

**ZAMBIA TRADE AND INVESTMENT ENHANCEMENT  
(ZAMTIE)**

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**LIVINGSTONE TOURISM ASSOCIATION  
MANAGEMENT AUDIT**

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# LIVINGSTONE TOURISM ASSOCIATION - MANAGEMENT AUDIT

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## **I INTRODUCTION**

### **1.1 The Livingstone Tourism Association**

Livingstone is known as a tourist capital of Zambia and is famous for the Victoria Falls. The Livingstone Tourism Association was formed relatively recently and brings together tour operators; lodges, hotels and other locally based tourist providers. It has a good level of membership but does not as yet encompass the full range of tourist related businesses within Livingstone.

The Livingstone Tourism Association (LTA) was formally established in 1995 and is a voluntary membership organization, which aims to promote tourism in Livingstone and the Southern Province of Zambia. It has a membership of 64 as of 17<sup>th</sup> May 2002 and represents many tourism activities and services in Livingstone and Southern Province. From an initial membership of less than 20, the LTA has grown rapidly and is now well placed to play a key role in tourism development in the province and Zambia.

Recently, the LTA has revised its membership fee structure to accommodate smaller organizations. These range from Kwacha (K) 100,000 to K920,000 per year. The LTA's membership includes several small organizations and individuals. The LTA has assumed a high public profile and is viewed both positively and negatively as an "action oriented" organization. It has gained recognition from both local and central government. However, as shall be discussed in later sections, the Association has also had misunderstandings over certain issues with government; these have strained relations between the LTA and the government, particularly in the recent past.

The Chamber of Commerce and Industry in Livingstone is not a particularly active organization. On the other hand, the Livingstone District Business Association (LDBA) is dynamic and has a large membership. Its membership includes several that are involved in the tourism industry, including 10 to 12 guest houses, 5 pubs, 3 bureaux d'echange, 10 restaurants, a pest control service, and 2 tour operators.

### **1.2 Purpose of the Consultancy**

The ZAMTIE project is considering opportunities to support business service organizations (BSOs) in ways that will contribute to the BSOs' needs and the ZAMTIE objectives.

The ZAMTIE project received requests from four Zambian business organizations, namely; the Eastern Province Chamber of Commerce and Industry (EPCCI), the Kabwe Chamber of Commerce and Industry (KCCI), Kabwe District Business Association (KDBA), and Livingstone Tourism Association (LTA), for assistance in improving their

sustainability and services. These associations represent a broad spectrum of the private sector and share similar difficulties and needs.

Currently, many business associations, including the LTA, suffer problems of low numbers of members, inadequate capacity to operate full time secretariats, and generally inadequate funding to run key services for their members. Such limitations contribute significantly to LTA's difficulties in further increasing membership and acting as a strong lobby to engage the public sector in a meaningful way. More importantly, they limit the LTA's ability to sustain itself as an active organization over the long term.

It is against the above background that ZAMTIE commissioned a management audit for the LTA. The objective of the audit was to help the LTA to examine its strategy and management procedures in order to help the LTA improve its long-term success and sustainability, and to enable ZAMTIE to consider actions to support the LTA. The consultancy will thus serve the following purposes:

- Introduce ZAMTIE to more of the LTA constituency;
- Expand the process of discussion to identify LTA priorities and possible areas of ZAMTIE involvement;
- Assess the strategy and objectives of LTA to determine consistency with the ZAMTIE mandate, and to judge the likelihood that ZAMTIE interventions would produce helpful, substantial results;
- Assess the capacities, management and governance of LTA to determine if the Association and ZAMTIE would be appropriate development partners;
- Permit LTA and its membership to understand ZAMTIE, and determine whether ZAMTIE would be a desirable partner for LTA; and
- Identify possible support that ZAMTIE could effectively provide.

To obtain information and ideas, ZAMTIE consultants interviewed many executive and regular members of LTA, other stakeholders in Kabwe, and stakeholders and knowledgeable sources in Lusaka. LTA provided useful documents. The consultants used JAA's "*Diagnostic Tool for Assessing Business Associations*" as a framework for several elements of this assessment.

## **II. DISCUSSION OF THE LTA**

### **2.1 Objectives of the Livingstone Tourism Association**

The LTA constitution specifically lists the following objectives:

- Promote tourism in Livingstone and the Southern Province;
- Uphold the standard of guiding;
- Encourage community participation and awareness;
- Uphold and enhance the standard of service and general cleanliness in the various tourists facilities; and to ensure the presence of a sustainable environment which forms the basis of tourism;
- Identify unexploited tourism potential with the view of marketing and offering it to the consumers;
- Attract tourist by publishing, to the best possible advantage, the attractions and amenities available;
- Encourage private transporters to augment private transport and improve the existing system to as to facilitate both domestic and international tourists;
- Obtain subscription from members and to raise revenue by other means;
- Through active participation of members, achieve aims as may be manifestly of benefit to Livingstone as a whole.

The constitution further states that the activities of the Association will be conducted strictly on a professional, non-denominational and non-political basis.

The executive and regular members interviewed by the Consultants emphasized the marketing of Livingstone tourism, and lobbying of Government for focus on tourism and improvement in policy and regulation, as the most important objectives of the LTA.

The Executive Committee believes that the LTA membership primarily wants, from their Association:

- Information;
- Impact on issues affecting the individual business; and
- Participation in the general benefit from LTA action; and marketing of Livingstone.

## **2.2 Management and Governance of the Association**

### **Governance Practice**

The LTA is a fairly well governed organisation, although some aspects of governance are still being developed and formalized. Considerable progress has been made in this respect.

The LTA holds Annual General Meetings and regular Committee meetings. Minutes are kept of all meetings. The LTA meetings are characterized as democratic and open affairs – members are able to challenge or raise issues at all times. The current Executive was described as being more open and inclusive in its decision-making and actions than earlier Executive Committees. The minutes of recent meetings indicate reasonable Executive Committee transparency.

Detailed accounts are presented at the AGM, but (for cost reasons) there is no independent formal of the accounts.

Volunteer time and budget hinder better communication and sharing of information with membership. Communication with membership needs to be improved.

### **Executive Committee**

Currently, the Committee comprises the following individuals:

#### Officers

Chairman	Alan Harkness, Tongabezi Lodge
Vice Chair	Clarissa Hughes, Bundu Adventures
Secretary	Donna Murray, Co-opted individual

#### Other Executive Committee Members

Charles Zulu, Playfours Tours  
Dave Lewis, Geckos Guesthouse  
Karien Kermer, Wildside Tours  
Stacey Wilmot, Nationwide Airlines (co-opted)  
Paul Myburgh, Nyala Lodge  
Rob Du Preez, United Air Charter (coopted)  
Mr. Esau Nebwe, Tunya Lodge

The Treasury and Secretary functions are combined. Within the main Executive Committee, there are four subcommittees. Subcommittee responsibilities include:

Government	Charles Zulu
Marketing and Membership	Karien Kermer, Stacey Wilmot, Paul Myburgh, Rob du Preez
Policy Issues	Alan Harkness, Clarissa Hughes
Environment and Natural Resources	David Lewis

Currently, all Executive Committee members are volunteers and increasingly are finding it difficult to balance time for their own business and the LTA business.

### **Membership**

As mentioned, membership has grown quickly since the new Committee assumed its role, more than doubling, to 64 members.

The LTA has made particular efforts to attract more indigenous Zambians to the LTA, and to widen the membership to include more smaller enterprises. A less expensive category of membership was established to facilitate this, and in some cases new members have actively been recruited.

The Curio and Handicrafts Association, which represents about 100 primarily SME members, has recent been accepted as a member of LTA.

### **LTA and TCZ**

LTA is a member of TCZ, the apex tourism body in Zambia. LTA reports that its interests are not being adequately represented by TCZ, and criticizes TCZ for its seeming concentration on issues of interest to the Lusaka-based tourism industry and for being “too close” to government. TCZ, on the other hand, believes that its manner of representing the industry to government is appropriate. It acknowledges severe resource constraints, and is concerned that too much attention to subsidiary organizations without at the same time having a strong centre could be damaging to the industry’s overall interests. Communication and collaboration between TCZ and LTA have not been as effective as would be hoped, but a start has been made to improve the situation.

## **2.3 Strategy of the Association**

The LTA has in many respects assumed more responsibility and broader roles than seem to have been originally intended. Early on, LTA did not intend to play such a significant role in representing all kinds of businesses in the tourism industry in Livingstone. The LTA recognized, however, that it was the only organization that could effectively speak for Livingstone tourism. It also recognized that its sustainability would be enhanced by a wider role and greater representativeness. Thus, LTA has assumed large roles as a lobbying group and in spearheading marketing activity for the industry in Livingstone.

The vision of the LTA for Livingstone has been expressed (by a “shadow Executive Committee”) as follows:

*“To become the gateway of southern and central Africa in order to reverse the trend away from Victoria Falls and to become the major destination in Africa and to then become one of the top ten in the world.”*

LTA’s core strategy now centres on three key elements: active marketing of Livingstone tourism, effective lobbying for the industry, and increasing LTA’s representativeness.

Until recently, simple survival as an industry and as businesses was the paramount concern of LTA and its membership. Livingstone was not a major tourism destination, and was very poorly served by airlines. Zimbabwe offered easier access to tourism, was cheaper, offered significantly better and better-clustered services, and had outstanding name recognition. Visitation in Livingstone over the last decade is considered dismal when compared to visitation in Zimbabwe or other major tourism destinations. According to one LTA member, occupancy at the Zambezi Sun during its first year was about half of the expected level (27% versus 55%).

With new opportunities and optimism, notably spearheaded by the establishment of the Zambezi Sun, by the new airline services and by the declining situation in Zimbabwe, the Zambian industry in Livingstone is showing a more active approach to promoting its future growth.

Assisted by an IESC expert, the LTA has developed more collaboration with the local agencies and authorities, and has defined and adopted a more aggressive and concerted marketing approach. LTA aims to market Livingstone as a world-class destination, and combines targeting specific market segments with a low cost/no cost marketing approach. Rather than involving large promotional and marketing expenditure, no cost/low cost marketing seeks to use free and low-cost publicity and promotional opportunities. Typical actions include joining (or “piggybacking”) the marketing of Livingstone and Zambia with promotional efforts of other organizations (e.g. airlines), targeting itineraries that can be added to those of packages elsewhere in the region, seeking free or low cost media exposure, carefully-targeted promotion of specialized packages, and other actions. LTA’s members will also try to leverage the relatively intensive image and marketing that the Zambezi Sun is developing to build its own occupancy levels. The strategy is to market Livingstone as well as Zambia as a whole, and demonstrate that Zambia is a first class alternative destination to Zimbabwe.

LTA’s strategy also involves gaining wider community involvement in the promotion of tourism and increasing the number of activities that visitors can participate in during their stay in Livingstone.



Necessarily, this strategy requires LTA to actively confront the severe constraints in the environment for tourism and tourism-related businesses.

The LTA has seen the need to rethink its core strategies in response to criticism and the tendency for the public to view the LTA as being simply for foreign investors. Significantly, the LTA has also realized the importance of reaching out to the Government and to be seen as a representative body of key private sector tourist operators encompassing the full spectrum of organizations within the sector.

The LTA has been accepted in the community as the legitimate voice of the tourism industry. LTA has been asked to play leadership roles in several initiatives with the City Council and other bodies. Under the current Mayor and Town Clerk, the LCC is spearheading an “Implementation Committee”, looking at what Livingstone needs for the tourism industry, and highlight concerns and put them forward. This Committee is intended to be an integrative factor in Livingstone. It includes LTA, ZNTB, ZAWA, ZRA, Immigration, LCC, the press, LDBA, Nationwide Airways. The public sector reportedly asked the LTA to “drive” the effort.

To summarize, the current strategy encompasses the following key elements:

- Compared to recent years, more aggressive marketing activity, targeting customer segments, and using a low cost/no cost marketing approach, as discussed above.
- Focus on the needs of particular market segments of the tourism industry.

The LTA membership is beginning to understand the characteristics of visitors to Livingstone, and to consider segmentation and targeting of desirable segments. The Zambezi Sun Hotel has been very active in attracting and catering to particular interest groups, many of higher-expenditure levels. The industry is learning to cater to these new classes of tourists, and to emulate and leverage the Sun’s efforts by targeting its marketing.

- Work more closely with the relevant Government institutions as partners.

The IESC consultant worked closely with the public sector and community organizations, in addition to LTA and its membership. The local public sector agreed on the need for focused action to improve tourism and the tourism resource, and supported the LTA’s marketing approach. The Implementation Committee is a vehicle for this public-private collaboration.

ZNTB has a marketing and advisory focus. LTA’s executive characterized the ZNTB as starting to open up to private sector input into marketing. Previously, the ZNTB was seen as not effective or active, and with minimal appreciation or

understanding of the business needs and perspectives of the industry. Now, it is reported to be asking for inputs, such as marketing materials, from the private sector. It is attracting journalists, and is generally performing better.

On the other hand, there is still ambivalence and unease in the LTA with respect to its relations and collaborations with the government agencies. The agencies are not yet seen as focused on the requirements for increasing tourism and tourism-related investment, and are not seen as being service-oriented. Too often – rightly or wrongly - they are described as being jealous and defensive, bureaucratic and rule oriented, and divorced from the goals and focus of sustainably increasing tourism and improving the tourism industry.

- Be more representative.

LTA has done several things to become more representative. It has actively sought to attract indigenous Zambian members. For example, it has adopted a tiered membership structure to reach out to the smaller operators. It has developed effective and active linkages with the LDBA.

- Work more closely with the general public and facilitate local community participation in tourism activities. LTA has promoted and participated in events and activities, such as Livingstone Tourism week, and eco-tourism and social tourism activities.
- Finalize an LTA members' Code of Conduct.
- Improve communication, both within and outside of the Association, through a newsletter and the website.

The LTA's Executive, it should be acknowledged, feels that the LTA vision and strategy have not yet been sufficiently discussed with and by its general membership. Hence, they may not be actively shared, and members' commitment to them may still have to be developed. Limited time and resources for communications with the overall membership has restricted wide discussion of the vision and strategy.

## **2.4 Constraints Identified by the Association**

The LTA has identified a number of constraints that impact the industry's function effectively. These constraints are both internal and external in nature. They include, amongst others:

## **Internal Constraints**

- Narrow membership base, leading to the perception that LTA is elitist and non-representative. The narrow membership base also limits its revenue base.
- Lack of a secretariat to serve members, to follow-up on Association management requirements and initiatives, and to serve as liaison between the LTA and other key institutions. The current total reliance on volunteers limits the LTA in all these respects.
- Insufficient communication linkage both with members and non-members.
- Inadequate analytical capacity to fully consider initiative and to prepare positions and lobby government (and other) organizations.
- Committee and general membership inexperience in running a business association.
- Lack of a sustainable revenue base for the Association.

## **External Constraints**

- Perceived absence of a clear national vision and poor understanding of tourism development in Zambia - the government and its agencies are viewed as not fully appreciating what is needed to develop tourism. This constrains the public-private sector partnership and dialogue.
- Poor facilitation of investment, especially in the tourism sector. Numerous barriers are cited for investment in general and for the sector specifically. There is little practical focus on ensuring that competitive investment takes place. The numerous license fees and the recent policy of requiring separate, often expensive, licenses for each service that a business wants to offer further limits investment (and creates particular barriers to SME entry). For example, some licensing fees (e.g. for operating safaris or for boat tour operation) are reportedly set at single (high) rates, which impose significant cost burden on those that operate at lower volumes or that are just entering the market.
- Local government departments are described as poorly run, lacking inadequate capacity, and lacking focus on making the tourism industry work. As an example, the regional office of the Ministry of Tourism has only two professional staff members in Livingstone – in a city that is designated the ‘Tourist capital of Zambia’, and that is the most significant tourism centre in the country.

- Poor support infrastructure, such as, roads, water and sanitation and telecommunications.
- Industrial decline within Livingstone has led to a lot of unemployed people in the streets and negative socio economic impacts. The resulting image (and safety problems) is unattractive to tourists.
- There is no high quality training in tourism services available in Livingstone.

## **2.5 Priorities and Ambitions of the Association**

The LTA thus has a number of priorities for Livingstone, for the Association itself, and for its membership. These include:

- Recruit a full time executive officer and the set up a secretariat.
- Establish an expanded facility that would also act as a Tourist Centre. The centre would offer a focal point and a variety of services to tourists e.g. booking service, shuttle service to the Falls, walking tours with guides). This centre would be operated on a self-sustainable basis. It could be combined with a secretariat.
- Continue to increase the indigenous Zambian representation in membership and on the Executive Committee. Particularly emphasize small participants in the industry, such as guest houses.
- Further improve the good governance of the Association, including a Code of Conduct and open, effective, transparent communication with members and the wider community.
- Sensitize Government officials to the needs of the tourism industry. Establish better linkages with and receive service from agencies.
- Increased local and national focus on the business investment needed by the tourism industry.
- Implement the marketing strategy for Livingstone and Zambia.
- Continue to increase the LTA's outreach and linkage with local organizations such as the LDBA and LCCI.

### III. CONSULTANTS' REFLECTIONS ON THE LTA

The objectives of the LTA are clearly set out in its constitution, as outlined in Section 2.1 above. These objectives provide the Association with guidelines for its strategies and actions, but the LTA may in fact have assumed additional, new responsibilities. The LTA's Executive Committee recognizes that not everything can be achieved at once and that there are urgent matters to deal with, and has thus developed the LTA's strategies in light of particular needs and opportunities.

LTA's overall objective is to develop and promote tourism in Livingstone and the Southern Province. It is inevitable that LTA, in pursuing this objective, will have significant impact on tourism development in Zambia generally, and thus may assume an increasingly prominent role in national tourism policy. LTA will also, inevitably, play a significant role in the Livingstone business community and economy.

As Zambia's key destination, it is vital that Livingstone be a successful test case and pilot for both the business community and the government and its agencies. Livingstone must be a focal point for public-private collaboration on developing tourism, the tourism resource, and the supporting structures and services that will enable the tourism industry to grow and be successful. Livingstone's tourism industry has to succeed – and government, the tourism industry in Livingstone, and the community need to be very practical and active in their development and implementation of policy, strategy services and collaboration. But these stakeholders are not yet thinking, discussing or operating in synchrony, and it may be that basic assumptions and understandings still diverge. Much work needs to be done to improve this focus and collaboration.

The first objective of the LTA is to promote tourism in Livingstone and Southern Province. The LTA's constitution, however, does not clearly state its currently significant role of acting as a lobbying group for its members. This is one activity that was perhaps not envisioned, but that has become a necessary tool for LTA to achieve its objective of promoting tourism. Its formal objectives indicate that LTA was in many respects the LTA was envisaged to be a group focused on marketing and quality, rather than a strong, effective private sector business association that needed to spearhead the growth of an industry and a community.

It is evident that the Government plays a significant role in determining the success of the tourism industry in Livingstone; it is a partner and a stakeholder. The Government and its agencies can do a lot to further the objective; and can also do a lot to impede its achievement. It is this crucial fact that makes the LTA's lobbying and collaborative abilities so important. The LTA should redefine objectives to reflect this aspect of its action-oriented approach that has been necessitated by the realities of the industry and its enabling environment.

The objectives with which the LTA was formed are sound if the LTA simply wants to remain a group of tourist operators that focus on promoting tourism in Livingstone and surrounding areas. However, the LTA cannot remain hermetic – the LTA is the credible leader in growing the tourism industry in Livingstone and Southern Province, and this leadership will require effective partnerships with the municipality, with the government and with government agencies. It will also require effective lobbying capacity and require membership to be broadened in order to provide the LTA with much needed power and credibility to advocate policy changes. It also requires the LTA to become more transparent and open with the Government and to refrain from adopting an adversarial approach.

In this regard, it would be worth considering restructuring and recommending clearly stated alternative objectives for the LTA that address the current and future needs of its members, particularly as the Association reaches out to new members and drives its mission to make Livingstone *“the gateway of Southern and central Africa, and to ultimately become one of the top ten destinations in the world.”* For the LTA to achieve this, it needs to clearly define its strategies and improve its management and technical capacities. As we shall outline in later sections there are a number of strategies the LTA can consider that will be in line with the current situation within the Association and the environment in which it operates.

The collaboration and communication needs to be reciprocated. It is troubling that, while a new Tourism Act is reported to be proceeding rapidly through preparation, neither LTA nor TCZ are aware of its content. The absence of open discussion and debate thus far is worrisome. Any Tourism Act needs to reflect the legitimate needs of the industry, the industry’s businesses, and the tourism-focused business-community partnership.

#### **IV. SUMMARY SWOT STATEMENT**

This summary SWOT analysis serves to highlight LTA's strengths, weaknesses, opportunities and threats.

##### **Strengths**

- The LTA represents all the major Livingstone based tourist providers.
- The LTA is relatively well managed and has a good corporate governance record; it recognizes that it has to improve and is trying to do so.
- The tiered membership structure allows smaller operators to become members.
- Good and visionary Executive Committee.
- Strong record of volunteerism.

##### **Weaknesses**

- No secretariat or executive officer.
- Historically poor public image, particularly with the Government.
- Narrow membership base that has been perceived to exclude local Zambians.
- Inadequate ability to analyze and articulate technical issues.
- Ineffective and insufficient collaboration with government agencies.
- Livingstone is not a particularly tourist-friendly city and environs. There are security concerns, the level of appearance and infrastructure are insufficient, activities, restaurants and shops are insufficient to interest tourists, particularly higher-value tourists. Livingstone is in many respects a one-resource location, the Victoria Falls being the tourist draw. There are, certainly, attempts to expand these offerings (e.g. river-based activities, some wildlife-based activity). But there is only limited working linkage with other major proximate resources, such as South Luangwa or Lower Zambezi.
- Unrealistic costs imposed on the industry by government agencies. For example, the entry (license) cost for a small guest house to begin to offer even limited numbers of safari tours was cited to be \$6000. One hotel manager described the need to obtain licenses for every service that the hotel offered (rather than on a per-business basis): health, bar, restaurant, hotel, tours, transfers, bakery (a manufacturing license), etc.

##### **Opportunities**

- Further develop linkages with the District Business Association.
- Expand networking and subcontracting among members.
- Possible positive change of Government policy towards tourism, with Livingstone as the center of this policy shift.

- Opportunities for marketing targeted at specific market segments, and for promotional activities at low cost.
- Recent events in Zimbabwe offer a window of opportunity to build the number of tourist arrivals.
- The marketing efforts of the Zambezi Sun Hotel provide opportunity for coincident marketing for Livingstone and Zambia. It offers also offers a window of opportunity to interest and attract new investment.
- The significantly improved international and domestic air links offer the opportunity to bring many more tourists to Livingstone. Moreover, airlines have demonstrated their willingness to respond to increased opportunity, and therefore increased interest by tourists in Livingstone can be expected to further generate increases in air service.
- Possibility of linking Livingstone's tourism industry with tourism resources/destinations elsewhere in Zambia, to offer a wider base of core tourist attractions.
- Possibility of targeting customer segments, and moving some of the industry to a high-value clientele. At the same time, possibility of increasing the industry focus on family-oriented Zambian tourists and other domestic segments.

### **Threats**

- Lack of practical, focused effort on the part of Government and its agencies to increase tourism, appeal, and attractions. Government inertia and lack of resources to effectively define and implement a sound tourism development policy
- Related to this, marked problems in the business and investment environment create tremendous hurdles for investment.
- Poor business-government partnership to encourage tourism growth and investment.
- Inadequate financial resources to effectively manage the Association
- Lack of understanding of tourism and its benefits amongst the smaller businesses and within Government



## V. SUMMARY OF KEY ISSUES AND THEIR IMPLICATIONS

The previous section highlighted some of the weaknesses and threats that the LTA must be aware of and respond to. It also recognizes that the LTA has numerous strengths and opportunities.

The need for business and government to act in a very focused manner to increase the tourist interest in Livingstone/Zambia, and the parallel need to improve the experience available to tourists, is paramount.

However, LTA should continue to recognize that in the recent past, fairly or unfairly, LTA has been tarnished with a reputation for “elitism” and even antigovernment sentiment, and that this issue needs to be continuously addressed if LTA is to be effective in its goals for the tourism industry and the Association. This is probably the single most important issue that the LTA needs to deal with if it is to gain any leverage over policy and implementation.

The LTA has realized the need to reach out and approach Government in a more partnership-oriented way than previously. A recent meeting held by the LTA, during the visit of the Consultants, with the Deputy Minister of the Southern Province highlighted the success of the conciliatory approach recently adopted by the LTA. This progress must be reinforced, and the collaboration enhanced and made to show real results.

The current lack of a focused and action-oriented public-private commitment and collaboration to foster the growth of tourism in Zambia is a core issue. Zambia also lacks an effective approach to encouraging investment in the tourism industry. There is no effective public-private approach to increasing Zambia’s attractiveness to tourists.

Operators still face many regulatory hurdles that lead to conflict between the LTA and the relevant statutory bodies. It seems that issues continue to frequently arise on an ad hoc basis – and LTA members find themselves embroiled in numerous difficulties related to service licensing fees, immigration, labour, land and taxes. Since there is yet to be a clear channel of communication between the LTA and Government, these problems are not resolved in good time and have been seen to sometimes lead to much more serious confrontation.

On the other hand, the LTA also has members who may not be following the law and regulations as they are currently set. LTA needs to enforce a Code of Conduct for its members.

Another issue that has major implications for the LTA is the seemingly poor linkage between the LTA and the Tourism Council of Zambia (TCZ). Government looks to the TCZ as its point of dialogue with the private sector in tourism. However, LTA does not

feel that it participates effectively in this dialogue process. The communication between LTA and TCZ is not fully effective. Also, LTA feels that TCZ tends to focus on Lusaka based tourism businesses and may not have the capacity to reach out to all the players in the sector. TCZ, from its perspective, is extremely resource-constrained.

As a result of the misperceptions in the eyes of Government and the general public, and of LTA's own capacity limitations, the LTA finds it very difficult to influence policy and its implementation. There is a real danger that the leaders in the LTA may get fatigued by the tensions and retire from playing a leadership role. This will damage prospects for investment and business growth in Livingstone.

Without a clear-cut policy on tourism and concerted implementation, Zambia has not benefited as much as it should have from its own resources and from the opportunities afforded by the problems in Zimbabwe. Further, the lack of sound policy framework and weak implementation has created barriers for quality foreign investment, but has encouraged some unqualified and unsupervised operators from Zimbabwe to operate in Zambia. For the LTA this lack of policy framework and focus has created a major problem, as many of its members have tried to re-invest but face major regulatory hurdles that increase the costs of doing business in Zambia. The LTA put together a consultation document that outlines the regulatory and similar costs that impact the operations of its members, but Government saw this document as a strong criticism of its performance. (Surprisingly, Government's own agencies may have provided incorrect information in return.) Thus Government has not yet acted upon many of the recommendations put forward by the LTA.

## VI. CONCLUSIONS AND RECOMMENDED STRATEGIES

### 6.1 Conclusions

The Livingstone Tourism Association is a well-established organization with a strong membership base and active Executive Committee. It is well placed to contribute significantly to the economic development of Livingstone and act as a partner with Government in tourism and economic development. The LTA is aware that it needs to reach out and improve its capacity to provide leadership in the tourism sector. It has a number of strengths that it can build upon and, due to the nature of its members' businesses, can build a sustainable Association.

In moving ahead LTA needs to develop strategies focused on the following themes:

- Effective marketing;
- Building technical and managerial capacity;
- Outreach and representation;
- Leadership Role in Livingstone; and
- Linkages with other organizations.

All of these themes fall within the mandate of ZAMTIE, but they may not all necessarily require the project's full support. Some may be able to be supported by other donor projects or agencies.

It is important to note that the LTA has already used a lot of its own resources to get certain initiatives started - such as the website, the brochures and the collection of data and information to strengthen the LTA's arguments. In this regard, support required for LTA should be focused on helping it enhance some its activities and helping it to develop sustainable business support services that will serve their members and generate business growth and revenue for the LTA.

In the area of **marketing** the LTA already has a marketing plan in place and has set up its own website to assist marketing. The low cost/no cost approach taken by the LTA appears to be sensible, and means that donor support can be more easily given in this area. It will also attract smaller businesses since the marketing effort is done jointly and at low cost to them as individuals. Marketing can be used as a tool to bring together all the stakeholders

Although the LTA has a dynamic Secretary, her work is done on a voluntary basis. A more formal arrangement, with greater resources, is needed if LTA is to be effective to its members. Thus, **building technical and managerial capacity** within the Association is cardinal to its future success. It needs to enhance this aspect of its organization so as to be

able to interact much more closely with its members, Government and other key stakeholders in the industry. The LTA must be able to manage a full time Secretariat, conduct analysis, prepare position papers, maintain contact with its membership and generally provide support services to its members.

**Outreach and representation** is very important for the LTA as it is the only way it will be able to improve its public image. This image is important, as it will enhance its ability to influence policy and services, and will also improve their membership and revenue base substantially.

Livingstone is a depressed economy with a decimated industrial base. It requires leadership from the private sector. The LTA is well placed to provide that **leadership role**, as its sector drives the economy of Livingstone. The development of **linkages** with other organizations will also further enhance its leadership role and bring to the fore the need for a strong private sector association that brings all key players together works effectively with all other stakeholders within Livingstone.

## 6.2 Recommendations

ZAMTIE is mandated to work within the tourism sector and the LTA provides an appropriate vehicle for doing this. We believe that the LTA has the potential to grow and the capacity to be self-sustaining within a short period. The support that the LTA requires is much more process oriented and technical rather than material. Any support to the LTA through ZAMTIE will have a wider impact on the trade and investment environment within Livingstone, and will quite possibly have similar impact elsewhere in Zambia. Also, specific support to the LTA's efforts to promote working partnerships, to be increasingly representative, and to market and promote effectively will provide ZAMTIE with measurable indicators and will quickly contribute to increased business activity.

Based on the above, we highly recommend that ZAMTIE consider the following elements of support in line with its mandate and the themes highlighted above:

1. Provide technical assistance to the LTA to structure a proposal for the establishment of a secretariat for the Association, which could also be organized jointly with DBA and the local Chamber of Commerce and Industry. This should also involve the USAID/IESC supported business linkages programme. It may be possible for this programme to donate its office equipment to this joint Secretariat. The programme already works closely with all the key stakeholders in Livingstone and is well placed to assist in driving this process forward.
2. Assist in providing an executive officer on a cost-sharing basis. ZAMTIE support in this respect should be for a limited time, and appropriate commitment and

arrangements must be in place to continue the position after ZAMTIE's involvement.

3. Assist the LTA to further consider and possibly set up a Tourist Centre as described in Section 2.5. The Centre might also house the secretariat. It could provide a key resource to the community and the industry, could provide services to LTA members, and could also provide a source of income to the LTA and participating associations.
4. Provide technical and facilitation support to the LTA:
  - Technical support to analyze policy issues and present arguments as the basis for sound dialogue and lobbying with the Government.
  - Provide facilitation assistance to enable LTA to develop better collaboration with TCZ and other industry organizations.
  - Provide facilitation assistance to enable LTA to effectively develop dialogue, collaboration and joint programmes with government agencies involved in the tourism sector – such as ZNTB, ZAWA, etc.
5. Assist the LTA in its marketing efforts through facilitating or supporting its participation in international and regional trade shows.
6. Support the LTA in gathering and disseminating information to key stakeholders on tourism development and on policies that impact the performance of the tourism sector.
7. Provide technical and/or facilitation support to LTA's efforts to link with the community and to improve its inclusiveness and representativeness. In particular, this could include supporting efforts to bring in more members from amongst SMEs, and building the relationship with LDBA.
8. Help the LTA access support from other donors and institutions. ZAMTIE might assist LTA to provide inputs to World Bank, USAID and other planning efforts focused on Livingstone and on the tourism industry. It may be possible for development partners to use Livingstone as a pilot project for a locational cluster or development zone.

ZAMTIE may also consider offering a higher level of assistance if LTA is able to offer a higher degree of cost sharing. So, for example, ZAMTIE might offer a package of assistance contingent upon LTA engaging its own executive officer/secretary.

The above recommendations try to provide resources and capacity that will help LTA and its membership to carry out their responsibilities at a higher level of activity and with

better quality. ZAMTIE should be careful to avoid doing too much for LTA in a manner that does not require LTA to retain its responsibility for its own strategies and services. We also suggest that ZAMTIE should not subsidize LTA activities per se, but should focus on increasing skills and providing access to a new set of resources.

### **6.3 Next Steps**

1. ZAMTIE should consider the assessment and recommendations presented above in terms of congruence with its own mandate and budget, and its own priorities.
2. The LTA and ZAMTIE together should meet, assess and consider the observations and reflections in this report and recommendations, and prioritize what they think is important. In this way whatever support is agreed upon will be a shared responsibility and ownership of the results.
3. If there is congruence of interest, ZAMTIE and LTA should detail and commit to a plan for implementation of follow-on. They should develop a Plan of Action with clear responsibilities set out for implementation.