

# Community Based, Sustainable Tourism - the African Opportunity

Judy M. O'Connor, World Bank Country Director, Tanzania and Uganda

Mr. Chairman, Ministers, Members of  
Government, Diplomatic Corps, Distinguished  
Guests, Ladies and Gentlemen:

It is a pleasure as well as a great honor for me to stand in for Iain Christie, a World Bank colleague who knows a lot more about Tourism than I do. My name is Judy O'Connor, based in Dar es Salaam, and in charge of the World Bank's programs in both Tanzania and Uganda. Unfortunately Iain could not attend your Conference of the International Institute for Peace through Tourism (IIPT), and it's a great honor for me to be hear in his place.

I should like to take this occasion also to congratulate Tanzania on the award President Mkapa received recently in Washington from the African Parks Service for Tanzania's pioneering efforts in conservation – about 40 percent of Tanzania's land area has been designated as a national park or game reserve.

Let me also, on behalf of the World Bank staff, wish President Mkapa a speedy recovery.

Let me also associate with other speakers in offering condolences to Honorable Minister Meghji, MP, on the untimely death of her husband.

Before turning to the theme of this session Community Based, Sustainable Tourism, let me say a few words on the World Bank Group (WBG) role in supporting this important sector.

First MIGA: The Multilateral Investment Guarantee Agency (MIGA) established in 1988 helps to encourage foreign direct investment by providing guarantees to foreign investors against losses caused by non-commercial risks (such as expropriation, currency inconvertibility, and transfer restrictions, war and civil disturbance, and breach of contract. In addition, MIGA provides technical assistance and advisory services to help countries strengthen capacity of investment promotion intermediaries and disseminate information on investment opportunities. MIGA also provides investment dispute mediation services on request. IN the Tourism field, MIGA and the WB are currently supporting development of the Mozambique transnational program, that may also include the Mtwara corridor.

IFC. The International Finance Corporation established in 1956, promotes economic development through the private sector.

Working with business partners, IFC invests in sustainable private enterprises in developing countries, with accepting government guarantee. For example its invested throughout Africa in Tourism including the site of this conference, the Golden Tulip Hotel . It provides equity, longterm loans, loan guarantees, risk management products, and advisory services - focusing on regions and countries that otherwise would have limited access to capital.

The World Bank ([www.worldbank.org](http://www.worldbank.org)) or International Bank for Reconstruction and Development (IBRD) was established in 1945 and its soft loan window, the International Development Association (IDA) ([www.ida.org](http://www.ida.org)) in 1960. IDA provides interest free credits, and more recently grants, to countries that have little capacity to borrow on market terms. In most of the so called IDA countries, the majority of people live on less

than \$2 per day equivalent. IDA's financial resources, as well as its analytical work, help to support country-led strategies for Poverty Reduction and Sustainable Economic Growth in key policy areas, including productivity, governance, and the private investment climate, and education and health care for the poor, including the care and treatment of HIV and AIDs and its consequences. In the area of Tourism, the World Bank is currently considering financing for government tourism programs and projects in Madagascar, Mali, Senegal, and Zambia, with others in the pipeline.

Through the Global Environment Facility ([www.gefweb.org](http://www.gefweb.org)) and the Multilateral Fund of the Montreal Protocol ([www.worldbank.org/montrealprotocol](http://www.worldbank.org/montrealprotocol)) the World Bank helps its client countries meet their commitments under the global environmental conventions – biodiversity, land

degradation, ozone, persistent organic pollutants, and climate change.

All evidence points to the important role sustainable tourism can play in economic development and poverty alleviation. There is also strong evidence about importance of peace for prosperity, as indicated in recent work by Paul Collier. There is also some evidence about the relative ease with which peace can be maintained compared to the cost of restoring peace after there has been an outbreak of conflict. Peace is a pre-requisite for sustainable tourism, and tourism can also help to sustain peace. In that connection the experience of Ireland (my home country) is relevant - as one of the first CBMs (confidence building measures) the Governments of the United Kingdom and Northern Ireland, together with the Republic of Ireland, set up a joint Tourism organization, with the objective of promoting

sustainable, including community based, tourism in the whole island of Ireland.

Countries in the region increasingly see tourism particularly community based tourism as a source of sustainable and pro-poor growth – it is mentioned in the growth and poverty alleviation strategy of about half of all African countries.

The role of Governments in sustainable community based tourism is critical: in addition to providing a stable economy, it needs to ensure a market-friendly business environment, with appropriate regulation and oversight to ensure that social policy, environmental and safety concerns are adequately dealt with. Governments also need to ensure the necessary physical infrastructure is in place, that the schools are producing trained man (and woman), and that the workforce is healthy – malaria, HIV and AIDs need to be tackled in that context.

Community based tourism can benefit remote areas and island economies, with few other options.

Conservation of marine and terrestrial biodiversity is key to maintaining tourist interest in the region. It can best be protected with the active involvement of the local communities. Communities will protect their environment if they share in the rents or profits accruing from tourists' who appreciate their unique heritage, flora and fauna.

Community-based tourism, that is tourism that is designed and led FROM and FOR the community can help enhance social inclusion and preserve cultural and historical values.

Tourism can be a good tool for regional integration, provided ways exist for handling differences of views quickly and impartially.



Community based tourism can be an excellent way for local entrepreneurs to get into business. SME and micro-enterprise financing and support is critical for the success of these small scale ventures.

As Mr. Wolfensohn highlighted in his speech on Globalization at the WB/IMF annual meeting in Doha<sup>1</sup> in September, 2003, we are linked in many ways, not only by trade, tourism and finance, but also by migration, environment, disease and conflict. We share a desire to build a better world for our children. If we fail, we will leave a much more difficult and vulnerable world for our children – all our children. September 11 showed that there are not two worlds, but one, and we need to ensure that that one world is strong, and inclusive, not a world of haves and have-nots.

---

<sup>1</sup> James D. Wolfensohn, A New Global Balance: The Challenge of Leadership, Address to the Board of Governors, Washington D.C. 2003. [www.worldbank.org](http://www.worldbank.org)

You know the statistics: 6 billion people in the world, with one billion owning 80% of global GDP and another billion living on less than a dollar a day.

This is a world out of balance.

In our search for a better balance, developing countries are pursuing Millenium Development Goals (MDGs), that have ambitious targets to achieve, by the year 2015 a substantial reduction in poverty, improved health, education, equal opportunity for women, access to drinking water, and a more sustainable environment.

In Africa, despite these ambitions MDGs, numbers living in absolute poverty are likely to increase; only half of Africa's children are likely to complete primary school; and one in six is likely to die before the age of five.

Africa CAN 'claim the 21<sup>st</sup> century', to answer a question posed in a recent World Bank publication, if it improves governance, increases inward investment, including in sustainable (and community based) tourism, increases competition, reduces dependency on aid, and strengthens partnerships. There is hope and opportunity:

- life expectancy has increased by 20 years over the last 40 years
- illiteracy has been reduced by half.

There has to be a strengthened link between tourism and the natural environment, including conservation management – otherwise this puts at risk the continent's biodiversity endowment as well as the very resources that makes Africa a unique tourism destination.

Natural resources, if well managed, will improve the lot of resident populations. We need to strike a balance between conservation and conservation-based business.

In a new book by the United Nations and Conservation International "Tourism and Biodiversity: Mapping Tourism's Global Footprint<sup>2</sup>", the authors seek to overlay maps on population, biodiversity (CI's "hotspots") and tourism. Russel Mittermeier, President of Conservancy International, notes that "biodiversity hotspots... once covered 12 percent of Earth's land surface...but have lost nearly 90% of their original vegetation.... Now 1.4% of the earth's earth harbor more than 44 percent of all plants and 35 percent of mammals, birds, reptiles and amphibians found absolutely nowhere else."

Among the book's conclusions are:

- Biodiversity hotspots are experiencing very rapid tourism growth; and

---

<sup>2</sup> United Nation Environment Programme and Conservation International, Washington D.C., 2003.  
[www.conservation.org](http://www.conservation.org) or [www.unep.org/tourism](http://www.unep.org/tourism)

- More than half the world's poorest fifteen countries fall within biodiversity hotspots
- In all 15 countries biodiversity hotspots are a significant tourism attraction
- For many of these hotspots, tourism is the attraction.

Tourism is one of the world's growth industries. Attempts at "greening" and in particular biodiversity conservation, have been to-date relatively unsuccessful. Unfettered growth can lead to environmental degradation and loss of traditional values; exclusion of local populations can lead to resentment and economic hardship.

Tourism and biodiversity are closely linked in Africa. I mention the conservation problems not to discourage tourism but rather to find appropriate and sustainable solutions. There are trade-offs.

A great deal remains to be done to reach a balance that will ensure both ensure conservation of biodiversity and economic use of Africa's natural resources as a sustainable basis for tourism.

As we gain more experience with tourism, we at the World Bank Group are looking at ways to help scale up successful endeavors and projects, so that more people, and more poor people, more poor communities, can share in the fruits of growth and reform. Community based tourism can be sustainable, and can help countries achieve pro-poor growth. We look forward to working with you to achieve results.

I wish you every success in this conference -  
Asante sana!