to increase extensions from Kenya to Tanzania. Table 7.5 provides the number of registered businesses by category; none of which are large-scale, apart from perhaps the town hotels.

The MNRT stated that additional properties, not accounted for in table 7.5, are either unregistered and/or considered unsuitable for tourists. In addition to the registered properties, there are now more than 200 listings on Airbnb (a home-rental website), which include apartments, houses, and formal accommodations (such as lodges). These private accommodations are not yet required to register as businesses and thus pay the same taxes and fees as licensed formal accommodations. Airbnb is becoming more popular worldwide, so the tax and licensing issue, which is being raised in cities around the world, will no doubt also become an issue for Tanzania as well. Airbnb is working with municipalities to help collect taxes upon payment, a practice that may also work for Tanzania.

TABLE 7.5: Number of Registered Tourism Businesses

Business type	No. of businesses or properties
Campsites	14
Car hire	23
Air charter services	3*
Caravan	1
Cottages	2**
Handling agent	4***
Horseback riding	2
Balloon safari	2
Hunting safari organizers	39
Lodges	223
Mobile camps	6
Mountain climbing	118
Photographic safari	6
Professional hunter	128
Serviced apartment	1
Tented camp	35
Tour operators	322
Town hotels	74
Travel agents	77

Source: Tanzanian Ministry of Natural Resources and Tourism.

*There might be more, but since they have no license from the Tanzanian Ministry of Natural Resources and Tourism, they are not reflected here.

**Unclassified.

***Many might be operating illegally.

Further, table 7.5 does not include independent and semi-independent safari and mountain guides, porters, and cooks. The guides alone, according to Emanuel Mollel, Secretary General of the Tanzania Tour Guides Association, number as many as 6,500, while porters and cooks are 33,500. The association is attempting to create an umbrella organization of guides, cooks, and porters that would include the 800 members of the Tour Guides Association. Such an organization could be helpful for organizing training, product development, marketing, and start-up financing, as well as ensuring registration and licensing.

Registration and Fee Requirements

All tourist agents are required by the Tourist Agents Act (Licensing Regulations) of 1969 to be registered and licensed to offer tourism services in Tanzania. Tourist agents are registered and licensed based on the following classifications (see also table 7.6):

- **Tour operators.** For citizens, the operator requirements include having "suitable office premises...a

fleet of not less than five road worth[y] vehicles [that are] not more than five years old...comprehensively insured." Start-up operators are thus automatically excluded. Noncitizens must have no less than 10 new vehicles.

- **Car hire, travel agent, and mountain climbing or trekking operations.** Must be 100 percent Tanzanian owned.
- **Hunting safaris**
- **Tour guides.** Must be a Tanzanian national and "have adequate experience as reasonably required in this profession." Contrary to the nationality requirement, noncitizens are also eligible to be guides.¹⁷

For aspiring Tanzanian entrepreneurs who wish to launch class "A" and class "C" businesses, these fees are probably beyond their reach. The registration and licensing processes in Tanzania are more extensive, costlier, and lack transparency relative to those in Kenya and Rwanda. Through a more streamlined licensing, such as in both of the latter countries, costs could be reduced in Tanzania, thus enabling more small business growth in tourism.

Labor Mobility in the EAC

The EAC Treaty includes a "common market protocol on the free movement of labor or workers," which allows workers from any EAC country to accept employment in other EAC countries. They cannot be discriminated against based on their nationality; they can travel freely without visas between EAC-member countries' borders. According to the protocol, all five member countries committed to open up for professionals. Tanzania has not specifically liberalized for mode 4—presence of natural persons—which would facilitate cross-border movement of labor from other EAC-member countries, but it is generally open for professionals, technicians, and associate professionals. It is "unbound" on commitments, except for measures concerning senior managers who possess skills that are unavailable in Tanzania.

Tanzanian Women in Tourism

Tackling trade-related constraints and promoting export-led growth in the tourism sector can provide significant opportunities for women. In Tanzania, tourism can help poor women break the poverty cycle through formal and informal employment, entrepreneurship,

TABLE 7.6: Classification of Tourism Businesses

Applicable business types	License fees
Class "A"	
<ul style="list-style-type: none"> • Proprietors, owner-drivers, and self-employed drivers of passenger vehicles used in a tourist agent's business • Tour or safari operators • Safari outfitters • Motor vehicle for hire enterprises offering tour transport facilities • Big-game fishing outfitters and operators • Proprietors of safari, hunting, or sightseeing lodges and proprietors of tented, camps catering for tourists • Travel bureau or booking office, which offer tour safaris other than those of an airline, and operates international air tour and does not carry on any tourist activities in Tanzania • Professional safari photographers • Mountain climbing 	<ul style="list-style-type: none"> • For foreign operators that are less than 50 percent Tanzanian owned = US\$5,000. • For majority Tanzanian owned = US\$2,000.
Class "B"	
<ul style="list-style-type: none"> • Professional hunters; • Persons letting-out vessels, whether manned or not; • Proprietors of enterprises offering camps and camping equipment for hire; • Professional and self-employed guides and couriers; and • Any other business of a tourist agent, not otherwise classified. 	<ul style="list-style-type: none"> • For Tanzanian citizens = US\$200. • For noncitizens = US\$1,000.
Class "C"	
Tourist hotels	US\$1,000
Exclusive clubs	US\$2,500
Unclassified hotels	US\$200
Class "D"	
Curio shops	US\$200

Source: Tourist Agents Licensing Act, Amendment 3, 2011.

training, and community betterment. In addition, due to its low-entry barriers, flexible working hours, and availability of part-time arrangements, the sector offers opportunities that may be particularly suitable to the needs of women, including the possibility of balancing work and household responsibilities, and of working from home, for example, on artworks, handicrafts, and so on. A number of gender-specific constraints, however, still prevent women from fully unleashing their trade and economic potential in Tanzania's tourism sector, and from benefitting in the same way their male counterparts do—in some cases, those constraints may also contribute to perpetuating and/or reinforcing certain gender stereotypes, biases, and gaps.

Employment is arguably the single most important benefit which tourism offers to Tanzanian women. Employment can provide income, economic and social empowerment, and health benefits for women and their families throughout the country. As is the case in other sectors, however, access to tourism-related employment may be gender based, and suffer from stereotyping and sex segregation into different occupations. Even where women are the main tourism workers, they tend to be often found in menial, semi-skilled, domestic and service type occupations such as housekeeping, reception, and other services. Due to lack of unionization, these jobs usually require low skills, are low paid, and tend to have the lowest security of tenure and benefits.

In the tourism-related food industry, women are often at the bottom of the hierarchy as restaurant helpers, cooks (not chefs) and waitresses. In the travel sector, similarly, women would typically have access to seasonal, part-time, or minimum-wage employment, and be employed, for instance, as travel agents in small travel agencies. The airline industry is also an example of a segregated sector: women may dominate sales, ticketing, and flight attendant positions, yet the majority of airline chief executive officers, managers, and pilots are likely to be men. Tour guiding offers a similar picture: the profession is traditionally male dominated, and whilst the number of female guides is progressively increasing in the country, they may face discrimination and/or difficulties due to a mix of factors, including the remoteness of some tour locations (and women's subsequent inability to leave the household for long periods), the lack of trust from tour operators and sometimes tourists, or the limited availability of separated accommodation at tour camps

(where female guides may be asked to share dorms with their male colleagues).

Tourism also offers significant employment opportunities to women in the informal sector, yet here, too, gender hierarchies exist. Women may informally provide a wide range of services to tourists, such as washing clothes, petty trading, cooking, and childcare, and also often be involved in the production and marketing of ethnic handicrafts—on the other hand, men may more frequently provide skilled, higher-profit informal services, such as tour guiding, boat touring, and so on.

One of the factors constraining women into low-skill, low-pay tourism jobs is limited access to higher education and training. According to World Bank data¹⁸, female enrollment rate in tertiary education in Tanzania was at 2.7 percent in 2013, and of those women who managed to reach tertiary education that year, only a modest 25 percent enrolled in services programs (which include tourism). Access to finance can also be a major constraint for women trying to enter the tourism sector: as a result of several factors including poor credit records (or lack thereof), limited access to collaterals, and mistrust from loan officers. It may be indeed difficult for prospective female tourism entrepreneurs to secure the necessary financing.

It is also important to emphasize that (reliable) gender-disaggregated data on education, training, employment, and income of women in Tanzania's tourism sector, as well as compelling analysis of gender gaps in each of those areas, is chronically lacking, both at the national and international levels. This severely limits the possibility to make informed decisions and to craft (trade) policies that appropriately respond to the needs of female players in the industry.

The Asilia Africa Travel Company (which runs 20 luxury camps and lodges in Kenya, Tanzania, and Zanzibar) described the following reasons for the gender imbalance:

- Women are sometimes reluctant to put themselves forward for what are traditionally considered men's roles [due to] different factors—dislocated geography, perceived nature of the work, and a family's reluctance to allow their daughters or wives to work in a predominantly male environment far from home; and
- The inherent limitations on account of being a woman

in Tanzania—there is less societal belief in their capabilities, less support for them, and by extension, they have less belief in themselves, less confidence. These limitations are exacerbated further by practical restrictions—relatively few women in Tanzania drive, for example, many camps lack facilities to accommodate female staff.

Finally, voice and agency of women in tourism has been traditionally limited in Tanzania. In 2011, the Association of Women in Tourism Tanzania (AWOTTA) was formed to help get women more involved in the tourism industry. According to Mary Kalikawe, owner of Kiroyera Tours and chair of AWOTTA, “Women have been invisible and unheard for too long, yet they are the backbone, strength and wisdom of our country,” she said, “there is a very big gender imbalance in the sector, especially in lucrative positions, say taxi drivers—there are no female taxi drivers in Tanzania whereas this is a facility used by all tourists, tour guides too, a big skew towards men due to the nature of the job and on the boards for advising government, again very few women, so there is very little heavyweight representation for them.”¹⁹

Human Resource Development

The key human resource challenge is to develop and offer higher quality, more competitive tourism experiences and services in Tanzania. This requires skilled labor, which is lacking due to weak education and training programs and disincentives for the industry to formally hire and train workers.

In June 2015, the World Bank highlighted in the Country Economic Memorandum (CEM) the need to generate employment as critical for reducing poverty. The CEM stated that “[c]reating better conditions for obtaining secure and decent earnings is the most direct and sustainable way to lift out of poverty the 28 percent of Tanzanians (12 million people) still living below the poverty line.”²⁰ Tourism was cited as one of the best existing and potential sources for accomplishing this.

The challenge has worsened due, in part, to Tanzania’s growing population that is outpacing improvements in the education system. Between 1990 and 2014, the country’s population more than doubled from 25.46 million to 51.82 million, and is forecast to grow annually by 3 percent (World Bank 2016). According to research from the International Growth Center and the Tanzanian

President’s Office Planning Commission, “around 55 percent of the country’s population could be low-skilled, 33 percent medium-skilled, and 12 percent high-skilled.” While the country aspires for middle-income status by 2025, “the proportion of the high-skilled working population will need to increase fourfold and the proportion of the medium-skilled labor will need to be more than double” (Moyo and others 2010). And yet, as reported in the Labor Force Survey (2014), only 6.1 percent of Tanzanians have reached any degree of postprimary education. Technical and vocational training programs are underdeveloped and only a handful of firms offer on-the-job training.”²¹

For over one million people—over 10 percent of the total employment—in Tanzania and Zanzibar, tourism is already providing jobs, directly and indirectly. According to the World Travel and Tourism Council’s (WTTC) 2016 report on Tanzania²², in 2015, the industry directly supported 386,500 jobs (3.4 percent of the total employment) and indirectly 1.1 million jobs (10.3 percent of the total employment). By 2026, travel and tourism is forecast to indirectly generate 1.5 million jobs (10.2 percent of the total employment).

However, despite this positive estimate, tourism industry representatives cite the lack of skilled labor as a serious constraint for sustainable growth overall, especially for the industry.²³ The main workforce weaknesses are in business skills, understanding visitor needs and expectations, customer service, and online communications (Christie and others 2013). The lack of skills also extends to ancillary industries critical for tourism such as marketing, architecture, design, and information communications technology (Pio 2016). Richard Rugimbana, CEO of the Tanzania Confederation of Tourism, and Lathifa Sykes, CEO of the HAT, both stressed this as a high-priority issue. Foreign labor and improved local training programs would address the issue.

When labor is unavailable locally, tourism firms have to hire foreign workers, but eight laws govern the issuance of work permits for these workers. Even if these workers were available and could be formally hired, they are subject to both mandatory social contributions and the 5 percent Skills Development Levy (SDL), which the World Bank (2014) has cited as “extremely high by international and regional standards.” The SDL is charged based on

the gross pay of all payments made by the employer to the employees. It is important to understand that the SDL is due and payable by an employer. In South Africa, for example, the equivalent levy is only 1 percent of salaries. Revenues from the 5 percent SDL in Tanzania are supposed to be used to fund skills training programs, but that is only partially the case. Consequently, as the CEM (2014) emphasizes, “[t]he combination of these restrictive policies provides a disincentive to use formal labor and as such to train and retain skilled workers.”²⁴

For tourism, the postsecondary National College of Tourism (NCT) in Dar es Salaam, with a branch in Arusha, aims to be a main source of skilled labor. NCT administrators and tourism industry representatives, however, noted that the college does not have the financial and human resources to provide all the trained and skilled staff currently needed by the industry. The Jambiani Tourism Training Institute in Zanzibar faces similar challenges.

The NCT’s budget for full operations is US\$1.5 million, which comes from several sources—29 percent is subsidized by the Tanzanian government, 36 percent from the Tourism Development Levy, and the remaining 35 percent from tuition and additional assistance. However, in 2015, college officials explained, the college received only 29 percent of their total request from the government and in 2016, they received only 6 percent.

Finance and Land

Access to Finance Issues

Access to finance from banks and investors for tourism businesses in Tanzania and Zanzibar is difficult and/or costly, and thus a significant development challenge. According to the Bank of Tanzania, there are 39 bank groups registered in the country, including branches of international banks, such as the Bank of India, Barclays, China Commercial Bank, and Citibank.

One of the largest, in terms of customer base and branches (more than 150), is the National Microfinance Bank PLC (NMB), which offers SMEs loans ranging from US\$7,500 to US\$750,000. NMB loans can be used as a working capital loan or for longer-term investment needs. The bank emphasizes their flexibility on repayments for businesses with irregular cash inflows. Their loans, however, are not for start-up businesses.

Eligibility for their loans requires at least three years in business, a steady cash flow, a proper recording system, capability to operate a profitable business, and the necessary permits and licenses for operations. The extent of their lending to tourism-related businesses has not been publicized.

The Tanzania Women’s Bank (TWB) began to assist women entrepreneurs to access loan finance in 2009. The bank offers loans for small businesses that can provide three years of audited accounts, a tax clearance certificate, business plan, and certificate of registration. As with the NMB, although TWB specializes in SMEs, their loans are not for start-up businesses. However, they also lend to and manage the accounts of savings and credit cooperative societies (SACCOS). SACCOS exist throughout Tanzania, especially in rural areas, and might serve as local sources of tourism-related financing.²⁵

Interviews with a private banking sector specialist in Tanzania reaffirmed the lack of bank financing for tourism enterprises.²⁶ He said that, in 2015, the bank made only two loans for tourism businesses; in 2014, no loans were made. The average size of the loans was just over US\$1.5 million for a term of five to seven years at an interest rate of 7.5 percent. No special program exists for SMEs or tourism businesses.

The banking sector in Tanzania does not offer specific tourism products. They only provide standard short-term loans or credits that are available to everyone. Interest rates are still high—ranging from 18 to 22 percent. Even worse, nothing is available for start-ups. Ongoing businesses may be able to secure specific facilities based on how well their business is performing, but it is not applicable to all. A lack of familiarity and understanding of the tourism sector may account for some of reticence of banks and microfinance groups to lend to tourism-related enterprises.

Land

In Tanzania, land is not readily available (or identifiable) for investors since only 10 percent is registered and titled. Both the Tanzania Investment Center (TIC) and the Zanzibar Investment Promotion Agency (ZIPA) explained the process to obtain land for tourism development. For both mainland Tanzania and Zanzibar, there is no land bank, land information system, or list of avail-

able land for development, so investors have to first identify available land themselves.²⁷ Over 90 percent of the country's land is public "general" land and not specifically titled. Land is available for lease, usually from District Councils, on a 90-year lease. In Zanzibar, a land bank existed based on a tourism master plan, but, according to ZIPA, "the land is almost finished now" for tourism development.

Foreign investors can obtain land for investment through the TIC, where a "derivative right" is granted. There are two main ways how investors can obtain land for investment:

1. Apply for land acquisition from the village, then follow all the necessary steps required until the land is transferred from village land to general land and given to the TIC to prepare a derivative right for the investor.
2. Purchase a parcel of land from individuals or companies, then, once the buyer and the seller have agreed upon the price, the seller is required to surrender the land title to the commissioner for lands to reissue it in the name of the TIC, which will eventually prepare a derivative right for an investor.

This process is based on the Land Act of 1999,²⁸ which states that all land shall continue to be public land and remain vested in the president as trustee for and on behalf of all the citizens of Tanzania. The law recognizes three types of land in Tanzania:

1. *General land* is surveyed land usually located in urban and near-urban centers.
2. *Village land* is usually land in villages and within villages in rural Tanzania. Some village land is surveyed, but the majority is unsurveyed. Village land cannot be used for investment until it is transferred into general land.
3. *Reserved land* includes that reserved for forestry, national parks, public recreation grounds, and so on.

Most of the land is unregistered and without title, which leaves residents and investors with uncertain "property rights and makes enterprises and individuals vulnerable to losing their land and delay[ing] their investment plans." The lack of secure property rights reduces access to long-term financing, as immobile assets cannot be used as collateral for borrowing from

financial institutions. It also contributes to increased transaction costs, as parallel channels have to be used to acquire and secure land property rights. Obtaining official land titles is possible, but costly (3 percent of the property value for notarization plus legal fees) and can only be issued in Dar es Salaam.²⁹ Documents and permits, which are only issued in Dar es Salaam, represent a prohibitive hurdle for small investors, traders, or farmers who reside outside the commercial hub.

The second land-related issue concerns protected areas specifically. Policies for granting accommodation concessions inside protected areas are not consistent across the different categories of protected area and are subject to sudden change. Many operators in the private sector cited this issue as the single largest obstacle to new investments.

Business-Enabling Environment

Taxes

In general, the business-enabling environment for tourism is challenging due to the multiplicity of taxes, levies, and fees, and a confusing, often overlapping collection system spread across multiple government entities from the local to the national levels. In 2013, the Tanzanian National Business Council found through a Big Results Now-Business Environment Lab that the "multiplicity of laws and regulations, licenses, permits and certifications; as well as the involvement of regulatory bodies/institutions with duplicative mandates; hampers enterprises' competitiveness and limits their growth potential. Most procedures are burdensome and lack transparency. Businesses are unable to access clear information about which licenses they need to obtain as well as what requirements they need to comply with to obtain a license. In turn, the requirements to retain a license create the need for numerous decentralized inspections."³⁰ Similar concerns have been expressed by the HAT and the TCT. Basically, disorganization and lack of transparency are costing the industry extra time and money to untangle the complex multiple taxes, levies, and fees.

In fiscal 2015, two World Bank initiatives analyzed the business environment for tourism, and especially focused on licensing fees and taxes—an initiative that reviewed all tourism-related taxes and fees and "the

elephant in the room,” an economic update on tourism in the country. The latter aptly summarized the business environment for tourism as follows:

“[It] is currently neither conducive to the development of productive partnerships and viable business operations nor amenable to investment. In particular, levies and taxes within the tourism sector are unpredictable, uncertain, and often duplicative. For example, the number of tourism licenses, levies, and fees can range from 10 for travel agencies, to 115 for air operators.”³¹

From discussions with the industry, however, the cost of these taxes and fees was not the primary issue. Rather, the more important issue for them was the confusing and overlapping processes and procedures involved with obtaining licenses and permits and paying the various taxes (listed in box 7.3) to different authorities. With a more efficient and transparent system in place, the Tanzanian government’s collection costs and the private sector’s compliance costs would probably be reduced, and more business could be conducted, thus resulting in more tax and fee revenue for the government.

Incentives

Incentives, according to the Tanzania Investment Act of 1997, mean tax relief and concessional tax rates are accessible to investors. Tax incentives, however, are

BOX 7.3: Tanzania Major Taxes and Fees

- The Income Tax Act allows for 50 percent capital allowances for plant, machinery, and equipment used to provide services to tourists and in a hotel.
- Corporate tax is 30 percent.
- Withholding tax on interest = 10 percent.
- Withholding tax on dividends = 10 percent.
- Income tax for individuals = 13 percent to 30 percent.
- Income tax for nonresident individuals = 20 percent.
- All employee benefits are taxable.
- Skills and development levy = 5 percent of total gross salary and wage payments by employers to employees.
- Value added tax is 18 percent on all taxable goods and services.
- The Tourism License from the Tourism Agency Licensing Authority = All operators must pay US\$5,000 up front and own a minimum of five vehicles.

determined by the Income Tax Act of 2008 and the EAC Customs Management Act 2004 (which actually resulted in abolishing income tax holidays). Tax incentives are now granted to investors through enhanced capital deductions and allowances (TIC 2014).

1. Wholly owned by a foreign investor or if a joint venture, the minimum investment capital is not less than US\$300,000 (or the T Sh equivalent); or
2. If locally owned, the minimum investment capital is not less than US\$100,000 (or the T Sh equivalent).

Whilst both requirements may appear to be relatively high, the one set for local investors can be particularly burdensome for micro, small, and medium enterprises (MSMEs)—especially considering that, out of more than 2.7 million MSMEs covered by the 2010 survey, almost 95 percent had a start-up capital of less than US\$500.

“Specifically, the government will rationalize tax incentives to remove most costly ones, consolidate all tax exemptions in the tax laws and repeal incentives that harm or contravene the EAC common market agreements. Further, the government will harmonize SEZ incentives to the approved EAC Incentives Policy.”³²

Tourism businesses can import duty-free, four-wheel-drive vehicles built for tourism purposes and hotel equipment (which is engraved or printed or marketed with the hotel’s logo) (TIC 2014). Other items that are “deemed capital goods”—such as building materials, utility vehicles, and other equipment—are exempt from 75 percent of import duties that is due. Until the beginning of July 2016, these goods were also exempt from 45 percent of the value-added tax that is payable.

Overall, these capital incentives have been insufficient to attract increased tourism investment. The last major hotel investment in Tanzania was more than 10 years ago. At that time, tourism was the lead sector for foreign direct investments. However, at least three multi-property tourism investments are in progress by investors who believe that projects based on the quality of Tanzania’s wildlife attractions will be profitable.

Visas

Visas are not required for EAC citizens traveling between EAC countries; they are required for

noncitizens. Single regional visa and visa-on-arrival schemes in the EAC and the SADC country blocs have been initiated and are expected to help boost arrivals within each region. In fact, according to the UNWTO,³³ by easing visa requirements and thus reducing international travel costs, Tanzania and other countries in the EAC and beyond could see more growth in jobs and their GDPs. UNWTO-WTTC³⁴ research also has shown that improving visa processes could generate an extra US\$206 billion in tourism receipts and create as many as 5.1 million additional jobs in Group of Twenty countries. Developing countries, such as in the Association of Southeast Asian Nations region, could realize US\$12 billion in international tourism receipts by the end of 2016. The research also notes that visas, which are expensive or difficult to obtain, can be a disincentive for tour operators and independent travelers to include a country in their itineraries—thus opportunities lost. Overall, East Africa is on track to realize these benefits—it is the second-most open subregion globally according to the UNWTO. However, Tanzania has not joined the East Africa single visa scheme yet, reportedly due to concerns about security and disproportionate revenue sharing.

Air and Land Access

Tanzania is cooperating regionally on improved ground transport (roads and rail) through the Infrastructure Consortium for Africa, which includes initiatives for improved eastern and central transport corridors. The country is also cooperating with the Northern Corridor Integration Projects, which links the EAC landlocked countries (Uganda, Rwanda, Burundi, and South Sudan) with the Port of Mombasa in Kenya; it also serves northern Tanzania. Lastly, Tanzania signed a MOU with Rwanda and Burundi for the development of a regional rail network. Improved ground transport will reduce travel time between countries and thus further encourage tour operators to offer multi-country itineraries.

Air service liberalization has proven to benefit economies and tourism in Africa. As of May 2014, Tanzania has signed bilateral air-services agreements with 13 countries, including the main generating countries of Germany, the United Kingdom, Switzerland, and the United States, and initialed agreements with 38 other countries.

Addressing Constraints to Growth

Table 7.7 is a summary of existing World Bank projects and programs related to tourism in Tanzania. The priority action matrix for tourism (table E.1), identifies three top priorities—such as those actions that could clearly have immediate impacts on tourism growth and are more within the existing capacity for implementation.

Existing World Bank Projects and Programs

Since 2015, the World Bank has conducted three tourism studies in Tanzania, one of which is focused on expanding tourism development into southern Tanzania, another focused on taking stock of taxes impacting the industry, and a third provides an economic update of tourism in the country. In addition to these studies, the following are in-progress or under production: a new national tourism strategy, a multi-sector education and training skills development program, a report on streamlining the regulatory framework, advisory services to promote private sector growth in tourism, and a development program for nature-based tourism in southern Tanzania.

The DTIS process can be helpful in coordinating all of these efforts towards a single integrated national level tourism development program. The program should be developed in close consultation with the MNRT so that the result can be managed and implemented by local staff. Table 7.7 presents a summary of projects targeting the tourism sector. Ensuring effective coordination and complementarity across initiatives is essential.

Priority DTIS 2017

Policies, laws, regulations, and governance. For further tourism development in Tanzania, it will be essential that improvements are made through inter-governmental coordination and communication; public-private dialogue; and policies and legal and regulatory frameworks are reviewed, with the aim to improve elements of competitiveness and streamline investment and business operating procedures. The need for cooperation, coordination, and alignment is very important in a sector like tourism, which affects and is affected by almost everything that happens in an economy and society.

TABLE 7.7: World Bank Tourism Initiatives for Tanzania

Project, program, or analytics	Description	Status (as of June 2017)
Private Sector Competitiveness Project	Development of a new national tourism strategy	Under tender
Program-for-Results: Education and Skills for Productive Jobs	Strengthens institutional capacity to expand and improve training in tourism (and other sectors).	Under preparation
Development Policy Operation: Business Environment and Competitiveness for Jobs	Improving the business environment for tourism (and other sectors) via streamlining the regulatory framework.	Completed and now closed.
Assist in Determining the Taxation System in Tourism	A list of all taxes, levies, and charges paid by tourism sector has been posted on the Tanzanian Ministry of Natural Resources and Tourism's website.	Completed
Advisory Services: Promoting Inclusive and Private Sector-Led Growth in Tanzania Through Business Environment Improvements	Increasing competitiveness, investments and jobs in tourism.	Under preparation
Investment Lending: Resilient Natural Resource Management for Growth Project	Developing and conserving nature-based tourism in Southern Tanzania (such as Ruaha National Park, Mikumi National Park, Udzungwa National Park, and Selous Game Reserve), enhancing local economic benefits and improving landscape and watershed management.	Under preparation
Tanzania Tourism Futures: Harnessing Natural Assets (Study)	Study on opportunities and constraints of diversifying tourism into the southern circuit, especially in Ruaha.	Completed September 2015
Tanzania Economic Update: The Elephant in The Room: Unlocking The Potential Of The Tourism Industry For Tanzanians (Study)	Economic update on tourism.	Completed January 2015

Public and private sector workforce development.

Tourism cannot develop and progress without sufficiently-trained human resources. By enabling Tanzanians and (especially) Tanzanian SMEs to access better tourism education and training, more businesses will hire them and, in turn, improve the quality and competitiveness of their services and product offerings. This means, ensuring, at a minimum, that the NCT receives the budget that is allocated to them. The capacity building should also be applied to government officials, particularly those involved with tourism.

- Increase access to training and capacity building, especially for business management, financing, and product development for SMEs.
- Apply the funds as already allocated by the Ministry of Finance to support the NCT, or consider developing a public-private partnership.
- Support the AWOTTA with their needs assessment, which will help focus on priority training and skills needs.

Access to finance. Improved access to finance would benefit a range of tourism businesses. The establishment of a USAID-type credit guarantee for banks and

microfinance groups would enable them to lend more to tourism businesses.

- Establish a program similar to the USAID-supported Development Credit Facility, which provides credit guarantees to financial institutions, and programs that provide credit and lending for tourism enterprises and operations in Tanzania.

Business-Enabling Environment. A one-stop-shop approach is needed for tourism businesses, ideally accessed, as much as possible, online. This will reduce administrative costs for the Tanzanian government and compliance costs for the private sector, and enable more sustainable and competitive growth.

- Streamline and rationalize the tax collection process to reduce overlapping and duplicative functions and administrative costs, and facilitate payments through the establishment of a one-stop-shop, similar to what exists in Rwanda and Kenya.

Access to land. There is a shortage of land that is readily available for the development of tourism infrastructure. Policies for granting concessions in protected

areas are not harmonized and are not secure.

- Land surveys and a central database should be finalized
- Improved security of tenure in protected areas for accommodation investors

Notes

1. From the Projects and Operations (database) of the Private Sector Competitiveness Project Additional Financing for Tanzania, World Bank, Washington, D.C., <http://projects.worldbank.org/P145971?lang=en>.
2. WTTC (2016) and statistics from the MNRT.
3. WTTC (2016) and statistics from the MNRT.
4. Dalberg Global Development Advisors and Solimar International (2015).
5. Mira-Salama (2017).
6. Dalberg Global Development Advisors and Solimar International (2015).
7. tanzaniaculturaltourism.com.
8. UNWTO Tourism Barometer, 2016 <https://www.e-unwto.org/doi/pdf/10.5555/unwtotfb0834010020112015201611>.
9. For more information, visit the WTO's Documents Online website at <http://bit.ly/1RGM5Hw>.
10. The Swahili word for wildlife is "nyama" or meat.
11. From the Programs and Projects (database) of the Trade Sector Development Programme: Market Value Chains Relating to Horticultural Products for Responsible Tourism Market Access Project, International Labour Organization, Geneva, http://www.ilo.org/addisababa/countries-covered/tanzania/WCMS_412362/lang--en/index.htm.
12. UNIDO and others (2015).
13. UNIDO and others (2015), p. 10.
14. UNIDO and others (2015).
15. Summary from Elly Maturo, Cultural Tourism Program, April 26, 2016.
16. MITI and FSDT (2012)
17. http://tanzaniatouristboard.com/forms/Tourism_licence_TALA_forms.pdf.
18. <https://data.worldbank.org/indicator/SE.TER.ENRR.FE?locations=TZ>.
19. Positive Impact (2016).
20. World Bank (2015b).
21. University 1.3 percent, tertiary nonuniversity 1.8 percent, and vocational training 3 percent MOF (2015).
22. Travel & Tourism Economic Impact 2016

Tanzania, World Travel & Tourism Council, London, p. 1

23. February 2016, interviews with representatives from the Tanzania Confederation of Tourism, the Hotels Association of Tanzania, and individual hotel managers.

24. World Bank (2014), p. 22
25. FSDT (2014).
26. Interview with Barclays Tanzania.
27. The Integrated Land Management Information System (ILMIS) is being implemented as part of the World Bank's Private Sector Competitiveness Project.
28. Land Act 1999, Chapter 113.
29. World Bank (2015b).
30. World Bank (2015b), p. 18
31. World Bank (2015c).
32. World Bank (2015b).
33. Travel & Tourism Economic Impact 2016 Tanzania, World Travel & Tourism Council, London, p. 1 and the Visa Openness Report 2015, UNWTO, Madrid, p.
34. UNWTO and ITC, 2015, *Tourism and Trade: A Global Agenda for Sustainable Development*, Geneva.

References

- Christie, Iain, Eneida Fernandes, Hannah Messerli, and Louise Twining-Ward. 2014. *Tourism in Africa: Harnessing Tourism for Growth and Improved Livelihoods*. *Africa Development Forum*. Washington, D.C.: World Bank and Agence Française de Développement. <https://openknowledge.worldbank.org/handle/10986/18688>.
- Dalberg Global Development Advisors and Solimar International. 2015. *A Strategy for Tourism Development in Southern Tanzania*. U.S. Agency for International Development, Washington, D.C.
- DFID (U.K. Department for International Development). 2016. *Quarterly Economic Memorandum*. DFID, London.
- FSDT (Financial Sector Deepening Trust). 2014. *GIS Census of Financial Access Points - Highlights 2014*. Dar es Salaam: FSDT. <http://www.financialaccess-maptz.com/downloads/FinAccessMAPBOOK-web.pdf>.
- ITC (International Trade Centre). 2015. *Tourism and Trade: A Global Agenda for Sustainable Development*, Geneva: ITC. http://www.intracen.org/uploadedFiles/intracenorg/Content/Publications/Tourism_and_Trade_low%20res_2014-2015-335.pdf.
- Mira-Salama, Daniel. 2017. Tanzania - Process Framework for the Resilient Natural Resources Management for Tourism and Growth Project:

- Resettlement Plan. <http://documents.worldbank.org/curated/en/711321501869603123/Process-framework>
- MITI (Tanzanian Ministry of Industry, Trade and Investment) and FSDT (Financial Sector Deepening Trust). 2012. National Baseline Survey Report for Micro, Small, and Medium Enterprises in Tanzania.
- MNRT (Tanzanian Ministry of Natural Resources and Tourism). 2014. The 2014 Tourism Statistical Bulletin. MNRT, Dar es Salaam.
- MOF (Tanzanian Ministry of Finance). 2015. *The 2014 Integrated Labour Force Survey*. National Bureau of Statistics, Dar es Salaam.
- Moyo, Mujobu, Rebecca Simson, Arun Jacob, and François-Xavier de Mevius. 2010. "Attaining Middle Income Status: Tanzania—Growth and Structural Transformation Required to Reach Middle Income Status by 2025." International Growth Center, London and Tanzanian President's Office Planning Commission, Dar es Salaam.
- Pio, Alex. 2016. "Trade in Tourism Services and Regional Integration in Southern and Eastern Africa." In the *Unexplored Potential of Trade in Services in Africa*, edited by Nora Dihel and Arti Grover Goswami, 159–185. Washington, D.C.: World Bank.
- Positive Impact. 2016. "Women in Tourism: Why the Inequality?" *Asilia* (blog), Asilia Africa, March 8. <http://www.asiliaafrica.com/women-in-tourism-why-the-inequality/>.
- Silberberg, T. 1995. "Cultural Tourism and Business Opportunities for Museums and Heritage Sites." *Tourism Management*, 16(5), pp. 361-365.
- TIC (Tanzania Investment Centre). 2014. *Tanzania Investment Guide*. Dar es Salaam: TIC.
- UNIDO (United Nations Industrial Development Organization), International Trade Centre, UN Inter-Agency Cluster on Trade and Productive Capacity, Swiss Confederation State Secretariat for Economic Affairs, and Tanzanian Ministry of Industry and Trade. 2015. *Strengthening Tourism Market Linkages for Tanzanian Producers and Processors*. Workshop report. Dar es Salaam, December 10. <http://unctad.org/meetings/en/Miscellaneous%20Documents/ditcted-10122015-WorkshopReport.pdf>.
- UNWTO (United Nations World Tourism Organization) and ILO (International Labour Organization). 2013. *Economic Crisis, International Tourism Decline and its Impact on the Poor*. Madrid: UNWTO.
- UNWTO (United Nations World Tourism Organization). 2013. *The Cost of Closed Doors*. Madrid: UNWTO.
- . 2015. *World Tourism Barometer*. Madrid: UNWTO.
- World Bank. 2014. *Tanzania – Country Economic Memorandum*. World Bank, Washington, D.C.
- . 2015a. *Tanzania Economic Update*. World Bank, Washington, D.C.
- . 2015b. Program Document for a Proposed Credit to the United Republic of Tanzania for the First Business Environment for Jobs Development Policy Operation. World Bank, Washington, D.C.
- . 2015c. *The Elephant in the Room: Unlocking the potential of the tourism industry for Tanzanians, Economic Update*. World Bank, Washington, D.C.
- . 2016. "The Unexplored Potential of Trade in Services in Africa." Edited by Nora Dihel and Arti Grover Goswami. World Bank, Washington, D.C.
- . 2016. *World Development Indicators*. World Bank, Washington, D.C.
- WTTC (World Travel and Tourism Council). 2016. *Travel and Tourism Economic Impact - Tanzania*. WTTC, London.