



COMMUNITY BASED TOURISM DEVELOPMENT IN RWANDA

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Abstract:

Rwanda in East Africa shares its borders with Uganda in the North; Democratic Republic of Congo in the west; Tanzania in the east and Burundi in the south. Rwanda is a developing country with 37% of the entire population below the poverty line and 24% experiencing extreme poverty. The economy is growing with tourism leading the export sector; however communities around tourism sites continue to live in poverty. This paper explored the participation in and contribution of the local population to tourism development. The study is based on the case study of the native communities in Kinigi and Nyange Sectors of Musanze District found in the Northern Province of the country. The chief objective of the study was to assess community participation in tourism development and its role in poverty reduction among the indigenous people living around tourist destinations in Rwanda. Research in this study was conducted with the help of secondary data. Related literature was collected from text books, reports from government, NGOs and journal articles available on both Internet and in the university library. The gathered information explains the role of the indigenous people in tourism improvement, the involvement of local communities in tourism development and the different ways in which tourism profit is shared with the host community. The paper discusses barriers and challenges ahead if the full potential of natural endowments present in the Rwanda's National parks is to be tapped.

Index Terms: Community Involvement, Tourism Development, Poverty & Decision Making Process

1. Introduction:

Tourism is a business activity associated with offering lodging services and entertainment for people who are visiting a place for enjoyment. A tourist is a person who is travelling or visiting a place for pleasure. Community based tourism is tourism in which indigenous people request tourists to visit their area with the provision of hotels and lodging facilities. The community members earn revenue as land owners, entrepreneurs, workers, service and produce providers. Tourism business is reliant on host communities' participation, in the course of their responsibility as workers or business owners, and local peoples' friendly atmosphere to tourists. (Laws 1995; Dann 1996; Cole 1997; Taylor and Davis 1997) Community based tourism (CBT) revolves around the participation of local residents in development and upholding tourism advancement so as to build a long-lasting industry. (Hall 1996) Rwanda is a small landlocked country located between the east and central Africa. The country has a total area of 26, 338 sq. Km. Of the total land area, only 8, 600 sq. Kms (32.7%) are suitable for cultivation. The nearest port on the Indian Ocean is at 1700 Km away from Kigali and at least at 2200 Km to Atlantic Ocean. It is also located at midway of the distance between Cape Town and Cairo, long of 7400 Km. (Report of the Ministry of Trade and Industry [MINICOM] 2009).

The country has 3 national Parks, namely Akagera National Park, Nyungwe National Park and Volcanoes National Park (VNP). This paper is mainly focused on the Virunga National Park (VNP), home to the rare mountain gorillas in the world. The park

is located in a chain of dormant volcanoes locally called Ibirunga, which include Muhabura, Gahinga, Sabyinyo, Bisoke, and Karisimbi. The park lies within the Districts of Rubavu and Nyabihu of the Western Province with (15%) of the park; and then Musanze and Burera Districts of the Northern Province with (85%) of the park area. The Volcanoes National Park (VNP) is the most significant Park in Rwanda regardless of being the smallest amongst the three national Parks in the country. (Plumptre et al. 2004; ORTPN. 2005b).

Mountain gorillas in the world are found in the Virunga rain forest which is shared by Uganda, Rwanda and the Democratic Republic of Congo. The estimated total population is 380. Rwanda is well known for its mountain gorillas which were brought to the international attention by the conservation efforts of Dian Fossey in the 1960s and 70s. (Hannah Nielsen and Anna Spenceley, April 2010). Rwanda has been visited in the recent past by many tourists notable among them are Bill Gates, Natalie Portman and Ted Turner, who have all participated in the annual gorilla naming ceremony.

2. Literature Review:

Globally, about 1.2 billion people live in excessive poverty, of whom, a quarter is estimated to live in the sub-Saharan Africa and three-quarters work and live in rural areas. (UNDP report 2003). The 7th UN Commission on Sustainable Development advised governments to make best use of the potential of tourism to eliminate poverty by increasing suitable cooperative policies with major groups, and native local communities (UN-Commission on Sustainable Development 1999).

Tourism has been acknowledged as a priority sector to achieve the country's development goals, which are set out in its 'Vision 2020' strategy. (Government of Rwanda Report 2009). Rwanda has made considerable advancement in developing and managing its tourism sector in recent years, having increased tourism revenue remarkably from US\$26 million in 2005 to US\$200 million in 2008. (Ministry of Trade and Industry MINICOM, 2009)

Local people benefit financially from the tourism industry in six main ways: employment and wages from the Park and from accommodation and restaurant enterprises, procurement of fruits and vegetables, direct income from joint ventures, cultural tourism expedition, shopping, crafts and donations. In addition, the main non-financial impacts include social projects from the Park's revenue sharing process and access to land and natural resources. (SNV-Rwanda. 2009b).

There is only one shared business enterprise in Rwanda so far, the luxury Sabyinyo Silverback Lodge at the edge of the Park which has eight visitor rooms and can contain 16 people at full capacity. The support rates, or non-discounted rates for the lodge range from \$400 to \$1000 on full board. The lodge is a joint venture between the local Kinigi and Nyange communities represented by the Sabyinyo Community Livelihoods Association [SACOLA]), the private sector Governors Camp Ltd, the International Gorilla Conservation Program and the African Wildlife Foundation and the government. The joint venture contract comprises a 15-year lease agreement between Governors Camps Ltd and SACOLA. The private sector operator constructs and manages the lodge, and pays the community a \$50 per bed-night bill and also 7.5% of net sales. (Makambo, 2009). This joint venture allows natives who live close to the Park to gain from tourism in four major ways: Equity in the tourism business, employment at the lodge, the supply of goods and services, and dividends from profits. (Makambo, 2009). Cultural tourism excursions are arranged and they include cultural tourists watching local dancing, drumming and singing by Batwa people, visiting rural community to learn about village life such as banana brewing, basket making, and visiting neighboring

schools and orphanages. (Ashley 2007). Lodges and tour operators report that the price paid by tourists for a traditional dance is often around RWF 100,000 (nearly \$150). Some lodges maintain a regular dance troupe, made up of staff and nearby residents. (Ashley 2007). Presently, there is a community-run crafts shop at the major Park head office. (Spenceley Anna; Habyalimana Straton; Tusabe Ritah and Mariza Donnah. 2010). Five percent of tourism income from the protected areas in Rwanda are put into a fund for community projects in administrative sectors that are close to the national parks. The Rwanda Development Board issues calls for proposals, and a project selection process is made at sector and district levels. (Tusabe and Habyalimana, 2009).

3. Overview of Tourism in Rwanda:

Throughout the first half of the 1980s, the number of tourists visiting Rwanda had been increasing consistently making this sector the third biggest foreign exchange earner after tea and coffee. In 1994, the escalation of the war and the genocide interrupted the sector, entirely cut it off all throughout the year. From 1995, some efforts have been made to rejuvenate the sector.

The following figure shows the trend of tourists visiting Rwanda from 1980-2001.



(Tourism sector Strategy, ORTPN: 2001).

Rwanda needs to transform its economy from an agro-based economy to a human resource productivity-led economy. Tourism represents a job-intensive and locally consumed export which is highly expected to bring quality jobs and foreign currencies to a large proportion of Rwandans, along with other benefits such as creating a better image for Rwanda, generating public awareness of the industry and encouraging Private-Public Sector partnerships. (Report of the Ministry of Trade and Industry MINICOM], 2009) Tourism sector in Rwanda is mainly composed of 3 key sub-sectors: National parks and forests; Hotels; restaurants and Travel agencies.

Tourism Development Policy:

The government has drawn in all the main actors in the elaboration of a competent tourism policy. The major points of this policy are:

- ✓ Promote eco-tourism development founded on the natural beauty of the country
- ✓ Make sure that the development of the tourism sector leads to equitable circulation of income to the members of the entire population in the country,
- ✓ Guarantee that the tourism sector contributes to the formation of a strong and positive image about Rwanda. (Ministry of Trade and Industry MINICOM], 2009)

While domestic tourism is included in the National Tourism Strategy, Rwanda's targets are aimed at attracting mainly three specific types of tourists:

- ✓ Eco-tourists: visitors who enjoy nature-based activities and are mainly interested in Rwanda's primates, animals and birds in the national parks
- ✓ Explorers: Visitors who are attracted by the Rwanda's history and culture and who wish to experience the *real* Rwanda.
- ✓ Individual business travelers: Visitors who come to Rwanda for events and conferences and briefly tour the country, as well as those seeking investment opportunities in the country. (Ministry of Finance and Economic Planning [MINICOFIN], 2011)

In 2001, the government of Rwanda hired OTF Group, an American-based economic development consulting firm to develop the industry's National Tourism Strategy. Rwanda's National Tourism Strategy focuses on lower visitor numbers and higher receipts as its model for sustainable tourism in the country. Rwanda enormously needs to avoid mass tourism and target the high value tourism customers and also work with international tour operators that can help the country attain such tourism customers. (Report of the Ministry of Finance and Economic Planning [MINICOFIN] 2011).

Closer to Rwanda; tourism practice in Kenya and Mauritius demonstrates this point clearly. In mid 1995, Kenya and Mauritius had tourism revenue of about \$US 500 Million. While Kenya had 844,000 visitors, Mauritius had only 80,000 visitors less than 10% of the Kenya's number of visitors in the same year. Mauritius received almost ten times more money per visitor than Kenya. Mass tourism customers have negative implications for biodiversity conservation and for tourism where as high value tourism customers have positive implications. The plan has led Rwanda tourism to meet and exceed many of its objectives as indicated mainly by growing visitor numbers and revenues. (Stoinski et al., 2007)

Investment Opportunities in the Tourism Sector:

- ✓ Tourist transport: The formation of a transport business by means of an aircraft shows a real business opportunity. This could link Kigali to different tourist sites such as the Akagera National Park (Lake Ihema), Virunga National Park (Lake Kivu, Gisenyi); Nyungwe Forest and (Lake Kivu, Cyangugu). Further than its convenient aspects, this type of service stimulates the tourist's mind in thinking that he/she can visit Rwanda using air transport.
- ✓ Utilization of engine-powered boats linking Gisenyi to Cyangugu can guarantee the movement of tourists between Virunga National Park and Nyungwe Forest, as well as serving as a transport business.
- ✓ Hotels and restaurants: There is a lot of necessity for lodging and restoration facilities in most of the tourist sites. In Nyanza for instance, the capital of the past Kingdom, could cover a cultural village competent of attracting a regular number of tourists. In Nyungwe forest, near Uwinka Centre, where primates and other animals cross, there is a strong desire to build a hotel whose design would fit in well with the forest environment and which could accommodate about thirty people. (Report of the Ministry of Finance and Economic Planning [MINICOFIN], 2007).
- ✓ Business and Investment promotion strategy: Seven government agencies were amalgamated into Rwanda Development Board (RDB) to make Rwanda a world-class business and investment hub. Integrating government organs simplified the development of private entrepreneurs and speeded up the process of registering and initiating a business. The main task of the RDB is to fast-track development

activities by both the government and the private sector. The business environment has been significantly developed. For instance, the opening of a one-stop center has been launched to register businesses and the managerial costs removed. Currently; to register a business takes only two hours and is free of charge. Rwanda's achievement in this area has been acknowledged by a considerable progress in the World Bank's Doing Business indicators as Rwanda was named the top performer in 2009. It outperformed all other countries in the East African Community (EAC). (Hannah Nielsen and Anna Spenceley April 2010).

4. Objectives of the Study:

- ✓ The cardinal objective of the study is to assess community participation in tourism development and its role on poverty reduction among the indigenous people living around tourist destinations in Rwanda.
- ✓ To investigate the particular roles of indigenous people in tourism development.
- ✓ To explore the different ways in which tourism based business companies share profits with the host community.
- ✓ To discuss challenges that limit tourism development

5. Community Based Tourism Development in Rwanda:

The Role of indigenous People in Tourism Development:

- ✓ Permanent and informal employees are recruited from the native community. The host community performs traditional dances that support cultural tourism.
- ✓ The community offers guides and transport facilities to tourists. Indigenous community grows food crops, fruits and vegetables consumed by tourists.
- ✓ The community in a joint venture builds and maintains a hotel and a lodging facility for tourists.
- ✓ Members of the community make crafts and operate shops to sale crafts to the tourists.

The Different Ways in Which Tourism Profit is Shared With the Host Community:

- ✓ Permanent employment of at least 455 people and unofficial employment of a minimum of 136 from poor conditions. Salaries for these beneficiaries have been anticipated at just over \$1 million per year.
- ✓ The host community also gain from expenditure for cultural tours to the tune of a projected amount of \$14 000 per annum on traditional dances; \$30 000 per annum on unofficial guides and \$26 000 per annum on transport.
- ✓ Approximations of the benefits from buying of fruits and vegetables fluctuate, but appear to fall between \$110 000 and \$266 000 per annum.
- ✓ When it comes to communal gains, a joint venture tourism function offers an anticipated \$100000 per annum to its society organization associate, whereas the profit allocation of 5 % of the Park's revenue is equivalent to \$115 000 per annum for indigenous community projects.
- ✓ Gifts from tourists to local programs add an extra revenue of \$300 000 per annum, and shopping is expected to offer an extra benefit of \$91 000 per annum. (SNV-Rwanda, 2009a; Ashley, 2007; Sandbrook, 2009).

Challenges/Constraints to the Development of Tourism in Rwanda:

Getting financial capital, inadequate skilled manpower, inadequate understanding of consumer needs were acknowledged as the major business challenges that weaken Rwanda's tourism industry's capacity to compete. (Ministry of Trade and Industry (MINICOM) 2009).

- **Regional Political Insecurity:** A survey of international tour operators reported that they are reluctant to connect Rwanda due to the insecurity situation in the Great Lakes region such as in DRC. There are over 10 armed militia groups operating in DRC such as the Democratic Forces for the Liberation of Rwanda (FDLR); Republican Federalist Forces (FRF), Mai-Mai groups, whose fighters spray themselves with “magic water to protect themselves from bullets”; Congolese Resistance Patriots (PARECO); National Congress for the Defense of the People (CNDP) ; Patriotic Forces for the Liberation of Congo (FPLC). Allied Democratic Forces and National Army for the Liberation of Uganda (ADF/NALU) Lord’s Resistance Army (LRA) led by Joseph Kony to mention but a few. (IRIN Integrated Regional Information Network, humanitarian news and analysis).
- **Poaching:** gorillas, buffalos, antelopes and other animal species in the VNP Park are hunted by some members of the neighboring community for meat in this region. They are, nevertheless, the focus of illegal animal trafficking. Members of a group are killed and wounded in an effort to trap infants for the black market, these results into the group to sometimes disintegrate. This threat is particularly severe for the Virunga gorilla population. (Stoinski et al., 2007)
- **The Presence of a Small Number of new SMEs Limits Growth:** there are few linkages within the sector, and creativity or innovativeness among tour operators is still limited. The shortage of real business opportunities constrains local tourism enterprises and businesses within their supply chains. Government of Rwanda (GoR/UNWTO, 2009). There is also partial awareness of sustainable and accountable tourism that pays due attention to the environmental, social and economic sustainability in the industry as a whole besides a handful of notable private sector exemptions and some parts of government. (SNV-Rwanda, 2009a).
- **Perception that Rwanda is Not a Safe Tourism Destination:** the 1994 genocide against the Tutsi has left a negative impression on Rwanda’s picture which has been compounded by negative travel advisories from the US and Europe. Rwanda needs to engage in a general public relations campaign to address this perception issue. (Ministry of Trade and Industry (MINICOM) 2009).
- **Inadequate Accommodations at Key Tourism Sites:** Kigali has the lion’s share of accommodations in Rwanda with 65% of all hotel rooms and the cost is over \$US 100 per night. Since most tourism attractions are outside Kigali city, Rwanda needs to promote investments in tourism facilities outside Kigali. (Ministry of Finance and Economic Planning [MINICOFIN] 2007).
- **Limited Air Transport to Main Tourism Markets:** besides a link to Brussels, Rwanda has no direct air link to its main tourism markets. As it grows its tourism industry, Rwanda deserves to carefully manage its air connections. Limited range of tourism experiences—as it stands, Rwanda over relies on gorillas for its tourism. The country needs not only to vary its products to include its rich cultural heritage and other natural attractions, but also to invest in improving the general visitor experience. Need for a tourism culture to increase service quality, lack of a tourism culture amongst Rwandans Demoralizes Rwanda’s capacity to offer good services to the progressively more demanding international tourists.
- **Inadequate and Dependable Information on the Tourism Industry:** the industry needs to develop an appropriate data gathering system to update the formation of statistics. Weak public and private sector partnership—with the

Rwandan private sector being in its formative age, is a major handicap. Rwanda's tourism industry desires tough support from the government.

6. Conclusion:

The information gathered in this study reveals that there are significant reimbursements to the poor from gorilla tourism and related tourism activities in the region of Rwanda's Volcano National Park. The general value of accommodation, food and beverages, tour operators and shopping value chain around the Park is estimated at \$42.7 million in turnover, with an allied \$2.8 million in payments on salary, fruit and vegetables and non-food purchases. (SNV-Rwanda, 2009b). The revenues from gorilla tourism provide funds to the national parks and facilitate preservation activities. Five percent of park revenues are disbursed for community projects. (Hannah Nielsen; Anna Spenceley, April 2010). This means that much of the income continues to benefit the local residents. With this idea, real tourism practices develop, which sustain the peoples' progress whilst preserving society uniqueness, standards, traditions, civilization and values. Discussions and productive Consultations with government, the private sector, research agencies, non-government organizations; development agencies, and civil society conclusively agree that Responsible community based tourism has great potential to reduce poverty. Stakeholders need to shift from the usual way of doing business, to an approach that supports local economic development, and raises opportunities for the local manpower and entrepreneurs. Providing mechanisms to reduce leakage and boost retention of tourism spending in the destination as this will improve the source of revenue of the people living around the Park.

Joint venture preparations; for instance a group of people owning land, and preferably the lodge, is the sole greatest way to significantly raise financial flows to the poor. For example, the Sabyinyo Lodge can produce roughly three fold as much community gain per bed-night and other forms of accommodation (Ashley, 2007). RDB established a new public private partnership unit in 2010, in the Ministry of Trade and Industry. A concessions policy was developed by legal experts. This is an effort of the government of Rwanda geared towards community tourism development. Improving prospects for local community and people from the poor environment to achieve employment in tourism would rapidly raise the pro-poor earnings. Improving vocational hospitality training in Rwanda is a priority in the new Sustainable Tourism Master plan for the country. (Government of Rwanda GoR/UNWTO, 2009).

Employment opportunities for community members around the park can be guaranteed by the act of signing agreements or Memorandums of Understanding between community leaders and tourism based business entrepreneurs as it can create a sense of ownership of the entire tourism properties and process. Besides its wealth, the forests and national parks are frequently out of reach for the average Rwandan. The establishment of zoological and botanical gardens almost inexistent in Rwanda in the urban areas is a professional way of resolving this problem. The gardens can be set up in the country's major towns these are Kigali, Huye, Musanze and Rubavu. There is a total lack of theme parks in Rwanda. A relatively small type of park would serve as a centre for special events such as trade fairs in Kigali.

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