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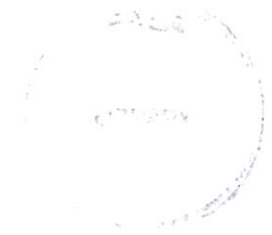
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COMMITTEE ON AGRICULTURE, TOURISM AND NATURAL
RESOURCES

REPORT OF THE OVERSIGHT ACTIVITY ON HOTEL CLASSIFICATION AND
PREPAREDNESS FOR A SINGLE TOURIST VISA

2ND – 5TH AUGUST 2016



Clerk's Chambers
EAC Headquarters, 3rd Floor
EALA Wing,
Arusha,
UNITED REPUBLIC OF TANZANIA

25th August 2016

1. INTRODUCTION

Article 115 of the Treaty Establishing the East African Community states that in order to promote the achievement of the objectives of the Community as set in Article 5 of the Treaty, the Partner States shall undertake to develop a collective and coordinated approach to the promotion and marketing of quality tourism into and within the Community. To this end, the Partner States shall coordinate their policies in the tourism industry and undertake to establish a framework of cooperation in the sector that will ensure equitable distribution of benefits.

The Treaty further states that Partner States shall establish a common code of private and public tour and Travel Operators, standardize hotel classifications and harmonise the professional standards of agents in the tourism and travel industry within the Community.

The Partner States are also obligated to develop a regional strategy for tourism promotion whereby individual efforts are reinforced by regional action.

In line with the above and as a follow-up to a previous activity in the Tourism Sector, the Committee on Agriculture, Tourism and Natural Resources carried out a spot assessment of selected Hotels in EAC Partner States and thereafter, a workshop was held to get information from Partner States representatives on the Tourism sector with a view of identifying progress made, existing gaps, challenges and charting a way forward in this respect in order to ensure sustainable development of the sector.

1.1 Objectives

The overall goal of this exercise was to develop a collective and coordinated approach to the promotion and marketing of quality tourism into and within the East African Community.

The specific objectives were the following:

- i. To take stock of the progress so far made in implementing EAC projects and programmes within the context of the EAC Tourism and Wildlife Marketing plan and strategy.
- ii. To Interface with hoteliers and other stakeholders in the Tourism industry; and
- iii. To suggest recommendations for improvements in the tourism sector for the benefit of citizens of East Africa.

1.2 Stakeholders

The committee interacted with hoteliers in all EAC Partner States capitals and outside capital in Kenya. Presenters came from Ministries responsible for East African Community and from Tourist Boards of Partner States.

2.0. METHODOLOGY

The following methodologies were used during the entire activity:

- i. Courtesy calls to government offices to identify with focal persons hotels to be physically assessed;
- ii. visits to various hotels to assess their classification and services offered;
- iii. Workshop with Partner States representatives to inform Members on the progress so far registered in the tourism sector and encountered challenges;
- iv. Opening speech by the Committee Chairperson; and
- v. Committee meeting to harmonize views and findings from both field visits and workshop.

3.0. FINDINGS OF THE ACTIVITY

3.1. REPUBLIC OF BURUNDI

3.1.1 Status of Tourism

The Government of Burundi is committed to the implementation of the EAC integration agenda in general, and agreed upon projects and programmes in particular, including sustainable tourism development.

Tourism can through its value chains contribute to poverty reduction and for Burundi in particular, the tourism sector plays an important role in the consolidation of peace through development and job opportunities that can be availed across the board.

The Government of Burundi considers the Tourism Industry as one of the major economic sectors which can help boost economic development in the country. Henceforth, tourism activities in Burundi enjoy incentives granted by the National Investment Code.

The National Investment Code offers a number of facilities both to local and foreign Investors, especially exemption of Income Taxes to persons or companies that are



involved in the sectors of hotel, restaurants and other tourist accommodation facilities. Furthermore, the initial equipment imported is duty free.

For this reason, many hotels are under construction nowadays in Bujumbura and in provinces. For example in 2010 Burundi had 87 hotels, while in 2016 Burundi has 370 hotels, 568 Rooms in 2010 while in 2016 Burundi has 5960 rooms.

A National Strategy for Sustainable Development of Tourism in Burundi has been put in place since 2011 and effective implementation is now due.

In 2012, a Decree regulating tourism in Burundi was signed and adopted as part of the National Sustainable Development Strategy in the sector. In June 2013, the Action Plan for the implementation of the National Sustainable Development Strategy was adopted. National reconstruction and rehabilitation of tourism in Burundi is governed by this framework.

The Policy on Tourism is also very encouraging as far as it classifies tourism among the main drivers of economic growth in the Strategic Framework for the Fight against Poverty - Cadre Strategique de Lutte contre la Pauvrete (CSLP II 2010-2020).

The tourism sector in Burundi occupies the third place among the five top export niches and is expected to generate foreign currency and create jobs.

3.1.2. Tourism Products

Burundi claims a number of tourist attractions, including mountain chimpanzees, national parks, museums, lakes, cultural attractions and wonderful sceneries.

The Government of Burundi is also encouraging the development of the local tourism industry. The tourism industry in Burundi is serviced by both local and international operators. The capital city is served by international airlines.

The Government of Burundi has provided for a Facility to upgrade existing infrastructure, especially the road network within the country (The Road Fund) and the new investments in the hospitality sector.

The hospitality sector in Burundi contributes in the employment creation in the country and continues to show signs of strong growth.

Other Burundi tourist products include the following:

- i. Burundi is a country well known for its legendary hospitality:

- ii. Lake Tanganyika is known as a provider of fresh water and suitable for water sports (skiing, sailing, swimming and fishing (ndagala, mukeke, etc));
- iii. Resort beaches can be found along the shores of Lake Tanganyika;
- iv. Natural and cultural monuments (Livingstone Monument, Karera Water Falls, Water Springs, Nyakazu Falls);
- v. Investment opportunities in the hotel sector along the Lake Tanganyika and capital city Bujumbura:
- vi. Beautiful landscape and a rich and varied flora and fauna.
- vii. Most of hotels have international class standards and restaurants;
- viii. From the shores of Lake Tanganyika, the deepest lake in Africa, the land rises abrupt to create dramatic rock formations, gorges with water-falls and hot springs.
- ix. For animal lovers, the cloud forest in the northwest is a haven for primates, while the Rusizi Delta is an oasis of tranquility and a paradise for birdwatchers, hippos, crocodiles, etc;
- x. Burundi cultural heritage is distinctive and boasts not only a diversity of traditional dances and music but also the world **famous drummers**; and
- xi. The country has long been known for its handicrafts which include painting, basket weaving and wood carving, making it difficult for tourists to choose which souvenirs to buy.

3.1.3. Challenges encountered by Burundi Tourism Sector

- i. Focus has been put on investing in the capital city Bujumbura, while there are other touristic sites that need infrastructure to receive and host foreign visitors;
- ii. Many people are unaware of the importance of tourism and there is need to involve the Private Sector in tourism industry;
- iii. Inadequate qualification for tourism personnel;
- iv. Little funding for tourism marketing and promotion;
- v. Limited Air Accessibility (Few Air Companies operate in Burundi: 4 in total; but there are about 13 tour operators);
- vi. Hotels and Restaurants are not yet classified in Burundi which makes it hard for tour operators to offer the exact hotel product level;
- vii. The National Sustainable Tourism Strategy is not fully implemented.

3.1.4. Implementation of Regional Projects and Programmes on Tourism

- i. The National Office of Tourism is dealing with the identification and classification of Hotels and Restaurants according to EAC standards, in order to facilitate tourists' choices for quality in their accommodation.
- ii. The Law pertaining to immigration has already been reviewed in order to facilitate tourist visa issuance.
- iii. Hotel classification has not started yet but it is going to start in the near future.

3.1.5. Preparedness to implementation of the Single Tourist Visa

The 6th Meeting of the Sectoral Council on Tourism and Wildlife Management, held in Nairobi, Kenya, on 19th February 2015, urged the Republic of Burundi to commence classification by 2016.

To date, Burundi has undertaken many activities in order to conduct classification exercise for hotels, lodges and Restaurants and other touristic sites.

3.1.6. The computerization of immigration services

The General Office of Immigration has a complete infrastructure of production of travel documents (passport, Laisser-passer and visa);

The production of these documents is networked with a central server which records of personal data, bank payment on the spot, taking biometric data, the approval by appropriate authorities.

The internet is via optical fiber cable (under COMGOV project);

With financial support of the African Development Bank (ADB), the project of the construction of the One Stop Border Posts (OSBP) of RUHWA and NEMBA-GASENYI is complete. The African Development Bank has agreed to finance the computerization of those posts, interconnect Bujumbura International Airport and the general office of Immigration by July 2016.

3.1.7. Members' Observations on Hotels Assessment and Presentation

Members physically assessed the following hotels:

- (1) Tulipe Hotel;
- (2) Roca Golf Hotel; and
- (3) Hotel Du Lac Tanganyika.

Members met hotel owners and they were informed on hoteliers' expectations and challenges they encounter in the industry.

Members observed that Hotel classification is not yet done but it was going to kick start before end of 2016.

Members noted that hoteliers were informed on hotel classification standards criteria and that there is an available team of people trained for that exercise, which will make it easy.

3.1.8. Recommendations

- i. The Government of Burundi should, in close collaboration with the Burundi Tourism Chamber, disseminate the EAC criteria for the standardization of hotels, restaurants and other tourist accommodation facilities.
- ii. The Republic of Burundi should sensitize economic operators to invest in tourism as this sector brings a lot of money.
- iii. The Government of Burundi should allocate sufficient budget in the tourism sector to improve it.

3.2. THE REPUBLIC OF KENYA

3.2.1. Policy on Tourism

The National Tourism Policy of 2010 is the one guiding Kenya's tourism. The goal of the Policy is to achieve sustainable tourism that contributes to a better quality of life for all people. The objectives of the policy are the following: to

- i. Provide a framework for integration of tourism sector considerations into the various sectoral policies and national development planning as well as decision making processes.
- ii. Strengthen the legal and institutional framework for effective coordination and management of the tourism sector.
- iii. Ensure adoption of sustainable tourism that enhances economic development, environmental sustainability and social justice.
- iv. Promote and support the provision of incentives and other economic instruments that enhance investment in the sector; and

- v. Promote and enhance collaboration, cooperation, synergy, partnerships and participation in the tourism sector by all the stakeholders.

3.2.2. Status of Tourism Sector

Tourism is a key economic sector in Kenya. It contributes to about 10% to the Gross Domestic Product (GDP) and earned the country KSh 84.6 billion in 2015. It accounts for 20% to foreign exchange earnings. It employs about 250,000 people in the modern wage sector and about 500,000 in the informal sector accounting for about 9% of total employment. Tourism also has a huge multiplier effect and stimulates growth in other sectors such as agriculture, handicraft and construction due to its dependence on those other sectors.

3.2.3. Tourism Products

The following are the tourism products found in Kenya:

- i. Wildlife and nature based tourism;
- ii. Beach tourism;
- iii. Cultural tourism;
- iv. Historical and heritage tourism;
- v. Meeting Incentives ,Conferences and Events (MICE);
- vi. Agro tourism;
- vii. Sports tourism;
- viii. Medical and wellness tourism; and
- ix. Adventure tourism
- x. Museums

3.2.4. Preparedness to implementation of regional projects and programmes on Tourism

Kenya is implementing the EAC tourism Marketing Strategy. This includes collaboration in marketing fairs abroad and involving other EAC countries in Magical Kenya Expo and also participation in other Member States events like Kwita Izina in Rwanda and Pearl of Africa Expo in Uganda.

3.2.5. Preparedness for implementation of the Single Tourist Visa

- i. Kenya together with Rwanda and Uganda are already implementing the East Africa Tourist Visa. Residents of Kenya, Rwanda and Uganda only require their

national identification documents or even student identification cards to enter either country. They do not have to possess passports. Foreigners living with Resident Permits issued by any of the three countries also just need those permits to travel across the three countries.

- ii. Kenya charges uniform fees to all EAC citizens for entry to all its attraction sites like national parks and museums without exception.
- iii. Kenyan hotels have been sensitized to charge uniform rates for all EAC citizens and they are co-operating.
- iv. Kenya together with Rwanda and Uganda are currently building the East African Tourism Portal which aims to popularize the region as a single tourist destination.
- v. Kenya together with Rwanda and Uganda are undertaking uniform EAC destination branding at the key entry points.
- vi. Kenya together with Rwanda and Uganda have been conducting joint trainings for tourism personnel and joint stakeholder forums. This is meant to sensitise them on the EAC single destination and educate them on their roles in that initiative.
- vii. The East African Tourist Visa can now be applied for online. Awareness on the visa and free movement of citizens has been created through Kenya's missions abroad and through media.
- viii. However, Kenya registers some challenges in implementation of the single tourist visa namely the following: Some tourists are not yet aware of the existence of the common visa. Moreover, the non-inclusion of the Republic of Tanzania is also a challenge for Kenya since most tourists combining Kenya and other East African countries will have Tanzania as the second destination.

3.2.6. Challenges faced by the Tourism Sector

Among other challenges, Kenya faces seasonality, decline in arrivals when the source markets experience economic, political or other shocks, planning challenges and over development in some areas and global problem of terrorism. There is also Negative publicity due to exaggerated or misplaced reporting by local and international media,

insufficient financing of tourism public and private sectors. There is also lack of access to proper tourist infrastructure.

3.2.7 Recommendations to improve the Tourism Sector

Kenya is revising the National Tourism Policy, amending the Tourism Act 2011 and formulating a National Tourism Strategy 2030. Kenya should fast-track these processes.

3.2.8 Specific observations by Members

- i. The EAC Classification Standards criteria are respected as if they are laws (have force of Law) in Kenya.
- ii. The classification process is ongoing, from coastal side to western part of Kenya.
- iii. The hotel classification is very costly.
- iv. Hotels have rates for East Africans and other rates for other tourists.
- v. In order to boost tourism, all Partner States should implement the Single Tourist Visa.
- vi. Hotels assessed were fully booked at the time of the visit owing to the Maasai – Mara Wildebeest Migration.
- vii. Visited hotels had an environmentally friendly policy that enhance service delivery through incinerator, recycling of water and waste
- viii. There is delay in implementation of the Council Directive of 2010 on the EAC Single Tourist visa.

3.3. REPUBLIC OF RWANDA

3.3.1. Policy on Tourism

The Republic of Rwanda has a policy for which Mission is “To conserve the rich biodiversity of the Protected Areas and to develop, sustainable tourism in collaboration with stakeholders for the benefit of all the Rwandan People and the region at large”.

Its goals are among others to:

- i. Increase Tourism receipts in a sustainable manner;
- ii. Increase participation of the private sector in driving the tourism growth; and

- iii. Conserve the biodiversity inside the protected areas for the benefits of future generations

The Republic of Rwanda approved tourism and conservation laws to improve the sector and these include the Concession policy, the Compensation law, the Wildlife Policy and the Tourism law. Other tourism and conservation agreement approved is a partnership with the Akagera African Parks Networks for the management of the Akagera National Park.

3.3.2. Status of Tourism in Rwanda

Tourism is one of the drivers of economic growth in Rwanda. In only 4 years, the revenue from tourism has doubled. Revenues from Tourism increased from US \$201.7 in 2010 to US\$ 318.8 in 2015 and Tourism remains the leading foreign exchange earner for Rwanda; it contributes 9.2% to the national GDP.

Moreover, the sector has been attracting Foreign Direct Investments and major international brand hotels such as Marriott, Radisson Blue, and Zinc Hotel to name few; Kigali is served by international airlines such as SN Brussels, KLM, Qatar Airways, Turkish airline, Ethiopian airline, Kenya Airways, FlyDubai, plus the National carrier Rwandair which is greatly expanding.

3.3.3. Status of Hotel Classification

Rwanda's Tourism has attracted an influx of big and international brands of hotels and domestic huge investments.

Hospitality establishments have registered a sharp increase and improvement in number, quality of service and standards.

In a bit to harmonize hotel standards in the EAC, Rwanda has embarked on implementing hotel classification exercise accordingly.

The total number of Classifiable hotels in Rwanda totaled to 90 hotels in 2013. Among those, 75 have been classified excluding the new international brands.

Rwanda had 2 five star classified hotels, however with the emerging of the new international brands, the number rose to 5. It also has four star (15), three star (32) two star (17) and one star (1).

A new list of classifiable hotels produced indicates a huge increase in the number of classifiable establishments from 90 to 136.

3.3.4. New Tourism Products

New Tourism Products have been developed out of the protected areas in addition to the Mountain Gorillas and National Parks: These include

- i. Congo Nile Trail developed and operational;
- ii. Faith tourism in Kibeho;
- iii. Cave tourism developed and operational in Musanze;
- iv. Meeting Incentives Conferences and Events (MICE) Tourism launched;
- v. Coffee and tea tours have been introduced along the Kivu Belt;
- vi. Watersport developed in the Lake Kivu (Kayaking and houseboat);
- vii. Bird watching has been developed in Bugesera, Nyabihu and Musanze ;
- viii. Canopy walkway has been developed in Nyungwe and is operational; and
- ix. Cable Car and Kigali Cultural Village – the construction contracts are in process?

Rwanda has currently four National Parks, namely:

- Akagera National Park
- National Volcanoes Park
- Nyungwe National Park
- Gishwati Mukura National Park

The National Parks are protected; for the Akagera National Park, 110 km electrical fence has been completed. Rwanda Development Board has initiated Tourism Revenue Sharing Policy as a strategy of empowering the communities around the National Parks. 265 community projects worth USD 2.5 million have been funded. Trans-boundary collaboration has been one of the strategies to conserve the national parks. Currently in collaboration with Uganda and DRC, Gorilla census/survey is ongoing.

3.3.5. Implementation of the EAC Single Tourist Visa

- In January 2014, Rwanda, Uganda and Kenya initiated the East Africa Single Tourist Visa that supports the development of Tourism in the region.
- In the last two years the Single Tourism Visa has marked a remarkable change and increase in tourism revenues to the member states as it is seen in the increase of the number of international tourists in Rwanda.
- Rwanda through private sector (Tour operators, travel agencies and other tourism players) have enhanced awareness campaigns on the use of the STV
- The current figures (2015-16) however not tallied to accuracy show a range from 6,500 to 7,000 issued visas both by air and road (main boarders), this figure is subject to change after consolidation of all the data by Immigration Authority.

- Rwanda through the Northern Corridor Integration Projects and the Joint Team Management Committee highlighted a need to enforce awareness of the Single Tourist Visa and established a joint budget to facilitate this exercise through a number of projects including Radio, TV Adverts, brochures, banners and others.

3.3.6. Challenges

- Low quality of service delivery;
- Limited direct flight from key tourism markets e.g. no direct flight to USA, UK, China and India (Rwandair plans to fly to China by 2017).
- Limited infrastructures for tourism sector.
- Limited managerial experience by local private operators to manage bigger facilities such as hotels
- External challenges such as instability and terrorism in the region
- High cost of funds from banks by investors (interest rates)

3.3.7. Members' specific observations/Findings of hotel physical assessment

Members observed that it is not easy to classify hotels under 2 star criteria. They also observed that there are 3 new big hotels not yet classified but they may be 5 stars; these are Marriot, Radisson Blue and Zinc hotels and these have boosted tourism in the country. As an example, Rwanda hosted more than 2000 delegates during the recent African Union Summit. It was however observed that there is a big gap between 5 star hotels because you cannot compare Serena with Radisson Blue for instance as it is also observed in other categories of hotels.

- i. They observed that the single tourist visa boost tourism indeed.
- ii. Members observed that it is not clear yet to monitor the use of one single tourist visa.
- iii. All Partner States need to implement the single tourist visa to help the region boost Tourism.
- iv. Members from Rwanda highlighted the need for promotion of intra-East African tourism for sustainability of the sector. They also observed that there is need to empower women to be involved in the tourism industry.

3.4. THE REPUBLIC OF UGANDA

3.4.1. Uganda's Policy on Tourism

Uganda has undertaken to market and to promote itself as an attractive and sustainable tourist destination, locally, regionally and internationally; to encourage sustainable environmental safety and sustainability and to develop infrastructure; to encourage investment, job creation, income generation in the tourism sector; to support, strengthen and build capacity to private players and entities; to enforce, and monitor standards in the tourism sector, through inspection, registration, licensing and classification of tourist facilities and services.

3.4.2 Status of Tourism

Uganda has a lot of diversity in the country and a very rich culture.

Tourism brings almost 10 per cent of the GDP. Tourism has emerged as the top foreign exchange earner with growth rates that propel the service sector, jobs and employment where people are employed as drivers, guides, secretaries, accountants, construction of hotels, restaurants, tourist facilities and leisure sports, boosted the inter-linkages between other sectors.

- Contribution of over US\$1billion to the economy representing 26% of exports.
- In 2013 Tourism directly supported 500,000 jobs and indirectly supported 400,000 jobs.
- Tourism Investment represents 5% of total investment.
- Connectivity by air, road, water. Entebbe is connected by 22 airlines. Domestic air travel registered large increase from Entebbe and Kajansi.
- There is in place a Tourism Master plan and a destination marketing and branding tools.

3.4.3. Uganda's Tourism Products

- i. Wildlife which is unique and untouched.
- ii. Nature with a rich Biodiversity.
- iii. Geography Gifted by Nature.
- iv. Culture- Most Culturally diverse.
- v. Heritage – Rich diversity, Faiths.
- vi. Rich history –existence of Kingdoms while in a Republic.
- vii. Weather 27 degrees average.
- viii. Meetings, Incentives, Conferences and Events (MICE) destination – Accessible and great facilities.
- ix. Business & Investment – Favorable and great Return on Investment (ROI).

On top of these, Uganda has stunning attractions such as pristine marine attractions. With its prime location in the African Great Lakes Region, Uganda has Four of East Africa's great lakes: Lake Victoria which is the world's second largest fresh-water lake of 68,000 sq. km, Lake Kyoga, Lake Albert and Lake Edward which are popular spots for tourism. Lake Bunyonyi, second deepest lake in Africa (900m). Uganda home to the source of the world's longest river, the Nile measuring 6695 kilometers (4184 miles). White water rafting and kayaking are popular activities on the rapids near the source of the Nile at Jinja. Some of the best waterfalls in the world are found across the country like Murchison, Karuma, Sipi, Kalagala, Sezibwa and Itanda. Twelve (12) wetlands of international importance are designated under the Ramsar Convention (RAMSAR sites).

Moreover, Uganda is an adventure destination with scenic landscape and mountains which are:

- i. Kigezi referred to as 'Switzerland of Africa' because of its scenic landscape & weather;
- ii. Mt. Ruwenzori (5,109 m) which is permanently snowcapped, a rare condition in equatorial Africa which was voted among top hiking places in the world;
- iii. Virunga volcanoes in south-western Uganda which were voted 'A must see place for 2012' in one's life time; and
- iv. Eastern Uganda Mt. Elgon (Africa's 17th highest mountain), Mt. Mgahinga & Mt. Muhabura (SW) and Mt. Moroto (NE), to name a few.

Uganda is also a World's Premier Primate Country

- i. Uganda has the largest mountain gorilla population in the world.
- ii. There are over 5,000 chimpanzees found in Uganda (Kibale Forest alone holds a population of more than 1,000 chimpanzees).
- iii. Home to world's largest number of monkeys, baboons, apes, rare colobus, nocturnal Bush babies and Pottos found in pristine eco-environment.

Uganda as a Top Birding Destination

Uganda has more than 1,000 bird species. Home to over 50% of the entire bird population in Africa and 10% of the world. Queen Elizabeth National Park has over 605 species, the largest of any protected area in Africa. Bwindi Impenetrable National Park was voted Africa's number one birding site (2012) by the African Bird club.

Cultural Diversity and Heritage

Uganda is endowed with 56 tribes and languages each with a distinct Cultural, heritage, History, Language, Food, Dance, Dressing, Beliefs, Customs Folklore

Faith Based Destination

All faiths are represented in Uganda.

- i. Bahai Temple and the only one of its kind in Africa.
- ii. The Uganda Martyrs Shrine Namugongo. About 50 Faithful men were killed by the king of Buganda, Kabaka (King) Mwanga in 1886.
- iii. Gaddafi Mosque in Kampala, second largest mosque in Africa.

3.4.4. Challenges

Uganda is not clearly yet realizing its full potential as a tourism destination due to Limited Sector Funding: the Sector cannot fund its development budget. The allocation is 0.11 % of the national budget, Low Product Quality and Range; limited world class developed facilities. Unde centralized public sector planning and management, Limited Tourism Regulation. Unable to Produce Enough High-Quality Tourism and Hospitality Workers thus creating Uncompetitive skills gaps. Tourism Promotion is still limited.

3.4.5. Hotel Classification/Specific Findings

Uganda has 63 classified – Hotels in the entire country apart from those in the national parks.

3.4.6. Challenges of Hotel Classification

- i. Review of existing Classification Criteria should be a continuous process but it is very costly;
- ii. Harmonization of the Assessment Report is a studious exercise;
- iii. Benchmarking/ Familiarization Programme for Hotels Assessors in the region is costly
- iv. Hotel Assessors Refresher Courses need to be undertaken but are costly;
- v. Training of Trainers of Hotel Assessors should be a continuous process and it is not yet the case;
- vi. Training of Additional Assessors is needed;
- vii. Representation of Assessors for Member States;
- viii. Facilitation of Assessors and Trainers;
- ix. Release of Assessors by Employers;
- x. Assessors' work, not clear if it is Voluntary or Compulsory;

- xi. Stakeholder sensitizations' needed;
- xii. There should be continuous monitoring of Quality Standards;
- xiii. Hotels refurbishing after classification not timely captured;
- xiv. Policy Issues on Assessment Tools should be reviewed continuously.

3.4.7. Preparedness for implementation of Regional Projects

- i. Free movement within EAC.
- ii. EAC marketing initiatives. Joint marketing initiatives. EAC days and events at shows and expositions at home and abroad.
- iii. Revised EAC entry park rates.
- iv. Border posts presence branding.
- v. Hotel Classification according to EAC accepted standards.

3.4.8. Recommendations

The following should be enhanced to develop the tourism sector:

- i. Government funding ;
- ii. Destination marketing, promotion, branding, awareness;
- iii. Private sector development and support.
- iv. Business support and job creation;
- v. Domestic tourism;
- vi. Product development and innovation;
- vii. Need to have own National Carrier;
- viii. Infrastructure development;
- ix. The Joint Team Management Committee of the EAC Northern Corridor should be enhanced;
- x. Research should be continuous.

3.4.9 Members' Specific Observations/Findings

During the assessment exercise, Members of the Committee did not see any "One star" hotel during the assessment. The exercise was quite interesting and hoteliers reserved them a very warm welcome and appreciated their activity.

Members therefore recommended that classification be a continuous process because hotels keep on improving standards to get highest star. Regular field tours are to be focused on.

Hotels welcomed the idea of being classified because it helps to market themselves.

3.5. THE UNITED REPUBLIC OF TANZANIA

3.5.1. Policy on Tourism

The first National Tourism Policy of Tanzania was adopted in 1991.

The 1992 Rio Declaration of Environment and Development, and Agenda 21 for the Travel and Tourism Industry have led to the revision of the 1991 Policy.

The revised Tourism Policy formulated current Tourism Policy of 1999 which is currently also under review.

The general objective of the policy is to assist in efforts to promote the economy and livelihood of the people, to alleviate poverty through encouraging the development of sustainable and quality tourism that is culturally and socially acceptable, ecological friendly tourism, environmentally sustainable and economically viable.

The strategies on which this policy is based are mainly Tourism product development and marketing; Eco-tourism; Cultural aspect of tourism; Domestic tourism; International and regional co-operation; Land for tourism; Infrastructure development; Employment and human resources development; Community participation; Investment, financing, institutional participation and environmental protection.

3.5.2. Status of Tourism

Tourism contributed to more than 17% of the total GDP; (Hotels and Restaurants together contributed 2.3% in the period of 2009 – 2014). It contributed to more than 25% of the total exports (tourism together with transportation sector contributed 80% in the period of 2010/2011). It is the Second to attract the number of investments after the industrial sector (attracted a total of 209 investments in 2012), supported 11% of the total employment (*1,196,000 jobs*) and increased the number of registered tourism related businesses (*from 4 in 1962 to 1,089 in June, 2015*). It increased the number of international visitor arrivals (*from 582,807 in 2004 to 1,137,182 in 2015*) and the total earnings from tourist activities (*from USD 746.2 million in 2004 to USD 1,901.10 million in 2015*).

3.5.3. Tourism Products

The major Tourism Products in Tanzania are Wildlife (16 National Parks, 28 Game Reserves, 44 Game Controlled areas, 1 Conservation area, (Ngorongoro crater) and 2

Marine parks; Mountains (The famous Kilimanjaro, Meru, Rungwe). The Eastern Arch Ranges of Usambara and Udzungwa; Adventure tourism; Water bodies Beaches, Water skiing, scientific marine researches, and Cultural tourism – Stone Town in Zanzibar, Bagamoyo, etc.

3.5.4. Challenges in the Tourism Sector

- i. Low level of involvement of the local Communities; Pollution of national parks due to tourist activities; Competition in the use of natural resources between the tourist parks and the indigenous population surrounding the parks;
- ii. Low level of domestic tourist; poaching and encroachment of protected areas (tourism product base); and inadequate infrastructure e.g. roads, airports, water; Slow pace on restaurants and accommodation establishments;
- iii. Insufficient land bank for tourism investments; poor quality services;
- iv. Threats of climate change; global conflicts, terrorism and crime; and
- v. Health threats e.g. Ebola outbreak, etc.

3.5.5. Implementation of regional Projects and Programmes

Since November 2008, the East Africa Community has been marketed as a single tourist destination and the United Republic of Tanzania has been participating in International Tourism Fairs including World Tourism Market in the UK, Internationale Tourismus-Börse Berlin (or International Tourism Fair) in Germany and Casa Africa Investour in Spain.

The country applies uniform rates for touring the tourist attractions for East Africans. Classification of Restaurants and Accommodation Establishments is ongoing; and The country participates in the Annual Regional Tourism Wildlife Conference within the EAC Partner States.

3.5.6. Status of Hotel Classification

Grading Results in Manyara Region

In Manyara region, a total of 26 accommodation establishments were visited to find out if they can be classified. Out of 26 accommodation establishments visited, 20 qualified to be classified and graded. After the exercise, the total of 17 accommodation establishments were graded from star 1 to star 5 and awarded a plaque and certificate.

Grading Results in Dar es Salaam and Coast Regions

In Dar es Salaam and Coast Region, a total of 99 accommodation establishments were visited to find out if they can be classified.

Out of 99 establishments visited, 77 qualified to be classified and graded.

After the exercise, the total of 66 accommodation establishments were graded from star 1 to star 5 and awarded a plaque and certificate.

The United Republic of Tanzania has not begun the implementation of the EAC Single Tourist Visa due to un-implementation of the Recommendations of the Study as directed by the Sectoral Council on Tourism and Wildlife Management.

3.5.8. Specific recommendations of the EAC Single Tourist Visa

The United Republic of Tanzania recommends the EAC Secretariat to adhere to the Sectoral Council on Tourism and Wildlife Management (SCTWM) Directives and coordinate the implementation of the Recommendations from the Study as directed by the SCTWM in their various meetings on timely manner.

3.5.9. Members' specific observations/findings on the field

Members made it clear that hoteliers interacted with complained that tourists know Arusha as the only tourist destination as Ngorongoro and Serengeti National Parks can be accessed from there, ignoring that Dar es Salaam has also attractive destinations. They observed that tourists fear the transport traffic in Dar es Salaam where it is not easy to move. However, Arusha Hotels are not classified to the advantage of Dar es Salaam and coast hotels.

Members also observed that the assessment was very important. However, they found that hoteliers do not have appropriate knowledge of standards and criteria for classification. They therefore recommended the EAC Secretariat to help hoteliers to know guidelines and criteria of classification. Their views were that the EAC Secretariat has a big role to play in training assessors as 15 only for the entire country are not enough.

Members concluded that such activities should be intensified.

3.6. EAC SECRETARIAT PRESENTATION

In his presentation the EAC Officer informed the Committee, that the 1st Meeting of the Sectoral Council on Tourism and Wildlife Management (SCTWM) met on 1st November, 2008 and made decisions as regards to Single Tourist Visa (STV) in which among others directed the Secretariat to undertake a Study to harmonize tourism policies and laws and recommend how a Single Tourism Visa could be introduced and that in the context of the Common Market Protocol implementation.

The Study was conducted in 2010 and findings revealed that:

- i. Partner States have different Visa regimes;
- ii. Visa issuance in two Partner States is manual while in other three it is partially computerized;
- iii. Partner States have different views in regard to issues related to visa revenue that is, visa fee; mode of payment/collection; sharing of visa revenue, administration costs and creation of various accounting options on remittances;

The study therefore recommended that:

- i. There is need for harmonization of the Visa Laws and Regulations in order to implement the proposed EAC Single Tourist Visa;
- ii. There is a need to have Visa issuance systems computerized; and
- iii. There is a need to harmonise Visa revenue collection systems and sharing procedures.

The study therefore concluded that it is imperative that Partner States need to harmonize their laws and regulations related to visa issuance, visa fees and collection/payments to achieve the intended objective; That Partner States need to develop a mechanism for sharing the visa revenue collected and the cost of administering the EAC Single Tourist Visa.

In 2013, the 5th Sectoral Council on Tourism and Wildlife Management decided that introduction of the EAC Single Tourist Visa should be fast-tracked by 2014. It therefore established a multi-sectoral task force composed of technical experts drawn from the Immigration, Tourism, Finance, Foreign Affairs, ICT/Infrastructure, Security, Legal and EAC Affairs to develop a roadmap and any other assignments leading to the Introduction of an EAC Single Tourist Visa. The Multi-Sectoral meeting of Ministers

responsible has not been able to consider the report of the multi-sectoral task force in order to provide guidance on the introduction of an EAC Single Tourist Visa.

Meanwhile, the three Partner States, namely Kenya, Rwanda and Uganda, using the Principle of variable geometry, decided to start implementing the Single Tourist Visa.

In addition, he informed Members that the EAC has agreed standards and criteria that have been developed by East African Community Secretariat in collaboration with EAC Partner States. These have been elaborated with reference to internationally agreed upon standards. He recognized that all Partner States have started classification of hotels except the Republic of Burundi.

He finally highlighted that one of their biggest challenge is underfunding which makes the department unable to execute its mandate.

3.6.1. Emerging issues

- i. Hoteliers/hotels should contribute in funding the hotel classification program as it facilitates them in marketing their businesses.
- ii. EAC restaurants should also be included in the classification exercise.
- iii. The EAC Department on tourism should defend their priorities in the EAC pre-Budget Conference in line with the matters of priority to the Community. The EAC Secretary General should also address funding issues to the Summit in order to allow the Tourism sector to develop.
- iv. The Secretariat should train personnel to execute classification of hotels in a given country. There should be a motion or a law to put in place such a pool of professional staff to deal with hotel classification.
- v. Criteria for hotel classification in East African Partner States have to be benchmarked with reference to internationally agreed upon standards.
- vi. Criteria for hotel classification should be continually updated to address new developments.
- vii. Classification of restaurants should also kick start and EAC Secretariat should be pro-active to introduce new criteria.
- viii. The Secretariat needs to form an EAC pool of assessors to assess hotels in all EAC Partner States rather than local assessors to work at local level. The outcome would be more credible. Qualified assessors should be part of this regional pool.
- ix. Internal and external examiners should review criteria in Partner States.

- x. EAC Secretariat should give more consideration to the tourism sector as it boosts the EAC economies.

3.6.2. Specific recommendations from representatives of Partner States

- i. Need for Partner States to avail classification criteria to be mandatory for investors in hotel industry.
- ii. It is important to follow the Directives of the Council in order to improve the implementation of the East African Single Tourist visa.

3.6.3. Specific recommendations from Committee Members

- i. Hotel Classification should be a continuous process ;
- ii. Training should be a continuous process;
- iii. Department of tourism should be empowered with funds and human resources;
- iv. On the issue of one single tourist visa, the United Republic of Tanzania is willing to follow the required procedure but challenges identified in the study which was carried out in 2010 should be sorted out first. Tanzania also wants to learn from Partner States which have started the process.

4.0. GENERAL OBSERVATIONS AND RECOMMENDATIONS

4.1. OBSERVATIONS

- i. Presentations were very well prepared for the workshop. They depicted clearly what is happening in Partner States in the tourism industry.
- ii. Visiting hotels was a very good exercise and very interesting.
- iii. From the visit, the following issues were highlighted:
 - Regulations governing the tourism industry should be harmonized;
 - Investors in hotels should be guided and informed about the regulations on hotel classification before they start construction;
- iv. Members observed that there is a need to regularly update the hotel classification criteria since standards change from time to time.
- v. There is a challenge to invest in hotel industry because of the high interest rates and short time financing.
- vi. Classification should be a continuous process which has to be reviewed regularly.
- vii. There is a need to improve institutions to provide adequate training in the tourism and hospitality industry.
- viii. Members observed that there is a need to fast-track the implementation of the One Single Tourist Visa in all the five EAC Partner States

- ix. The Members noted that the tourism department in the EAC Secretariat is underfunded.
- x. The Members observed that the numbers of hotel assessors are few.

4.2. RECOMMENDATIONS

From the field visits undertaken by Members, presentations of the workshop and emerging issues, the committee recommends the following: it

- i. Urge the Council to increase the budget of the Tourism Department in order to allow it to execute its mandate.
- ii. Urge the Council to establish a mechanism whereby funds can be generated for hotel classification.
- iii. Urge EAC Secretariat to continue trainings more hotels assessors.
- iv. Urge Partner States to establish and improve institutions of learning and build capacity in the tourism and hospitality industry.
- v. Urge the Council of Ministers to fast-track and complete the study about the implementation of the EAC One Single Tourist Visa as decided upon by the Sectoral Council on Tourism and Wildlife Management in 2013 with the deadline of 2014.
- vi. Urges EALA to recommend the EAC Council to fast-track ratification of the Protocol on Tourism and Wildlife Management to facilitate implementation of an inclusive Single Tourist Visa.
- vii. Urges the Council of Ministers to put in place an appropriate funding for interconnectivity which allows Partner States to track movements of tourists and revenues from tourism.

5.0. CONCLUSION

Notwithstanding the challenges and shortfalls in implementing hotel classification, the Committee noted that EAC Partner States have started this process and urge the Republic of Burundi to follow the footsteps of other Partner States.

The Committee concludes that the activity was successful and that such Committee activities should be encouraged in order to fast-track the integration agenda.

On the One Single Tourist Visa, it is evident that it will facilitate to market EAC as one single tourist destination.

The Committee finally recommends that this August House do adopt this report with all its specific and general recommendations and that copies of the adopted report be sent

to Partner States and all stakeholders for follow- up and ensure that appropriate actions are taken.

6.0. ACKNOWLEDGEMENTS

The Committee wishes to thank all the stakeholders who provided information to Members. These include hoteliers and officials from Partner States Governments, namely officials from the Ministries East African Community Affairs from the five Partner States, for the coordination at local level, mobilization of hoteliers, warm welcome and all courtesies accorded to Members of the East African Legislative Assembly during the on-spot assessment exercise in relation to Hotel Classification. They also include representatives of Partner States from Tourism Boards.

Specifically, the Committee commends the Rt. Honourable Speaker of the East African Legislative Assembly and the Clerk for having made the exercise possible. The Committee also expresses its appreciation to East African Community Secretariat for availing an officer to brief Members on regional policy and the progress so far on hotel classification project.

The Committee further appreciates all presenters for their insightful presentations and the coordination of the various stakeholders whom the Members interacted with.

The Committee further extends its gratitude to Hotel Managers in the Partner States for their warm hospitality and availing information to Members.

Finally, the Committee would like to extend its appreciation to offices of the Clerk for having ably facilitated the Committee in different ways.

REPORT OF THE OVERSIGHT ACTIVITY ON HOTEL CLASSIFICATION AND PREPAREDNESS FOR A SINGLE TOURIST VISA

2ND – 5TH AUGUST 2016

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