Our vision is that tourism contributes to economic development and poverty reduction at household and community level through products and activities that are socially, environmentally and economically sustainable.


This case study describes the innovative mainstream approach used by SNV Mozambique to link the tourism sector closer to the local economy and basic service provision. It also examines how the tourism growth can be made more pro-poor and subsequently involves and increase the income and well-being of local people. SNV works with a large cluster of diversified actors representing the private and public sectors, associations, local NGOs and informal groups. Building confidence between the groups, facilitating networking activities and building platforms are essential SNV activities. The process is on-going since early 2007 with the first tangible results starting to show in the second quarter of 2008.

This case study is an overview of the Inhambane program and activities by SNV and its partners and clients. For ease of reading for people outside of SNV, jargon and very technical terms have been avoided as much as possible. The program is on-going and actually in its first phase of implementation. This means that not too many concrete results have yet emerged although certain outputs have been delivered and some outcomes are also visible. The study will not enter into specific details of the different components that make up the entire program, but rather try to describe the approach and how the different actions have links and synergies between them and will contribute to a greater impact than each component would separately. The underlying principles that guide SNV’s work and development efforts in Inhambane are based on three simple expressions which we have translated into a triangle:

If the destination Inhambane could become more interesting for more people as a tourist destination worth visiting, then more tourists will come and, if they find the destination interesting and attractive, then they will stay longer, and subsequently they will spend more money!

Having as our philosophy that tourism must contribute to poverty reduction, then the crux in this whole equation becomes how we assure that the actions linked to the three triangle points will actively involve and benefit the local population. The pro-poor approach that has to be adopted will then guide all of SNV’s interventions and actions in order to maximise the contribution of tourism to poverty reduction.

Inhambane Province, about 500 km north of Maputo city, is a major tourist destination in Mozambique (although still small in international comparison), in
terms of concentration of tourism establishments and tourism related activities, but still ranks as one of the poorest provinces in the country with a poverty level of 80.7% (IAF 2002-2003). Endowed with natural beauty, coastline and paradise islands, Inhambane offers areas for diving with the aquatic "big five" and it is also the only place in the world where whale sharks are found all the year round.

Inhambane has been experiencing an increase in the number of tourist arrivals. According to the National Institute of Statistics (INE), the total number of tourists who visited Inhambane in 2006 was 31,676 (another study, done in-house by the Provincial Directorate of Tourism, indicates that in reality the number was probably around 60 000). The Provincial Directorate of Tourism has 50 tourism establishments registered in the City of Inhambane, Tofo, Barra and Jangamo beaches. This includes some hotel/Lodge style accommodation, but the main part is self-catering houses and backpackers camping sites. There are around 1,500 people permanently employed in the tourism sector of which 33% are seasonal workers. In the year 2006, 40% of the revenue generated in form of taxes came from the tourism sector and in terms of annual turnover, 26% of economic activities came from tourism.

An extensive baseline study was implemented by local partners and SNV during the second half of 2007 and indicated the following situation: direct employment is the most visible economic impact from tourism in the area; local production and supply of foodstuffs is almost non-existent (exception sea food); services, such as repair and maintenance, laundry, gardening, marketing, human resource development, etc are mostly catered for in-house (not readily available and poor quality); the tourism product is very one sided (sun and sea); no common destination marketing or a destination management organisation; basic services in education, water and sanitation are not linked to tourism activities.

The philosophy of this initiative is to develop a more equitable pro-poor economic and social growth in a holistic way by combining, under the tourism umbrella, the development of appropriate value chains/sub sectors and basic services in education, water and sanitation.

An example of the interrelationship is that in order for there to be investment and growth in tourism there is need for basic services and the income generated from the tourist activities (taxes and direct contributions) is then used to increase the quality and access to basic services by the general population.

Also, in the education sector there are opportunities to raise awareness of environmental and sanitation issues to the local population and then develops public/private interventions using schools, community groups, municipal council, tourism operators and local associations/NGOs.

The four general intervention actions of the development approach are:

- Integrating actions and building synergies between the economic development and Basic services sectors in Inhambane city and adjacent beaches;
- Increasing linkages of the local economy and basic services provision to the tourism sector;
- Promoting active participation of poor people to improve the income and access to basic services for the local community;
- Developing and diversifying complimentary tourism products, destination marketing and building up a destination management organisation which will guarantee a sustainable and responsible tourism growth and management.
Some of the main characteristics of Inhambane and its tourism sector are:

- Mainly small to medium scale tourism investors originating from South Africa and Zimbabwe;
- Mainly basic standard accommodation of self catering type with some exceptions;
- Majority of tourists are regional, self catering (SA) with a sizeable niche of international dive tourists and some domestic tourists as well;
- Tourism investments have been rather ad hoc, not following a tourism development plan;
- Communication, cooperation and trust between tourism operators themselves and with local authorities, communities and local private sector is at a very low level;
- New investors are interested, but the enabling environment is not supportive. In spite of this, two investments in quality hotels, totalling around 500 new beds, are under way.

A number of challenges can be seen from this description, but of course also quite some opportunities. In light of these circumstances and based on the scoping and baseline undertaken by SNV and local partners, SNV Mozambique decided, in 2007, to make Inhambane the main focus for its tourism interventions in southern Mozambique. A work station/sub-office to the Maputo portfolio was established in late January 2008 in Inhambane city with two advisors that will grow to three by 1 October this year.

The program that is being developed with local, national and international actors is an action oriented program which concentrates on short term not too complex win-win activities while a longer term program is being developed as the actors become more confident, with more capacity and the interest for the program gains ground.

Thus, one of SNV’s first activities was to network with the different actors in order to establish contacts and build more positive relationships between them. This has resulted in quite a surge of activities and much increased communication between actors who really did not talk to each other before.

At this moment the following actors are in some way involved in the Inhambane program:

<table>
<thead>
<tr>
<th>No</th>
<th>Organisation</th>
<th>Relationship</th>
<th>Program component</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Provincial Tourism Association (AHTPI),</td>
<td>Client</td>
<td>Hospitality training Destination marketing</td>
</tr>
<tr>
<td>2</td>
<td>National Institute for Professional Training (INEFP),</td>
<td>Local capacity Builder (LCB), and Client</td>
<td>Hospitality training</td>
</tr>
<tr>
<td>3</td>
<td>Program for Professional Education (PIREP, Min of Education),</td>
<td>Partner</td>
<td>Hospitality training</td>
</tr>
<tr>
<td>4</td>
<td>The National Tourism Development Fund (FUTUR),</td>
<td>Partner</td>
<td>Hospitality training Destination marketing Tourism product devt.</td>
</tr>
<tr>
<td>5</td>
<td>United Nations World Tourism Organisation (UNWTO),</td>
<td>Partner, Co-Financier</td>
<td>Hospitality training Tourism product devt. Access Basic Services</td>
</tr>
<tr>
<td>6</td>
<td>Hospitality Matters Private consultancy company</td>
<td>Consultant</td>
<td>Hospitality training</td>
</tr>
<tr>
<td>7</td>
<td>Municipal Council of Inhambane city,</td>
<td>Client</td>
<td>Tourism product devt. Access Basic Services</td>
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</table>
In September, 2008 five major components have been or are being developed:

**Professional training in hospitality and basic skills in the tourism sector (upgrading of employees and training for new entrants into the sector)**

_The Short term program_ of upgrading present employees in lodges and restaurants has started and is ongoing. Courses included are; kitchen, waiters, rooms, reception. Approximately 75 employees will be upgraded and trained by December 2008.

_The Medium term program_ is in its planning stage, implementation is expected from next year. Target group is new employee entrants into the sector in Inhambane province. The expected increase in direct employment in 3 years in Inhambane is around 500 persons. The occupational areas are the same as in the short term program.

**Development and diversification of tourism products offered to tourists.**

_Establishment_ of a recurrent Inhambane city arts & crafts/cultural/culinary market is in an advanced planning stage. Around 100 local artisans and groups will be directly involved. Tourists will be the main market. First opening (monthly or bi-weekly market days) planned for November, 2008. The market is planned to be private sector led and implemented with the coordination of the Inhambane Municipal Council.

_Identification_ of business opportunities related to tourism product/service diversification. The range can vary from cultural, village, city tours, fun and attractions, information activities, tourism service shops, etc.

At present the activities that have been developed are linked to the sea. The city’s cultural and historic value is not explored. Development of new attractions, tours and activities implemented by local (young) entrepreneurs is being planned.

The main idea is to set up an incubator system for business development together with the local Tourism University Faculty. Young people are much more open to enter into new business ventures and many of the students/graduates are actively looking for opportunities to remain in the tourism industry and help make the Inhambane tourism more pro poor.
Development of linkages and capacity strengthening between local entrepreneurs and the tourism sector in agricultural supply chains and in a wide range of other products and services.

Development of a pilot project to establish local agricultural (vegetables and fruits) linkages between small scale producers and the tourism establishments. This component is in its planning stage and includes:
- Introduction of low cost green house technology for a select vegetable mix product of high demand in the tourism sector;
- Development of low cost mushroom production for small scale farmers.

Development of a whole range of supply services to the operation of tourism establishments, such as; Accountancy, Laundry, Repair and maintenance, Carpentry, Construction, Gardening, Transport Services, Private security. This component has not yet commenced, only preliminary discussions with the tourism faculty of the university to initiate an incubator system to develop new entrepreneurs.

Development of a Destination marketing and management system

There is no destination marketing being done by the different actors and much less a system of a destination management approach and the creation of a common destination management organisation.

One of the main aspects of getting more local pro poor involvement in the tourism actions is to have the "right" tourists. The South African tourists are mostly drive in self catering types who do not need much local involvement. They are mostly self sustaining and, thus, do not spend much money in the local economy. The expansion trend in Inhambane is toward higher standard accommodation of hotel types and this implies that the supply markets will have to change.

To accompany and support this trend it is necessary to initiate actions toward creating a destination management approach and organisation, so that the tourism expansion will increase its pro poor aspects and we will change the Inhambane situation to become a responsible and sustainable tourism development destination.

This component has started, but is in its initial phase with a number of meetings and a workshop to sensitisie different actors having been held.

Development and improvement of access to basic services, mainly water, sanitation and education, by communities influenced by tourism activity in Inhambane.

The production of solid waste is an increasing problem for the Municipal Council of Inhambane. Through the facilitation of SNV a program was built up between the Municipal Council and ALMA, a local association at Tofo beach. The first phase was finished by end of last year which included dump site management and cleaning, separation and sale of solid waste to a private company.
At this moment a follow up project is starting which is bigger in scope and includes:

Environmental Management
Strengthen environmental management Human Resource skills, policies and practices, ensuring local community inclusiveness in decisions related to environmental management, acting as the catalyst facilitating dialogue between the government, private sector and civil society.

Solid Waste Management (SWM)
Promote, support and develop partnerships that advance ecologically friendly solid waste management systems and policies.

Recycling
Promote, support and develop recycling policies, practices, facilities and systems.

Environmental Education
Generate awareness of the value (monetary/ economic, health, aesthetic, cultural, biological, etc.) of the environment amongst local communities, public sector (schools, government, institutes, etc.) and private sector stakeholders.

Conservation
Promote activities in collaboration with schools, businesses, universities, government and civil society that seek to preserve the ecological balance of high value areas, preventing pollution and erosion, protecting bio-diversity and improving the quality of life of local communities.

In the relatively short time of approximately eight months after the baseline stage of preparation, there are a number of interesting and positive developments that can be seen.

Taking into consideration the prevalent non-communicative environment that existed between the actors in Inhambane (and nationally), it is quite gratifying to see the changes that have occurred and that are continually being developed. Just some examples to illustrate:

▫ Before SNV’s entry into Inhambane the actors who, in one way or another, have a role, responsibility or interest in tourism were all working in isolation (or not functioning). There was no collaboration between the public and private sectors and within the sectors individualism and isolationism was also prevalent. The University faculty in Inhambane had expressed interest in developing Inhambane into a destination, diversifying the tourism products and become more involved in the non-academic world. There was little response. The Municipal Council had very vague ideas of how it should be involved with tourism related actions. The Provincial Directorate of Tourism wanted to develop a number of their assigned roles, but had very little internal capacity and response from both within the provincial government and the private sector.

▫ Today these and other institutions and organisations are talking to each other and being involved in common programs and actions (see the presented table). There are signs of enthusiasm and certain commitment. Of course, there is still a lot to do and it’s easy to fall back into earlier lethargy, but the present signs are positive. SNV can proudly say that it has been instrumental in creating this initial development and engagement through its networking, brokering and capacity building actions.

“I don’t know how you managed to organize such a good course for our kitchen workers. I’m glad I participated and if necessary I’m willing to pay a bit more next time.”
(Comment from one operator at the closing of the first course)
▫ The Provincial Tourism Operators’ Association (AHTPI) was totally non-functioning eight months ago. Through the facilitating and capacity building services of SNV they have now organised themselves and are putting their administration back into shape. They have opened channels of communication to the local authorities and government. They have also been one of the main players in getting the hospitality training program running and involved the members to participate. This has given them a boost in the eyes of the members because they actually brought something useful and specific to improve the service delivery of the operators (win-win situation).

▫ The National Institute for Professional Training (INEFP) was chosen to implement the training in hospitality. They however, only had a standard program of courses of two and a half months’ duration which was not appropriate for the Inhambane situation. Through the brokering of SNV a consultant was contracted and in cooperation between AHTPI, consultant and INEFP a new tailor made course in kitchen and waiters was produced that suited the tourism operator’s needs. It is implemented by two national INEFP trainers who had to overcome an initial mistrust about their capacity, but are now accepted as good professionals.

▫ Another change that has improved the cooperation and contacts between INEFP and the private tourism operators is the fact that earlier INEFP only coordinated its activities with the local government authorities. Now it has realised who are their target groups and clients and is now planning and coordinating its courses with the tourism operators.

▫ In the Basic Services sector the Municipal Council and a local association, ALMA have together entered into a practical partnership to resolve the acute solid waste situation and develop a functional management system. The first phase of improving the situation of pick up of waste in Tofo and Barra beaches, move the dump site and fence it, train local community members in separation and improved hygienic practices, packing, transport and sale of recycled waste is concluded with success. A second phase has now started and the scope is being upscaled.

Embarking on a new venture is stimulating, motivating, a bit scary, creates certain resistance and doubt together with different interpretations of where and how to go in order to reach the goal. This is something that the SNV Maputo team’s involved advisors have experienced and they are still experiencing some of these feelings. The Inhambane program has created a new dynamic in the Portfolio and has helped in developing advisors as professionals through the advisory work done with clients, and also through numerous and intense internal discussions.

The hands on, action approach used by the team, compared to using a very detailed and meticulous planning process which tries to get all the answers before you actually try something out, has been beneficial in creating “movement” in Inhambane and in getting us to where we are now.

Short term win-win actions (as the hospitality training program) are essential to get actors motivated, involved and committed and shows that positive results can be reached without unnecessarily complicating things. It is, of course, equally important to remember that not everything can be put into the category of short term win-win because some situations are complicated and will take time to reach results (example is Destination management and agricultural supply chains).

The intention of the SNV Maputo team is that this first overview case study will be followed by others which will cover more specifically different components of the program and which will also be produced in certain intervals to show progress and developments as time moves along.