

Tourism

Using the Cluster Approach in Post COVID Recovery



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UGANDA



FOCUS

The Tourism Economy

COVID Impact

The Recovery Strategy

The Cluster Approach

Success Stories

Focus Areas



The Power of Tourism

- ▶ Labor Intensive
- ▶ Low Entry barriers – Youth, Women and Aged
- ▶ Most Accessible asset
- ▶ High Linkage Factor



World Tourism at a Glance



WHY TOURISM MATTERS

Impact of COVID 19

A Global Glance

International arrivals to decline by 70% to 75% for the whole of 2020. (UNWTO)

Return to pre-pandemic 2019 levels not before 2023



100 to 120 MILLION
direct tourism **jobs at risk**
(UNWTO)

loss of
US\$ 910 Billion to US\$ 1.2 Trillion
in export from tourism - international visitors' spending
(UNWTO)

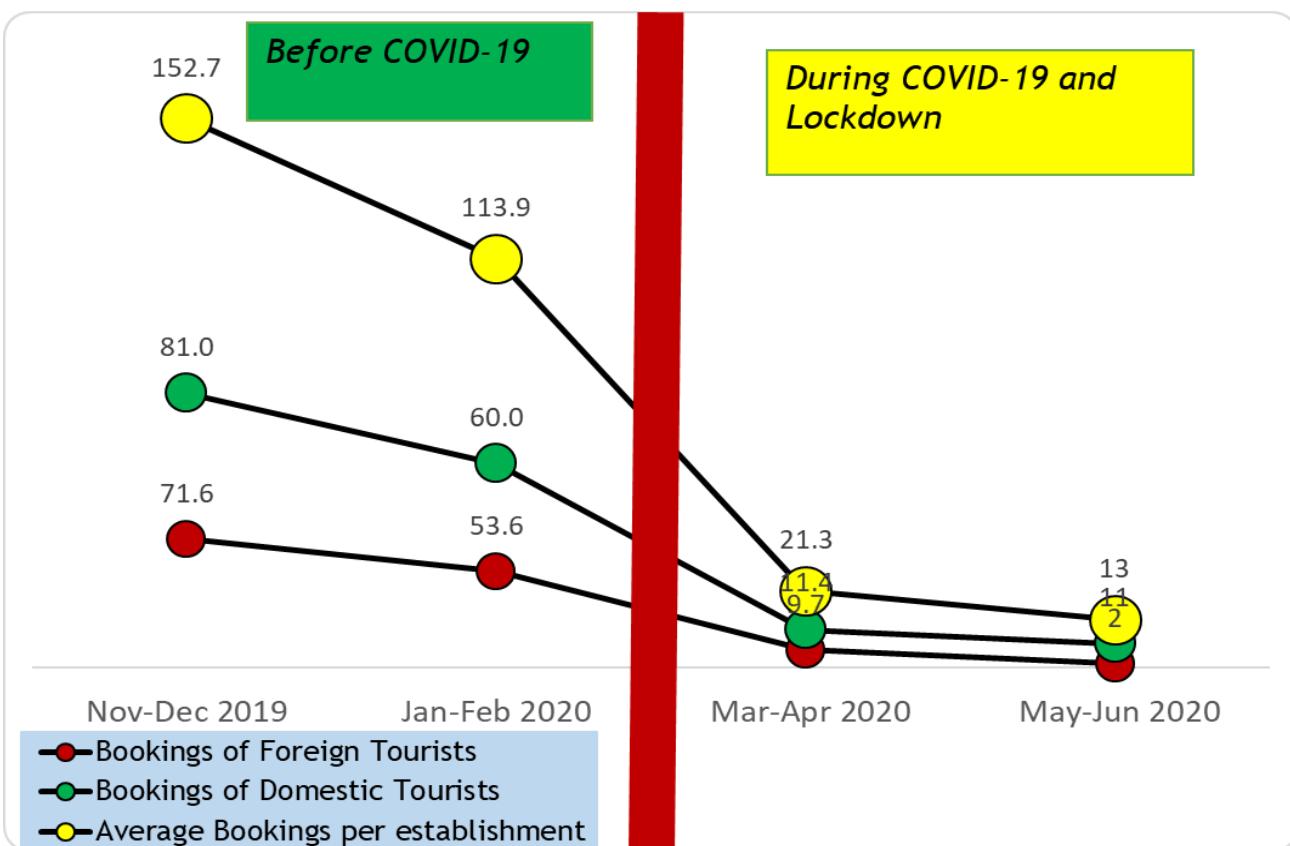
Impact on Tourist Arrivals

Reduction in international tourist arrivals from 1,542,620 in 2019 to 473,296 in 2020, a 69.3% decline

Tourist Bookings declined by 93% from the number recorded at the end of December 2019.

UWA is collecting 5% of Revenue in comparison to before COVID

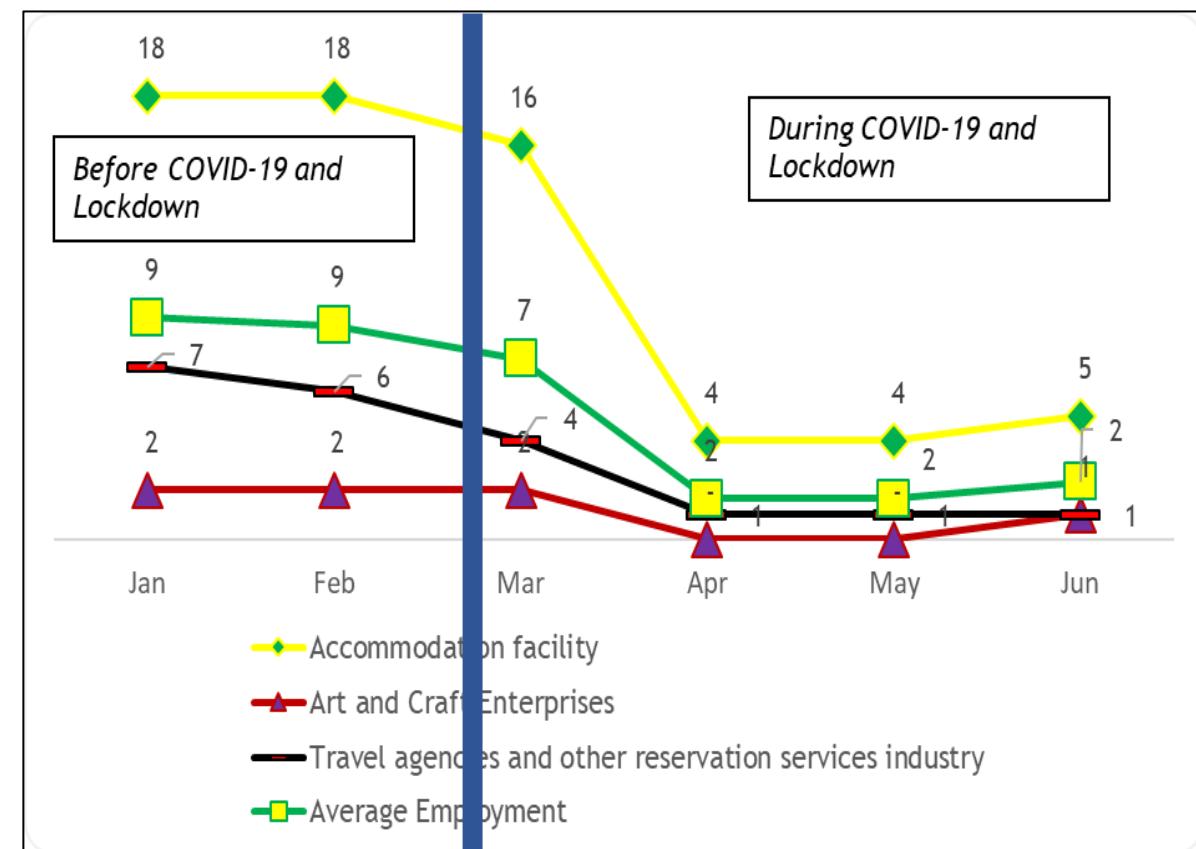
A loss of 82.3% is loss of visitors to Uganda Wildlife Education Centre



Impact on Employment

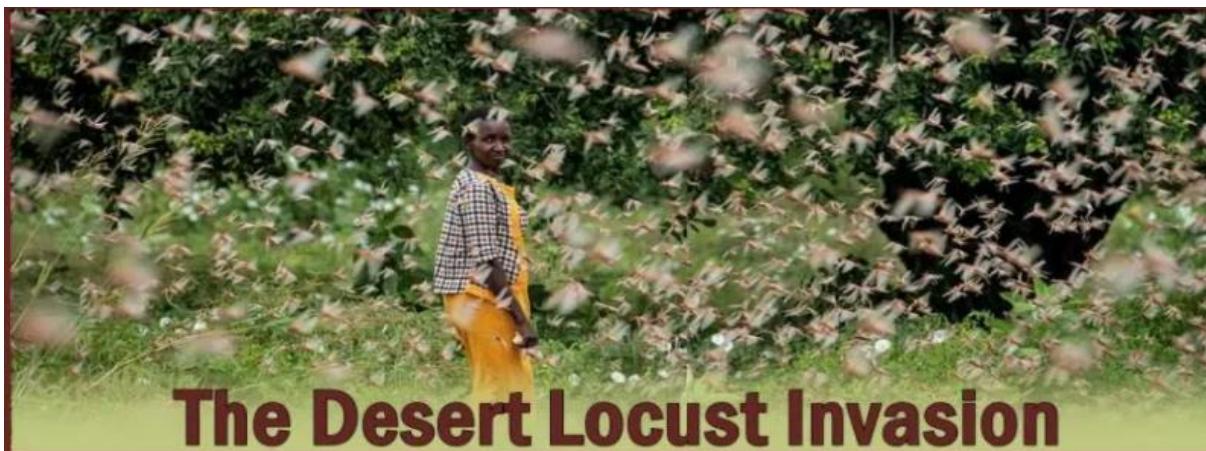
A loss of **74.4% of Jobs** was recorded in the Tourism Sector. The Hotel Industry had a reduction of **72.2% in jobs** in the hotel sector

Tour and Travel Agencies had declined by **97.1 percent** by June 2020



And other Challenges

- ▶ The rising water levels
- ▶ The Political Election Cycle
- ▶ Depressed Consumer Demand
- ▶ Fiscal Stress
- ▶ High Recapitalisation costs
- ▶ Sub sectors still under lockdown - Entertainment



The Desert Locust Invasion



COVID Response

The efforts of Government to mitigate COVID Impacts

In order to Boost Visitor Confidence;

- ▶ Early Containment Strategy
- ▶ Preventive Actions; SOPs
- ▶ Vaccination and Treatment
- ▶ Fiscal Incentives; VAT exemptions on Hotels
- ▶ Affordable Financing Options
- ▶ Digitalisation

Unlocking the power of Tourism

- Spending by leisure tourists stimulates more GDP per dollar spent than the average traditional export in Uganda.
- The overall impact of tourist expenditures in 2012 was large, contributing to 38 percent of exports and 5.6 percent of GDP, including indirect taxes amounting to 0.5 percent of GDP.
- Attracting 100,000 additional leisure tourists to visit Uganda would add 11 percent to exports and 1.6 percent to GDP.
- Persuading each tourist to spend one more night in Uganda would add 7 percent to exports and 1.0 percent to GDP.

Economic Analysis Report, World Bank 2012

PRIORITIES FOR TOURISM'S RESTART

The roadmap to transform tourism needs to address five priority areas:

- ▶ **Mitigate socio-economic impacts on livelihoods**, particularly women's employment and economic security.
- ▶ **Boost competitiveness and build resilience**, including through economic diversification, with promotion of domestic and regional tourism where possible, and facilitation of conducive business environment for micro, small and medium-sized enterprises (MSMEs).
- ▶ **Advance innovation and digital transformation of tourism**, including promotion of innovation and investment in digital skills, particularly for workers temporarily without jobs and for job seekers.
- ▶ **Foster sustainability and green growth** to shift towards a resilient, competitive, resource efficient and carbon-neutral tourism sector. Green investments for recovery could target protected areas, renewable energy, smart buildings and the circular economy, among other opportunities.
- ▶ **Coordination and partnerships to restart and transform sector towards achieving SDGs**, ensuring tourism's restart and recovery puts people first and work together to ease and lift travel restrictions in a responsible and coordinated manner.

The Cluster Approach

- ▶ Clusters are networks of production of strongly interdependent firms linked to each other in a value-adding production chain.
- ▶ Tourism clusters are stakeholder groupings mobilized to address specific development objectives
- ▶ Clusters are effective tools to:
 - ▶ Enhancing industry competitiveness
 - ▶ Addressing sustainability
 - ▶ Building awareness
 - ▶ Mobilizing resources
 - ▶ Common infrastructure

Tourism Clusters

- ▶ Original cluster Kigezi multi stakeholder cluster under ICOB

Early clusters include the Buganda Cluster promoted by kingdom and the Busoga initiative

Characteristics

- ▶ Politically driven by
 - ▶ Faith, Culture, Diaspora
- ▶ Sustained by original visionaries
- ▶ Lack formal structures
- ▶ Have no financial base

Tourism Clusters

- ▶ Kigezi Tourism Platform
- ▶ Kinkiizi Tourism Cluster
- ▶ Gantone
- ▶ Buganda Tourism
- ▶ West Nile Tourism Cluster
- ▶ Eastern Tourism Cluster
- ▶ BTI - Busoga Tourism Initiative
- ▶ Kalangala Tourism Development Association
- ▶ ATIC – Acholi Tourism Initiative Cluster

Success stories

Kigezi Cluster,

- ▶ ICOB event, Gorilla Marathon, Bunyonyi Road, Kisiizi Falls plan, home stay programme

Buganda Expo

- ▶ Annual expo, tourism center, Kabaka's lake, Museum, Royal Mile tour circuit

Busoga Initiative

- ▶ Tourism Expo, Kagulu Hill , Bishop Hannington site

Eastern Forum

- ▶ Imbalu Promotion, Bull Fighting, Abseiling in Sipi

Kisiizi Falls Tourism Site



Kisiizi Falls has Historical and Geographical Attraction

Conservation Threat

Impoverished Community



Kisiizi Hospital

Health Service

Power Generation

Tourism



Impacts

Support to the Good Samaritan Fund

Promotion of the Site

Conservation of the Upstream

The Sesse Islands

Impact of Access and Utility Infrastructure



Old to New Investment



Sesse Islands on Lake Victoria

Predominantly fishing
Community

Impoverished



Investment in Utility and Access

Increased visitation

Increased Investment in
accommodation and tourist
activity

Why Clusters

- ▶ The Cluster Model is effective in promoting domestic Tourism
- ▶ Networking, Resource Mobilization and creating a sense of Ownership
- ▶ Tourism clusters are effective tools in;
 - ▶ The promotion of domestic tourism events
 - ▶ Promote the culture and nature tourism
 - ▶ Enhancing sustainable and Inclusive development models
 - ▶ Develop and promote enterprise self regulation in quality assurance and standards
 - ▶ Identify and develop products in the regions
 - ▶ Promote local investment in tourism

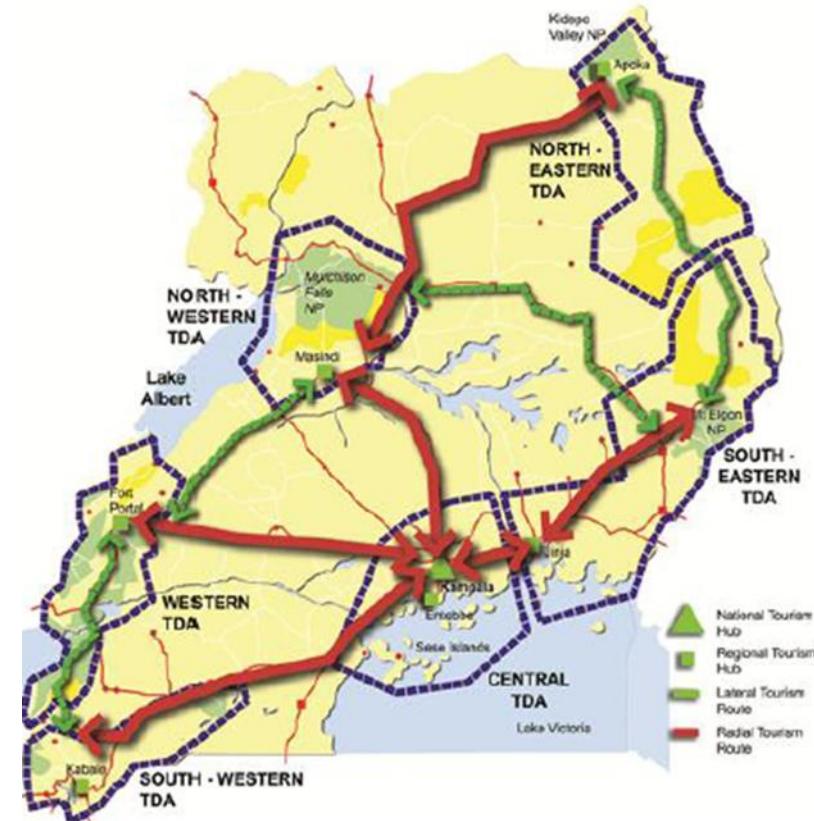


Using Clusters to achieve Regional Development

Tourism is Trans boundary,
Attractions cut across local
governments

Efficient outreach of service

Achieving Regional balanced
growth



Implementation Roadmap

Phased activation

Focus on Six regional Clusters

Tooro, Buganda, Bugisu,
Karamoja, Busoga

Support Flagship Cultural
Based Products in Clusters

Link Clusters to Tourism
Development Area
governance

Replicate Model

1.	Cluster Mobilization; Regional sensitization, identification of cluster champions , registration of clusters, develop project plan and activity schedule, commit staff	
2.	Governance structures; Group formation, MOUs with Local Governments, governance training, elections of councils , financial systems	
3.	Programme Support; Calendar of events, Development of cluster plans, management of financial and technical support, activity implementation support	
4.	Growth Monitoring; Model replication, sustainability development and expansion	

The partnership

The Aim is to Rebuild Tourism;

Rebalancing the Product Portfolio and enhancing Inclusive Tourism, Spur Innovation and youth centric products

Boost Cultural Tourism Development using the Cluster Approach

Development Support in activating Tourism Clusters

Technical Support, Grant and Affordable Financing Models

Thank You