



**STATEMENT BY THE PRESIDENT OF THE ZIMBABWE COUNCIL FOR TOURISM, TICH
HWINGWIRI, AT THE ZCT MEDIA BRIEFING,**

THURSDAY 11 MAY 2017

The purpose of today's media briefing is to present an overview of the state of the travel and tourism in Zimbabwe, highlighting some of the positive and negative issues facing operators as we work towards a more successful future.

Many countries across the world aim at enhancing the status of their travel and tourism sectors, with a view to facilitating a greater contribution to national growth and development from this increasingly important source of income generation, employment and overall contribution to GDP. Within Southern Africa, there is a drive to increase the role of travel and tourism from a minor or medium player status to that of major or single most important player status.

We in Zimbabwe recognise that travel and tourism could be the major engine for national growth and development in this country in the next 10 years, matching agriculture and mining. This scenario is indeed possible, and it is the goal of the Zimbabwe Council for Tourism to try to gain recognition for this fact and for the creation of an environment in which such a status and role are made possible.

For any country, travel and tourism is dependent on several key factors, among them the stability and security of the destination; accessibility through transport services; suitable provision of accommodation, amenities and facilities; a warm and welcoming environment for visitors and ease of movement and activity. This, of course, all rests on the existence of attractions that make the country a tourist destination in the first place.

We in Zimbabwe know we have a destination worth visiting and we have in the past seen travel and tourism grow, especially during the period 1988 to 1999, years that are often described as the boom years for tourism in this country. We have in this time managed to keep the sector operational and reasonably successful, especially at our premier tourist destination, Victoria Falls.

As we look ahead to the coming years, we must as a country first and foremost recognise the potential of tourism as the driver of growth and then understand what can and must be done to help towards the realisation of that potential. We must join together as a nation to

create that enabling environment to which I have referred. We in ZCT are playing our part by working with all relevant stakeholders to facilitate understanding, presenting not problems but solutions. We ask all stakeholders to work with us in this spirit of oneness towards the achievement of a goal that is not just beneficial to people in travel and tourism but to every single Zimbabwean.

The Ease of Doing Business initiative launched by the government last year was designed to give us a platform to do this, and we are hopeful that this initiative will not be drawn out or stall but will become an active means by which tourism growth can be stimulated. As was once said by a famous politician: give us the tools and we will finish the job! There are a great many obstacles to tourism expansion, and the Ease of Doing Business initiative was created to identify them and lead to their elimination.

2

An example of an obstacle is the application of VAT to payments for foreign visitors' accommodation, which was instituted within the past two years and which was a setback to our efforts to increase the number of visitor arrivals. This VAT has made us a more expensive destination, and when we recognise that we are in competition for tourists and their money with every single destination in the world we must see and recognise that any move that makes us less competitive is retrogressive and harmful. We continue to lobby around this issue, trying to draw attention to the fact that short-term benefits in the area of earnings to the fiscus from such VAT are outweighed enormously by longer-term effects on our attractiveness and on the viability of travel and tourism operators, many of whom have been expected to absorb the VAT that could not be passed on, for example, to travellers who have long since gone and paid up.

We are also concerned that sometimes we receive signals that highlight for us the fact that our belief in tourism's potential is not shared by everyone. A recent Ministry of Trade and Commerce survey on value chains in the economy omitted mention of tourism, an omission we found both surprising and shortsighted.

A further threat to growth at the present time is the slow repatriation of fees through the IATA scheme to airlines operating services directly into Zimbabwe or which, indirectly, have an impact on travel to Zimbabwe; these latter airlines are known as offline carriers, which service routes that connect into Zimbabwe and bring travellers to this country. I would call on the authorities to attend to this situation without delay, so that we do not lose any opportunities to be part of serviced flights that bring travellers to this part of the world.

There have been many examples of positive support for travel and tourism, of course, and the most important one of these has been the upgrading of Victoria Falls Airport, which now boasts a longer runway, world-class terminals for passengers and a range of highly-rated facilities of which we Zimbabweans are immensely proud. The arrival of new airlines to this

destination, notably Ethiopian Airlines and Kenya Airways, is welcome and exciting, and the increased capacity provided to this route by South African Airways is equally welcome and stimulating.

There is also the question of price, with a great many people across the world saying that we in Zimbabwe are more expensive as a destination than we should be. This results from a number of factors, one of which is the ongoing debate and discussion of the US dollar versus the SA rand, and it is our view as ZCT that time is right for an all-stakeholder discussion group to be created to look into this issue and make recommendations to the government on a suitable way forward that helps make us a more competitive destination. The cash shortage of the past year has also been a debilitating factor and there are reports of many travellers not coming to this destination on the back of reports of lack of cash from banks and ATMs. It is a matter that must be resolved as soon as possible.

Operators in the travel and tourism sector have continued to work towards providing services of the standard demanded by even the most discerning of international travellers. This is despite the lack of investment capital and financial resources to undertake the regular major upgrade work that is so common to the operations of travel and tourism operators elsewhere in the world. I would encourage them to stay as competitive as possible and I hope that business levels will improve to provide the resources on which to base this investment in their own product.

3.

While we can be sure that visitor arrivals in Victoria Falls are at satisfactory levels, especially as we come into the peak season from June to October, the picture across the country is not so bright. Occupancy levels in many parts of the country are extremely low, with significantly decreased numbers of foreign and domestic travellers going to places like Kariba and the Eastern Highlands. Lack of domestic air services is a contributory factor, as is the presence of large numbers of police road blocks, which alarm travellers and disincentivise road travel for leisure purposes.

The recent closure of Inn on Rupurara, one of the major hospitality establishments in the Eastern Highlands, was a sad and much-regretted development and resulted from the low levels of tourism in the Eastern Highlands. It is my hope that this will not become a trend across the country and that we can take all the steps necessary to increase travel and thereby ensure establishments remain open.

These are just a few of the issues that impact on travel and tourism business, but in drawing them to public attention I would like to say that we in the Zimbabwe Council for Tourism do not simply table issues of contention or raise problems for the purposes of getting other people to find solutions. We have a clear and unambiguous view as to what can and must be done to create the environment in which tourism can enjoy clear and unimpeded progress,

with consequent benefits to the whole country. In this regard my appeal to all stakeholders is this: partner with us in the drive towards a better future for our sector and when ZCT gives its opinion or advice be sure we have given it in the belief that it is right and serves the best interests of the sector and of the country as a whole.

Travel and tourism can and must become the driver of Zimbabwe's economic growth and development, and we should be seriously thinking of emulating those countries in our region and further afield who are looking towards this sector being the source of up to 45 to 50 percent of GDP by 2050. If we achieve this every Zimbabwean will be a winner.

Thank you.

(please feel free to ask any questions on these or related matters)