

ENTRANCE AND LODGING FEES IN THE NATIONAL PARK SYSTEM: OPTIONS FOR ZIMBABWE*

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July 2000

Abstract

The National Park System of Zimbabwe is a main attraction for foreign tourists and an important contributor to the economic well being of the country. It contains large numbers of elephants, lions and other types of magnificent African wildlife. The entrance and lodging fees currently charged of foreign visitors to Zimbabwe parks should be significantly altered. They are too low to serve as an effective restraint on the demands made by humans on ecological systems. They forego large potential revenues that could be achieved with a higher fee structure. The current charge at Victoria Falls of US \$10 per foreign visitor per day, for example, could be increased to US \$25 without much effect on total levels of visitation. Significant increases in entrance fees, as well as lodging rates, could also be made at other Zimbabwe parks. The higher revenues could be employed to provide better park visitor services and greater protection of park resources. Other desirable changes in policies for entrance fees and lodging rates for foreign visitors include: (1) wider variability in fees from one park to another; (2) smaller discounts for longer stays in a park; (3) half-price discounts for children up to age 18; (4) increased charges for noncommercial vehicles; (5) significantly higher rates for lodging facilities in Zimbabwe parks; and (6) major improvements in booking arrangements for park lodging. It is estimated that revised park entrance fee and lodging rate policies along these lines could roughly double the total revenues earned by the National Park System of Zimbabwe to a new level of perhaps US \$10 million per year or more.

Key words: Zimbabwe, national parks, tourism, economic development, ecological protection

JEL numbers: D4, H4, O13, Q24, Q28

* The author thanks Kay Muir-Leresche and Marshall Murphree for comments. Research for this paper was conducted while the author was a visiting research associate at the Center for Applied Social Sciences (CASS) of the University of Zimbabwe from July 1999 to February 2000. Additional copies are available at www.icer.it.

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EXECUTIVE SUMMARY

National park systems around the world are under increasing pressure to find revenues to cover their costs. In many nations budgets are strained to meet educational, health, transportation, housing and other urgent priorities. As a result, it is difficult for many park systems to obtain the funds needed to maintain employee support facilities, visitor lodging, and road systems. The scientific research and other steps required for effective ecological protection are often underfunded. When the visitors to national parks are often much better off in terms of income and wealth than the taxpayers of a nation, it is also difficult to justify spending scarce funds from national budgets to improve the quality of any subsidized services provided to these visitors.

Many national park systems have a large potential to increase their revenues. They have historically charged low entrance and lodging fees relative to the levels of demand. The structure of entrance fees, moreover, often makes little economic sense. For example, in the United States the entrance fee charged at national parks is the same for each vehicle regardless of the number of occupants and the length of stay up to a full week. As a result, the visitors to US national parks are effectively charged entrance fees that bear little or no relationship to the demands they create for park services or to their own willingness to pay for these services.

In Africa national parks are much more important elements in the national economy than elsewhere in the world. Tourism is often a main source of national employment and income and many tourists come to Africa to view wildlife that are often concentrated in national parks. Hence, the entrance fees and other pricing policies for national parks in African nations can be an important part of the broader economic development policy.

The international community also has a large stake in national park fees and other revenue sources in African nations. The park systems of nations such as Tanzania, Kenya, South Africa, Zimbabwe, Namibia, Botswana and others are frequently the home to large populations of elephants, lions, leopards, buffalo, gazelles and other plains game, and many other species of worldwide interest and significance. The wildlife of Africa are unique in the world in their spectacular numbers and in the variety of significant species. Given that many of these wildlife are found in the largest numbers in national parks and other protected areas, it is thus of worldwide concern that African nations gain the financial wherewithal to protect these wildlife, both in terms of preventing poaching and maintaining sustainable habitat conditions.

This paper focuses on the national park system of Zimbabwe. The nationally protected areas of Zimbabwe represent about 13 percent of the land area of the country. Among a variety of large and important wildlife populations, Zimbabwe has one of the largest numbers of elephants in Africa, most of them found in national park areas.

The paper examines entrance fee and lodging pricing policy at units of the national park system of Zimbabwe that are managed by the Department of National Parks and Wildlife Management. A variety of options are raised for discussion and analyzed in terms of

their impacts on various goals of the national park system. The paper proposes various policy changes from the existing entrance fee policies in Zimbabwe. If these recommendations were adopted, there would be a significant increase in national park system revenues. Although impossible to know precisely, following the policies proposed below might well result in a doubling or tripling of total park system revenues to Z \$300 – Z \$ 400 million (US \$7.9-US \$10.6 million) or more.

Proposed Policy Changes

The following changes in entrance fee and lodging pricing policy at units of the national park system of Zimbabwe are proposed in this paper.

- Entrance fees for foreign visitors to the leading national parks in Zimbabwe that attract the bulk of the visitors should be raised significantly.
- There should be wider variation among parks in the entrance fees charged for foreign visitors, depending on the specific circumstances of each park.
- There should be a discount for foreign (and Zimbabwe) visitors in the entrance fee for the second, third and additional days spent in a park after the first day, but much less than the current large discount.
- A half-price discount for children should be applied throughout the rate structure up to the age of 18.
- There should be a vehicle charge of US \$5 per day (with no discount in the daily rate for the length of stay) for all private noncommercial vehicles entering Zimbabwe parks (and with higher rates for commercial vehicles).
- Consideration should be given to setting the one-day visitor entrance fee for foreign tourists for selected park units in Zimbabwe as follows: Rain Forest – US \$25; Hwange – US \$20; Mana Pools – US \$20; Matopos – US \$15; Chimanimani – US \$15; Nyanga – US \$10; other park system units – US \$8.
- The setting of entrance fees should be coordinated with the setting of accommodation fees which should be raised significantly to perhaps US \$50 per day per person for the more attractive government lodging facilities on the national park system.
- The system for booking of lodging in national parks should be revised to allow a certain amount of lodging to be set aside for much more convenient booking by foreigners and Zimbabwe residents, more than one month in advance, and at higher prices for lodging than at present. If space remains unbooked with less than one month remaining to potential occupancy, any such remaining lodging should then be made available at a considerably reduced price.

INTRODUCTION

National park systems around the world are under increasing pressure to finance their operations from their own revenue sources. In the United States the U.S. Congress in 1995 authorized a demonstration experiment with different fee structures involving four public land management agencies: the National Park Service, the Forest Service, the Fish and Wildlife Service and the Bureau of Land Management. Entrance fees were raised at Yellowstone National Park, Grand Canyon National Park and Yosemite National Park – three of the most popular and visited parks– from \$10 per vehicle to \$20 per vehicle (this single fee providing for a stay of up to one full week).

Fees were also increased at many other parks, national forests and other public land units that are less well known. As a result, total entrance and other access fees collected by the four land management agencies rose from US\$ 93 million in 1996 to US\$ 179 million in 1998.¹ The legislation also required that 80 percent of the increased fee collections must be retained at the specific park or other public land unit where the money was raised, to be devoted there to better public education programs, needed construction and other investments, and other park improvements. The state governments in the United States have also in some cases been requiring that state park departments must cover a higher portion of their operating costs from their various fee collections.

The entrance fees charged tourists at national parks in Zimbabwe have also recently been in flux. Until mid July 1999, the charge at the top “Category 1” national parks (such as Hwange, Mana Pools and Nyanga) was US \$5 per day for foreign visitors

and Z \$10 for residents of Zimbabwe.* Children 12 years and under were free. In mid-July a new entrance fee for these national parks was established, resulting in charges of US \$20 for non-residents and Z \$50 for residents of Zimbabwe (with children under 12 still free).

This sudden fourfold increase in entrance fees was not announced in advance. The sharp fee increases led to complaints by tourists coming to Zimbabwe and by many people involved in the tourist industry. South African tourists – who represent, for example, about 15 percent of the annual visitors to Main Camp in Hwange National Park – complained in particular that they could not afford to pay such a large fee (partly in light of the international weakness of the Rand), and threatened to avoid Zimbabwe parks. After further debate, the government on September 11, 1999 announced yet another entrance fee schedule. Non-residents now pay entrance fees of US \$10 at Hwange and other leading parks and Zimbabwe residents pay Z \$20. Children under 3 are still free but children between ages 3 and 12 pay half the adult price.

The future level of park fees is still under discussion by Zimbabwe policy makers – and is sure to be a continuing source of controversy. Further revisions of the fee structure are expected as of this writing. This paper provides an analysis of the various policy considerations that are raised by the setting of suitable park entrance fees in Zimbabwe. The focus is on the fees charged to visitors from other nations. Given the large discounts for Zimbabwe residents, foreign visitors are by far the largest source of

* For any readers of this paper who may not be familiar with the Zimbabwe currency, it is denominated in dollars (known informally as “Zim” dollars” or “Z \$” in order to distinguish it from United States dollars or “US \$”). The exchange rate as of this writing is 38 Zim dollars to one US dollar, the rate of conversion used throughout this paper.

revenue to the Zimbabwe parks system. The paper also addresses a related issue, the pricing for lodging facilities within units of the national park system of Zimbabwe.*

I. MULTIPLE GOALS OF PARK PRICING POLICY

Like most policy issues, pricing policy for the national park system in Zimbabwe involves tradeoffs among multiple policy goals. No one policy will be able to satisfy fully every policy objective. Setting policy thus involves a process of recognizing and then seeking to achieve the best balance or compromise among the goals.²

Parks in Zimbabwe, like other park systems around the world, are under pressure to raise sufficient revenue to cover their costs. Since 1997, the new government policy in Zimbabwe has been that the national parks should be self sufficient – that is, park system revenues should aim to cover the costs of operating the parks. Unlike the United States, where the revenue and cost details of the national park system – including each individual park – are easily available to the general public, the Department of National Parks and Wildlife Management (DNPWM) at present chooses not to release this information to the Zimbabwe public. Hence, it is necessary to rely on informed estimates.

* This paper was largely prepared prior to the turmoil associated with the runup to the June 2000 parliamentary elections in Zimbabwe. So-called “war veterans” invaded as many as 1,500 commercial farms and members of the governing ZANU-PF party engaged in a campaign of violence and intimidation directed at opposing party members. This lawlessness damaged the Zimbabwe economy and acted to undermine the sense of political stability and protection of secure property rights necessary to national economic success. The analysis and recommendations of this paper will have their intended beneficial effects only in an environment of stable government and sound economic policies. If tourists, for example, are actively discouraged by government policies from visiting Zimbabwe, a more rational set of pricing policies for the national parks will do little good. One must hope that the current political instability is a transitional phase to a new -- and better run and managed -- government of Zimbabwe.

It is possible to make a reasonably well informed estimate of entrance fee revenues for 2000 by applying the latest entrance fee rates of September 1999 to the numbers of 1998 visitors to each unit of the park system (as shown below in Table 1 for selected key parks). Using this approach, it can be estimated that entrance fee revenues in 2000 will be in the range of Z \$150 million to Z \$200 (US \$3.9 million to US \$5.3 million). This is an incomplete accounting for revenues because it does not include lodging and other nonentrance fees. However, given the low fees charged for lodging and the higher entrance fee schedule at the levels of September 1999, the majority of park revenues are likely to come in 2000 from entrance fees.

Costs are more difficult to estimate and any number offered is necessarily highly speculative. Previous high level officials of DNPWM indicate that – adjusted to current price levels – the budget of the Department in 1990 and in 1995 was in the general neighborhood of Z \$100 million (US \$2.6 million). This number can be expected to have increased under the new system whereby the Department can retain its revenues to cover its costs. As a very rough guess, the annual management costs for DNPWM are estimated to be in the range of Z \$100 million to Z \$150 million (US \$2.6 million to US \$3.9 million).

If these numbers for revenues and costs are at all in the ballpark, in the case of Zimbabwe the parks seemingly are already in the range of achieving the objective of self sufficiency and in fact may (it is impossible to know definitively) be generating a net revenue surplus. It should be said that the refusal of the government to make the information available and the corresponding necessity to make such rough estimates is itself a sign of poor management of the park system. A more transparent revenue raising

and budgeting process should be a high priority for making future improvements in the management of DNPWM.

There are various important purposes to which additional national park system revenues could be put. One goal that could be served by a greater availability of funding would be to improve the quality of park services. Recent reports of elephant poaching suggest that there may be inadequate resources devoted to anti-poaching efforts. Park employees, according to various reports, are poorly paid and short on the necessary vehicles and equipment required to perform many of their tasks at a high level. They could benefit from additional training of various sorts.

Improvements in the quality of park services could serve to draw more tourists to Zimbabwe. According to the Zimbabwe Ministry of Mines, Environment and Tourism, “most tourist destinations [in Zimbabwe] are on land that is managed by the Department of National Parks and Wildlife Management.”³ Thus, another main goal of the national park system is to attract tourists who will then visit other places and spend money for various purposes throughout Zimbabwe. In 1997, total direct spending by foreign visitors in Zimbabwe is estimated by the World Council on Tourism to have been equal to Z\$ 9.8 billion (US\$ 266 million), much of it attributable to people whose initial purpose in coming to Zimbabwe was to visit a national park to see wildlife and other park attractions.⁴

Another purpose of the national park system is to preserve for their own sake the spectacular wildlife of Zimbabwe that are of concern to both the citizens of Zimbabwe as part of their natural heritage and to people all over the world.⁵ Even many people in other nations who will never visit the parks or otherwise participate in tourism in

Zimbabwe feel a deep personal concern for the fate of Zimbabwe's rare and spectacular wildlife. If Zimbabwe is regarded positively in the international community for its wildlife preservation efforts, this attitude is likely to carry over into significant practical benefits in other areas as well. It will increase Zimbabwe's leverage in various international negotiations in which Zimbabwe is involved, even concerning matters that have little to do with wildlife or parks.

Yet another goal in setting park fees is to help to preserve and maintain the park ecological systems in a high state of environmental quality.⁶ Excessive numbers of people or the building of too many physical facilities in the parks could threaten their ecological condition. Park pricing policy can be an effective instrument in the service of this objective – a higher fee structure for park use will hold down or reduce demands for use of the parks and total visitation levels. Zimbabwe, like other southern African nations, thus might want to pursue a high-end parks policy involving a superior quality of parks experience and higher entrance fees and other prices to serve a smaller number of foreign visitors. This policy might also turn out to be the revenue maximizing strategy for Zimbabwe.

Yet, such a strategy would be counter to another goal of using the parks as a strong magnet to increase tourism throughout all of Zimbabwe. Moreover, at some point higher prices will be counterproductive even in revenue terms alone. Supply and demand considerations impose an economic constraint on the ability to keep raising entrance fees for foreign visitors.⁷ At some point, the higher entrance fees will cause such a large fall off in visitation that total fee collections will decline.

Another important goal is to make the parks available to the residents of Zimbabwe. At present the use of the parks by most Zimbabweans is limited. Many average Zimbabweans have never visited a unit of the national park system. Considering both the transportation and onsite costs, it is too expensive in time and money for them. However, this could change with growing national income and education in wildlife matters. If Zimbabwe residents were charged the same prices as foreign visitors, a large part of the population would not be able to afford the prices (unless they are set low for foreigners as well). Differential pricing between foreign visitors and residents of Zimbabwe – as is now the case -- is one way to resolve this problem. It should be noted, however, that entrance fees are not the principle financial obstacle to greater park use by Zimbabwe residents. Even if entrance fees were zero, many Zimbabwe residents would find it difficult to pay the costs of transportation and would be reluctant to take the time away from other more essential activities (to pay the “opportunity cost”).

Besides differential fees for nonresidents and residents of Zimbabwe, there are also various other ways to segment the market in order to allow different prices for different groups. For example, in the United States the National Park Service issues a yearlong “Golden Eagle” pass which sells for US\$ 50 and provides for entrance to any national park in the country over the course of the next year. Heavy users of the parks thus pay on average much lower entrance fees per day than more occasional users who pay each time they enter a park.

This is an example of what in economics is called “price discrimination” – charging different prices to members of different consumer groups for the same consumption item. Price discrimination can be a way of raising revenues by charging

higher prices of those groups that have higher incomes and higher demand. It will often be an effective way to maximize the revenues earned by the park system. It can also be used to serve various social objectives and in this way to reduce the degree of tradeoff among the goals of the park system. By segmenting the market in various ways, one group can be offered a lower price (presumably serving some broad policy objective) than another group. Many of the suggestions made below will consist of particular methods of segmenting the market for use of the national parks, both as a way of raising greater revenues and of serving other park goals more effectively.

Yet another goal of park fees is to raise general revenues for the government of Zimbabwe. If the national park system raises sufficient funds to meet its service quality, wildlife protection and other internal objectives, and still has further funds available, this remaining surplus could be turned over to the national treasury. Zimbabwe currently faces a future of generally inadequate tax and other revenues, creating a condition of great fiscal stress and doing much to stimulate the current high rate of inflation in Zimbabwe. If the recommendations in this paper are followed, the park system may be capable of earning significant revenues above operating costs. These net revenues could be turned over to the finance ministry to be put to use for general public benefit in the government budget – for example, perhaps to be used for funding greater services in the health system such as increased assistance to the victims of AIDS.

This might have a political benefit for the parks in that it would demonstrate to the full population of Zimbabwe the economic value of the park system. At present many Zimbabweans do not themselves make much use of the parks; the parks thus offer benefit to them only as they increase tourism and offer other broader economic benefits

to the country as a whole. According to one informed view expressed a few years ago, “under present circumstances much of the Zimbabwean electorate would probably welcome the elimination of protected wildlife areas and most large mammals.”⁸ For those concerned with preserving and maintaining these wildlife areas and large mammals, it is important to offer good reasons for ordinary Zimbabweans to take a more positive view.

It should be noted, however, that there is currently great cynicism with respect to the ability of the national government of Zimbabwe to use any new revenues effectively – that the money is more likely to go into the private pocket of a government official than to serve a broad national interest. In this environment there may be little political gain from turning surplus revenues over for general governmental use.

II. PARK ENTRANCE FEE OPTIONS

In setting entrance and lodging fees, there are a number of fee options that pose various tradeoffs among the goals and other fee considerations described above. Some of the important policy issues for the national park system include:

- should the entrance and lodging fees be the same for all national parks (or all parks in “category 1,” “category 2,” etc., as at present)? If not, how should the appropriate fees be determined for each park?
- with respect to discounts from the regular fees, should there be any discounts for children (and if so, by how much and for what ages)?
- should there be discounts for stays of longer than one day in terms of the daily fee, and if so by how much?
- should there be a single pass available for any number of multiple entries into parks during the same year?
- should there be discounts for park entrance and use during less popular seasons of the year for park visitation?

- should there be an entrance fee to national parks for private noncommercial vehicles, in addition to a per person daily entrance fee?
- should the entrance and lodging fees differ between Zimbabwe residents and non-residents (as entrance fees do at present) and if so, by how much? Is it reasonable that foreign visitors to parks often pay entrance fees more than 20 times the magnitudes of the fees paid by Zimbabwe residents?

III. BACKGROUND

Before examining the pros and cons of the various fee options, it will be important to consider the Zimbabwe national park system in which these fees would be implemented. The next section described various features of the overall park system and selected individual parks.

The National Park System

The national parks and other specially protected areas of Zimbabwe constitute 12.7 percent of the total land area of Zimbabwe.⁹ There are more than 60 units under the management of the Department of National Parks and Wildlife. The Zimbabwe side of the world famous Victoria Falls (which is on the Zambesi River that represents the border between Zimbabwe and Zambia for several hundred miles) is included within the Rain Forest unit of the national park system. Victoria Falls is listed as one of the seven natural wonders of the world and is the centerpiece on the Zimbabwe side of the river for the rapidly growing complex of hotels, casinos and other tourist businesses in the greater City of Victoria Falls area . Other than Victoria Falls, foreign visitors are attracted to Zimbabwe parks mainly for reasons of nature conservation and to view their wildlife.¹⁰ The best known internationally of these Zimbabwe parks are Hwange National Park and Mana Pools National Park (along with other units of the park system near to Mana Pools in the lower Zambesi Valley).

Table 1 below shows for selected key units of the park system the total land area of the park and the total number of foreign visitors and of Zimbabwe resident visitors in 1998. Based on the attraction of Victoria Falls, the Rain Forest drew the largest total number of visitors in 1998, equal to 313,043. This total included 215,899 visitors from other countries and 97,144 residents of Zimbabwe. Hwange National Park drew the next largest total number of foreign visitors, 88,885 in 1998. The revenue importance of the entrance fee is illustrated by the fact that at 1998 levels of visitation to Hwange National Park, if a doubling of the current fee to US \$20 did not result in any significant reductions in levels of visitation, the additional revenues at Hwange from entrance fees would equal another Z \$34 million annually (US \$895,000), all of this collected from foreign visitors.

Across all the main units of the park system in Zimbabwe, and again if there were no significant losses of visitation, the potential revenue increase for the Park system from a doubling of the entrance fee for foreign visitors to US \$20 would equal more than Z \$150 million. It was estimated above that current park system revenues are in the general range of Z \$150 to Z \$ 200 which is also in the general ballpark of current costs. Any large new revenues could either be devoted to improving service quality and ecological protection in the parks, or could be transferred to help to fund other urgent national priorities of Zimbabwe.

After the Rain Forest at Victoria Falls and then Hwange National Park, the third ranking park in terms of foreign tourism is Matopos National Park near Buluwayo. It had 70,581 foreign visitors in 1998. The next ranking parks are Zambesi National Park (23,535 foreign visitors in 1998), Nyanga National Park (11,095), and Mana Pools

National Park (8,720). Gonarezhou National Park in southeastern Zimbabwe has been attracting growing international attention. It is part of a proposal for a large transborder conservation area involving Zimbabwe, South Africa and Mozambique. Visitation to date, however, has been quite low; it had only 2,483 foreign visitors in 1998.

Even including the visits made by Zimbabwe residents, it is notable that the total visitation at Zimbabwe parks remains small by normal international standards. For example, Grand Canyon National Park and Yellowstone National Park in the United States attract about 5 million and 3 million visitors each year, respectively. The current much smaller levels of visitation at Zimbabwe parks reflect the high air fares and other high costs of reaching these parks from most international locations in Europe, Oceania, North America and elsewhere. Yet, the current modest numbers also suggest that there may still be a large potential for increased foreign visitation, if air fares can be lowered (say by further international airline deregulation), if better marketing is done, , if improved assurances of security of foreign tourists can be provided, and if other obstacles to increased foreign tourism can be lowered. As a recent report to the Zimbabwe Tourism Authority indicated, “Africa remains an undeveloped market on the world tourism map.”¹¹

Table 2 shows the places of origin in 1998 for visitors to Main Camp at Hwange (the great majority of Hwange visitors enter at Main Camp). Not surprisingly, the country with the largest number of visitors is Zimbabwe itself; its residents represent 27 percent of the total visitors. Among foreign sources, about 13 percent of all visitors at Main Camp came from the United Kingdom. Visitors from all other European countries combined represented 24 percent. Partly because they have to travel much farther, and

generally have less familiarity with Africa, North Americans are still a small share of total tourism in Zimbabwe. At Main Camp, for example, about 6 percent of all visitors in 1998 came from North America. Twice as many Australians, New Zealanders and others from Oceania visited Main Camp, partly reflecting the relatively shorter travel distance. South Africans are 11 percent of the total visitors to Main Camp. Excluding South Africa and Zambia, the total number of visitors from other African countries was less than 3 percent of the grand total of visitation.

The Importance of Tourism to Zimbabwe

In weighing the various fee options for foreign visitors to national parks in Zimbabwe, one of the most important considerations will be the potential impact for tourism in Zimbabwe.¹² This section reviews briefly the status of the Zimbabwe tourism industry and the role in it of the national park system.

Tourist arrivals in Zimbabwe grew from 411,243 in 1989 to 1.8 million in 1998.¹³ Although it is probably optimistic, the government projects that the total number of foreign visitors could grow by another 60 percent in a few more years.¹⁴ Tourism has traditionally been the third largest earner of foreign exchange after agriculture and mining -- and some government analysts believe it is now surpassing mining.¹⁵ Total receipts from foreign tourists in 1996 equaled US \$232 million, an increase from US \$40 million in 1989. (Receipts continued to increase in local currency but the sharp devaluation of the Zimbabwe dollar caused a significant dropoff in US dollar tourism revenues in 1997 to US \$205 million, and then to US\$ 158 million in 1998. It might be argued that this is a distorted result in assessing the long term trend of tourism revenues.)

The average foreign visitor from the United States stayed 5 days in Zimbabwe, and from the United Kingdom (and Ireland) stayed 7 days, spending money for many kinds of goods and services in Zimbabwe during this period. Tourism thus generates an indirect economic impact because the direct suppliers of tourist goods and services then end up buying more inputs and this spending further increases total incomes and jobs in Zimbabwe. This indirect impact then adds perhaps another multiple of 1 or 2 times the direct impacts on the economy.

In 1995 total employment in the tourism sector of the economy equalled about 80,000 jobs (70,000 attributable to foreign tourism and 10,000 to domestic tourism). By one estimate, including indirect as well as direct sources of employment, the tourism industry in 1988 generated 180,000 jobs in the Zimbabwe economy (around 10 percent of all jobs in the country). Total tourism revenues (including domestic tourism) in 1998 amounted to 7 percent of the Zimbabwe gross national product (GNP). Given the current fiscal and exchange rate crisis in Zimbabwe, and continuing devaluation pressures on the Zimbabwe dollar, it is an urgent national priority to generate increased levels of tourism. As the headline for one local 1999 newspaper column noted, “tourism [is] not an option, it’s the future” for Zimbabwe.¹⁶ In South Africa, similarly, the view is that “a healthy, growing market for tourists – both domestic and foreign – is SA’s best engine of growth.” South Africa wants “to see more people employed in SA and [many] believe tourism is best able to do it.”¹⁷

The national parks have a particularly important role to play in attracting foreign visitors to Zimbabwe. Total foreign visitors to 20 of the most popular units of the national park system in 1998 equaled 445,667 tourists. Given that the total number of all

foreign tourists coming to Zimbabwe in 1998 was 1.8 million, this confirms the very significant role that the park system plays in stimulating foreign tourism. Park units such as the Rain Forest (containing Victoria Falls) and Hwange every year attract tens of thousands of people from all over the world.¹⁸

The national parks of Zimbabwe not only represent a significant current attraction but may become yet more important in the future, given the international fascination with elephants, rhinos, lions and other African wildlife that continues to grow. In terms of the economics of international tourism, and of foreign trade theory generally, the wildlife of Zimbabwe represents one of its greatest “comparative advantages” relative to other nations.¹⁹ Zimbabwe is one of the very few countries in the world that can offer tourists the opportunity to observe large populations of elephants, lions, buffalo, giraffe, leopards and other spectacular African wildlife in comparative comfort.²⁰

International Competitiveness

One of the potential constraints for Zimbabwe on raising entrance and lodging fee levels in the national park system is the prospect of losing tourism to other nations. Zimbabwe is part of an international tourism market that includes as main competitors other southern African and eastern African nations.²¹ South Africa is the single most important alternative destination to Zimbabwe. However, Botswana and Namibia are also attractive to many European, Oceania and North American tourists. In addition, the eastern African nations of Kenya and Tanzania also compete with Zimbabwe for international wildlife tourism. Mozambique is not at present but may soon become another tourist destination providing significant competition with Zimbabwe destinations.

Table 3 shows total foreign tourist arrivals in 1998, and rates of growth for 1997-1998, for Zimbabwe and the 13 other countries that are members of the Southern African Development Community (SADC) – an emerging free trade union in this region.. With 1.6 million tourist arrivals in 1998, Zimbabwe ranked second in SADC, although well behind South Africa (6.0 million arrivals). Mauritius and Namibia also had more than 500,000 tourist arrivals in 1998. Nations with less than 100,000 tourist arrivals included Botswana, Angola, and the Democratic Republic of the Congo (to which only 32,000 tourists traveled in 1998). As shown in Table 4, Botswana does much better in total foreign tourism revenues because it has adopted a national tourist strategy to focus on high end tourism with high price facilities.

In terms of rates of growth, Tanzania had easily the fastest growing tourism sector in SADC, increasing at a rate of 29 percent from 1997 to 1998. Namibia and South African tourist arrivals also grew at 10 percent or greater. The number of tourist arrivals in Zimbabwe in 1998 exceeded the number in 1997 by 7.0 percent.

Table 4 shows current levels of tourism revenues, employment, and projections for the future for Zimbabwe and its main tourism competitors in SADC. In terms of total tourism, South Africa again dwarfs all the other SADC countries, with foreign tourist revenues of US \$3.4 billion in 1997. Compared with other countries in the region, a larger share of the South Africa tourism is domestic, reflecting the significant number of South Africans with enough income and interest in frequent travel within the country. Total spending in 1997 on all travel and tourism (including domestic tourism and business and government travel) in South Africa was US\$ 9.5 billion.

In Zimbabwe, total spending by foreign tourist visitors in 1997 was US\$ 266 million, more than twice the spending by residents of Zimbabwe for holiday vacations and other forms of domestic tourism. Zimbabwe's total travel and tourism sector ranks 3rd in SADC behind South Africa and Tanzania. However, reflecting a greater portion in Zimbabwe of business and government travel and domestic tourism, Zimbabwe ranks 5th behind South Africa, Tanzania, Namibia, and Mauritius in terms of the level of total spending by foreign tourists. Based on employment in the tourism industry, Tanzania ranks second behind South Africa, followed by Mozambique, the Congo (which has negligible foreign tourism but fares much better in total tourism and travel, which includes business and government travel and domestic tourism), and then Zimbabwe in fifth place.

As also shown in Table 4, Zimbabwe's projected future rate of increase of the tourism industry to 2010 (based on projections developed by the World Travel and Tourism Council in London) is only 3.4 percent, well behind most of its SADC competitors. Tanzania has the highest projected rate of growth (7.9 percent), followed by Mozambique (6.8 percent), Namibia (6.8 percent), and South Africa (6.6 percent). Given the importance to the Zimbabwe economy, this projected low growth of Zimbabwe tourism represents a significant source of economic concern.

Increasingly, overseas visitors to Zimbabwe from Europe and North America are part of multi-nation tours. The number of days spent by a foreign visitor to Zimbabwe has declined in the past decade – e.g., from 8 days in 1990 for American visitors to 5 days in 1998, from 11 to 7 days for UK (and Ireland) visitors, and from 9 to 5 days for German visitors.²² Given the increasingly flexibility to change the number of days spent

in each country, this may have the effect of raising the degree of price sensitivity and competitiveness generally in the tourism market of the southern and eastern African region.

Comparative Entrance Fees

Until the entrance fee increases put into effect in July 1999, the park entrance fees in Zimbabwe were closely in line with other southern African nations. As seen in Table 5 below, the entrance fee at Kruger national park -- internationally prominent as the leading park for wildlife in South Africa -- is US \$6 per day (at the current rate of exchange of the US dollar to the Rand). The entrance fee for national parks in Namibia varies between US \$5 at Etosha National Park (another internationally well known park) and US \$1.70 per day for most other parks. In Mozambique, Bazaruto National Park (a much visited park on the Indian Ocean near the coastal resort town of Vilankulos) charges a US \$4 entrance fee per day. In Botswana, the entrance fee for foreign visitors for all national parks is US \$12.50 per day.

The short-lived increase in the entrance fee to US \$20 in July clearly put the Zimbabwe fee above the general level in the southern African region. However, eastern African countries tend to have higher entrance fees at their parks. The entrance fee for national parks in Tanzania is US \$25 per day. In Kenya, entrance fees at the best know national parks range from US \$20 per day at Meru, to US \$23 at Tsavo East and West, to US \$27 at Amboseli. At less internationally know parks, the Kenya fee is US \$15 per day. However, Kenya and Tanzania may be able to charge higher fees because they have world renowned conservation sites such as Maasai Mara and Amboseli parks in Kenya, and Serengeti National Park and Ngorongoro Crater in Tanzania.

Nevertheless, Kenyan tourism has plummeted in the past several years, partly a response to widely publicized reports of crime and other physical insecurity of foreign visitors, along with the general deterioration of the economy and infrastructure of Kenya. Tanzanian tourism, by contrast, has risen rapidly, in part the result of visitors who otherwise might have gone to Kenya who are now going instead to Tanzania. The tourism problems in Kenya show the importance of maintaining a secure environment in Zimbabwe in which foreign tourists feel confident that they do not face any great risk to their personal safety. As South Africa increasingly faces problems similar to Kenya in terms of the international perception of risks of crime for tourists, Zimbabwe – like Tanzania – may see a gain in foreign visitation. If only a small fraction of the 6 million foreign visitors at present going to South Africa each year were to change their plans, it could have a large impact on Zimbabwe tourism (where total foreign visitors are less than a third the South Africa figure.)

Another important consideration is the structure of fees for visitors who stay more than one day. In the United States, for example, the standard entrance fee for national parks is US \$10. However, this fee is charged per automotive vehicle and covers up to a full week in the park. Thus, if a family of four visits Zion National Park in Utah in one automobile, and stays for all the seven days allowed, the US \$10 entrance fee would be spread over four people for a full week – averaging out to only US \$0.36 per day per individual member of the family. In the U.S. foreign visitors pay the same national park entrance and lodging fees as American visitors.

In Zimbabwe, the US \$10 entrance fee for foreigners is charged on the first day. Visitors who want to stay for a longer period in the park receive a large discount since

they only pay an additional US \$10 that covers anything from another day up to a stay of a full week. In other southern African nations, the entrance fee is often paid per day, independent of the length of visit. Hence, for visitors intending to stay for several days or more in the same park, Zimbabwe may in fact be the low-cost destination in southern Africa. Indeed, the low fees for longer visits may not be doing much to attract additional foreign visitors, thus resulting in significant revenue losses to the park system in Zimbabwe.

Relative to eastern African nations, Zimbabwe has an even greater competitive advantage for those foreign tourists who are planning longer park stays. In Tanzania, the US \$25 entrance fee is assessed for each day in the park. Thus, a foreign visitor to Serengeti National Park in Tanzania for four days would end up paying total entrance fees of US \$100 per person. In the case of a family of four (say two parents and two teenage children), such fees would amount to US \$400 just for the costs of entry – a significant economic burden. Indeed, one report finds that in the case of Tanzania “fees for National Park entry are now perceived as too high by foreign visitors.”²³ Yet, even at the high levels in Tanzania, costs of park entrance payments are still small relative to air fares and other total costs for travelers coming from outside Africa.

Other Revenue Sources

The appropriate structure of park entrance fees should also be considered in the context of other sources of park revenue. Within Kruger National Park in South Africa, there are many lodges located across a wide price spectrum. Wealthier tourists tend to stay in more luxurious facilities that have high per person costs of lodging, yielding significant revenues to Kruger park from their payments for accommodations. The South

African government has pursued a policy of keeping national park entrance fees at lower levels, and thus accessible to many South African residents (who pay the same entrance fee as foreign visitors). South African parks such as Kruger can make up for a lower entrance fee with high park revenues that result from visitation to some of the more expensive lodges in the park.

In the past the Zimbabwe (or perhaps most often the old Rhodesian) government built many lodges and other facilities within a number of units of the park system. The Zimbabwe park system also derives significant revenues from lodges and other facilities within the parks. Table 6 shows the findings of a 1993 analysis concerning the relative revenue derived by the park system in 1991/1992 from various sources (at a time when entrance fees were still low relative to present levels). Entrance fees then represented only 12 percent of park system revenues – compared with 22 percent for revenues from accommodations and 31 percent from hunting fees (on those selected units of the park system such as “Safari areas” where hunting is allowed). By 1998, following several sharp increases in park entrance fees in the decade of the 1990s, the revenues derived from entrance fees are believed to have risen to more than 50 percent of total park system revenues in Zimbabwe (the lack of available data restricts analysts outside the DNPWM to making “educated guesses”).

In comparison to Kruger National Park, most Zimbabwe parks do not have as wide a range of lodging types, and have fewer high end luxury facilities inside the parks. In Zimbabwe such high end lodging is generally located outside the park boundaries on private land.²⁴ Here rooms can often cost \$150 to \$300 per night per person for foreign visitors (Zimbabwe residents usually pay much less). Compared with such lodging

outside park boundaries, the lodging fees in government-built facilities in Zimbabwe parks are far lower. Zimbabwe has pursued a policy of limiting the location of privately owned lodging facilities in its parks, and plans in the future to exclude most private facilities.²⁵ Hence, the entrance fee is a more important source of overall revenue for the national parks in Zimbabwe, and it may be necessary to charge a higher entrance fee – in comparison with South Africa, for example -- if significant total park revenues are to be captured from foreign tourists.

Another option is to raise significantly the charges for the government-owned lodging within the parks themselves. Although these lodge facilities are not luxurious, they are often spacious, clean and otherwise attractive – especially considering the locational advantages that they offer to visitors who will spend most of their time touring the park itself. It seems likely that many foreign visitors would be happy paying fees of US \$50 to US \$100 per night per person for existing lodging units in some parks. Given a significant increase in revenues, it would also be possible to improve housekeeping, maintenance and the general service quality of government lodging facilities, thus raising the willingness to pay for them of foreign visitors. However, at present typical park fees for lodges are more in the range of US \$5 to US \$10 per night. Such lodging fees in many parks are clearly well below the going market rate. One might say that much lower income Zimbabwe taxpayers are subsidizing much richer foreign tourists who are making use of national park lodging facilities.

Moreover, at such low fees, there is potentially a much greater demand for many park lodging units than the available supply. Rather than raise the fees charged for lodging facilities to reduce demand (and earn much more revenue), the Zimbabwe park

system has chosen to resolve the problem of excessive demands on its facilities by making it very difficult to book lodging in the parks. There is one central booking place in Harare that is not even in the downtown area and is difficult to reach by public transportation. Travel agents find the system so cumbersome (and the percentage fees would be so low for such low costs of lodging) that many are not willing to deal at all with booking in the national parks.

The whole system of booking and pricing of lodging in Zimbabwe national parks results in large revenue losses to the national park system. Large revenue increases could be obtained by making park lodging available through more standard booking procedures well in advance. There are many possible arrangements but the following system is proposed for consideration.

Many (if not all, some might be reserved for later offering) of the park lodging facilities should be set aside for easy booking in advance by domestic or foreign tour operators or by individual tourists (many of them from foreign countries). Bookings might be available up to one year ahead of the intended occupancy of the lodging unit. The price per night for this lodging could typically be in the range of US \$40 to \$75 per lodging unit per person (still much lower than many competing private accommodations) for the leading parks such as Hwange National Park, and the higher quality of park accommodations. If they booked far in advance, Zimbabwe residents would pay the same fee. However, when one month from the date of potential occupancy of the lodging unit is reached, and if some of the higher priced lodging in the parks is still not booked, the price could be reduced significantly at that point, making it available at much lower rates to later arrivals.

Some part of the lodging might also be set aside much earlier for the exclusive advance booking of Zimbabwe residents – and at much lower room rates than charged foreign tourists.

IV. ANALYSIS OF FEE OPTIONS

Given the above background to national park entrance and lodging fees, a variety of policy issues are posed for consideration.

Should the entrance fee vary by unit of the park system? -- In the United States, national park fees vary considerably from park to park. The White House (administered as a unit of the park system and visited by millions of tourists every year) is free; indeed, two-thirds of the units in the entire national park system (there are 368 park unit in all, most of them not formally designated as “national parks”) do not impose any entry charge. The standard fee at most officially designated national parks is US \$10 per vehicle for use up to one week. At the most famous and attractive national parks such as Grand Canyon National Park and Yellowstone National Park the fee is US \$20. Less well known sites such as Mt. Rainier National Park in Washington State and Lassen Volcanic National Park in California do not attract as many American or foreign visitors and this is reflected in a lower fee structure at these parks.

In Zimbabwe, entrance fees also vary somewhat among parks. The units of the national park system are divided into four categories. The leading parks such as Hwange National Park and Matopos National Park, which attract the greatest amount of international interest, are included in “Category 1.” These parks at present have a US \$10 entrance fee for foreign visitors. Many other park units such as Chimanimani National Park and Chipinge Safari area are less well known and are included in

“Category 2.” The current entrance fee for foreign visitors at Category 2 units of the park system is US \$5. A few other parks are included in “Category 3,” where the entrance fee for foreign visitors is also US \$5. Finally, the fee to visit Victoria Falls in the Rain Forest, included by itself in “Category 4,” is US \$10 for foreign tourists.

In other southern African and eastern African nations, the policy varies with respect to the uniformity of park fees. In Namibia, the entrance fee for Etosha National Park is US \$5 per day, but the fee is only US \$1.66 at Daan Vijoer Game Park. In Botswana, the same fee of US \$12.50 is charged at all national parks.

There are widely varying demands for use of different units of the park system in Zimbabwe.²⁶ By setting a uniform fee for many parks, the fee will be too low for some or too high for others. If a uniform entrance fee is set at a high level to reflect the economic potential of the more attractive parks, visitation (and revenues) at the less attractive parks will be adversely affected. If the entrance fee is set low enough to ensure visitation at all parks, considerable potential revenue at the more attractive parks will be foregone. The main advantage of a single fee is administrative simplicity. This advantage does not seem sufficient to forego the many benefits of a differential entrance fee structure in which diverse entrance fees are set to suit the circumstances of individual park units. Such a fee policy is consistent with a national policy goal of raising significant revenues from the national park system to cover its costs and for other purposes.

Should the daily fee vary with the duration of the visit and, if so, how much of a discount should be available for longer stays? -- If current capacity is being fully utilized, there is no good reason to give a discount for longer stays. This would

encourage people to stay for longer periods, taking up space (or using available slots) that could be occupied instead by higher paying, shorter term visitors. An appropriate grounds for offering longer term discounts is to encourage longer stays where more visitation could be accommodated, and thus to raised additional revenues.

Thus, like other parts of the entrance fee structure, the discount for longer stays should be set according to the circumstances of individual parks. Where incentives for additional visitation and revenues are sought, discounts are appropriate. However, the current levels of discounts for the parks in Zimbabwe seem excessive. At present, there is a one-day entrance fee, and then another entrance fee that is applied for a longer stay that can last up to a full week. This multi-day entrance fee is US \$20 for foreign visitors for category 1 parks.

It should be possible to devise a more graduated system by refining the fee structure, one that could achieve significant increases in revenues. As an example, for a given park, such a system might charge US \$15 for the first day, US \$10 for the next two days, and then US \$5 for each additional day.

Should there be discounts for children? – As with other discounts, if achieving high levels of revenue from foreign tourists is a main goal, a discount for children of foreign visitors is only appropriate for situations where unutilized capacity is found. In cases where a park is already facing substantial visitor congestion, no discounts for children should be offered. However, high congestion is likely to be experienced in a limited number of the units of the Zimbabwe park system.

Hence, in the typical park unit, it may be possible to increase visitation by families (and increase total park revenues) by reducing the entrance fee for children. For

example, a possible fee structure would be to charge half of the normal entrance fee for children between the ages of 7 and 18, and to permit children 6 and under to enter free of charge. The definition of children should be expanded upward from the current cutoff of 12 years old. Many children older than 12 are accompanying their parents and are fully dependent on their parents for support. Varying the fee according to family size and composition is a particularly important form of “price discrimination.”

Should park fees be seasonal? -- Many commercial lodges and other private tourist facilities vary their prices according to the season, reducing the price during off-season periods of lower demand. Table 7 shows the seasonal fluctuations for four units of the Zimbabwe park system. Where there is a seasonal pattern, the months of January to March, the peak of the rainy season, are typically the periods of lowest domestic and foreign tourist visitation at parks. At Hwange National Park, Matopos National Park, and Nyanga National Park, for example, February had the lowest number of foreign visitors of any month of the year.

Yet, it does not seem likely that changes in entrance fees would induce many foreign tourists to brave the rigors of the rainy season in Zimbabwe. To the extent that lower entrance fees would have little effect on total foreign visitation, there is little incentive to reduce fees during the rainy season or any other periods of lower demand.

For Zimbabwe residents, however, the use of parks is likely to be more price sensitive. One option would be to lower entrance fees for Zimbabwe residents in off-season periods, making the parks easily available to Zimbabwe residents at lower rates at these times. Since there is little if any problem of congestion in off-season periods, there would be little marginal cost in terms of potential losses of revenue from foreign tourism

displaced by local residents. In peak periods, by contrast, each Zimbabwe resident may create a significant revenue loss by creating congestion and perhaps driving away some foreign tourists who would be willing to pay much more. Accordingly, another option would be to discount entrance fees sharply for Zimbabwe residents during the off-season, but to raise them in the periods of greatest seasonal use (to higher levels than at present).

Should there be a yearlong pass for all Zimbabwe park system units? -- In the United States, the National Park Service sells a single pass providing entry to any park for the next full year. For heavy users of the park system, the result is to offer a much lower average fee per day of use than is paid by one-time or very occasional visitors. Such a pricing strategy as followed by the U.S. Park Service probably results in a considerable loss of revenue – especially as the yearlong pass costs only \$50 (at a higher rate it might be more effective as a revenue device). Indeed, the principal motive may be political -- to build support for the park system among those people who are the heaviest users -- by offering them a particularly low price per day of use. A similar motive might justify segmenting the market for park use in Zimbabwe by offering yearlong passes at modest prices but still high enough that only residents of the country would be likely to purchase them. This would be one way to offer a high discount for Zimbabwe residents (and potential political supporters of the park system) without the current overt discrimination between foreigner visitors and residents of Zimbabwe in the pricing structure (which some foreign visitors find offensive).

Should there be an entrance fee for private noncommercial vehicles, and how large? – In most countries there is a vehicle entrance charge in addition to the entrance charge per person. For example, in Botswana, private noncommercial automobiles pay a

charge of US \$2.50 per day. Zimbabwe also has a vehicle charge but it is even lower, equal to US\$ 1.35 (Z\$ 50). One advantage of a vehicle charge is that it permits further segmentation of the market, creating greater flexibility to pursue multiple policy goals simultaneously. The fact that a private person is entering a park in a vehicle provides a good indication that the person is probably not poor. People in private vehicles are also more likely to be campers, from whom fewer revenues from lodging fees can be expected. For these reasons, it might well be appropriate to charge a higher vehicle entrance fee than Zimbabwe parks do at present.

A vehicle fee may be of particular usefulness in formulating an entrance fee policy for residents of Zimbabwe. Because many residents of Zimbabwe have much lower incomes than the typical foreign tourist, and yet it is desirable to maintain access to the parks for Zimbabwe residents, a much lower entrance fee for local residents can be justified. If a Zimbabwe resident visits a park with his or her own vehicle, however, it suggests a person of well above average income for Zimbabwe.

In light of all this, an entrance charge for private noncommercial vehicles at selected parks of perhaps US \$5 per day would potentially collect significant additional revenue for the Zimbabwe park system. Unlike per person entrance fees, there might not be any discount on the vehicle charge for Zimbabwe residents. A person with enough money to own a vehicle in Zimbabwe may well have a level of income closer to a foreign visitor than to the income of the average resident of Zimbabwe. Large numbers of ordinary Zimbabweans have annual incomes of less than US \$1,000 per year.

V. ILLUSTRATIVE ENTRANCE FEES AT SELECTED PARKS

A large part of the current revenues from National Parks in Zimbabwe are obtained from a few key parks. In addition to illustrating the principles for setting entrance and lodging fees as described above, it may be helpful to examine some possibilities for how the entrance fee structure might be set for a few selected parks.

The Rain Forest –The Rain Forest unit of the National Park System contains Victoria Falls, the leading tourist destination in Zimbabwe. The area around the town of Victoria Falls includes a variety of other attractions besides the Falls themselves (white water rafting, casinos, bungee jumping, etc.). A visit to the Rain Forest to see the Falls is a one day affair (or less) for most people. A higher daily fee thus is not likely to have much impact in discouraging visits to the Rain Forest and the Falls by foreign tourists. Most people who come to visit the Victoria Falls area will have a high willingness to pay (at least people who have never seen them before -- repeat visitors may be considerably more price sensitive. Families with a number of children also might be deterred from visiting the Falls by a very high entrance fee for all family members). A visit to Victoria Falls will be a highlight of the entire trip for most foreign visitors and yet virtually any reasonable entrance fee is likely to be a small part of the overall travel costs.

In light of all this, it is suggested that consideration be given to setting the fee at the Rain Forest for visitors to Victoria Falls at US \$25 per day, with children 18 and under half price, and children 6 and under free. This fee might represent the best overall balance achievable among the various competing goals in setting fees. It would raise large revenues for the Zimbabwe Park Service that could be used to improve service

quality and ecological protections – including other Zimbabwe parks that have much less revenue-raising potential than the Rain Forest.

Other fee options at Victoria Falls range from US \$10 per entrant up to US \$50. Although fewer visitors would come, it is quite possible that a US \$50 entrance fee would actually work to maximize total revenues at the Rain Forest unit of the park system. However, it might have a negative impact on visitor perceptions of Victoria Falls – seen as “price gouging.” It might also discourage some tourists from coming to the Victoria Falls area altogether, with negative consequences for the broader local economy. The Zimbabwe Park System might benefit but negative “external impacts” might be felt elsewhere in the economy.

At the other end of the spectrum, the current entrance fee of US \$10 for foreign visitors would seem to be well below the market rate for a one-time visit to such a prime international tourist attraction as Victoria Falls. This fee would seem to forego revenues much needed to support park system operations or to needlessly “subsidize” foreigners who are much wealthier than the average Zimbabwean. For repeat foreign visitors, discounts might be offered for multiple entry tickets to Victoria Falls, say US \$50 for up to 4 visits in one year.

Hwange National Park -- Hwange National Park has attained international prominence as a destination for tourists coming from Europe, Oceania and North America. Among other attractions, Hwange is known for its large elephant populations, easily accessible to viewing (especially during the dry season when the elephants congregate around the main water holes in the park, supplied with water from wells drilled many years ago). In considering the options, a low end possibility of the potential

entrance fee for Hwange might be US \$5 per day, and a high end might be US \$30 per day. A high end fee of US \$30 per day would probably have some but not a great effect on levels of international tourist visits from Europe, Oceania and North America. Most of these tourists are paying many thousands of US dollars for air fares and ground accommodations, and for short stays of a few days probably would not notice much a US \$30 per day fee. The main impact of an entrance fee in the range of US \$20 to US \$30 per day would probably be on backpackers and other lower income foreign visitors, on tourism from South Africa and on visitors from Zambia and other parts of Africa. However, at Hwange National Park, visitors from all African countries combined (other than Zimbabwe residents who receive a large discount in any case) represent only 20 percent of the total visitation by foreign tourists.

It seems likely, therefore, that a fee of say US \$20 per day would have a modest impact on total foreign tourism at Hwange (especially those coming for shorter visits) and would raise revenues substantially. Admittedly, as the amount of time for stays in the park becomes longer, the potential impact on foreign tourism of such a higher fee would become greater. This problem can be addressed by providing significant daily discounts for longer stays.

A fee structure to consider for foreign visitors to Hwange National Park thus might be as follows: the first day – US \$20; the second day -- US\$12; the third and each additional day -- US\$8. It would also be important to have discounts for any families with children, or else the above fees could become a large economic burden. Thus, children under 18 might pay half the regular fees and children six and under might enter for free.

By having a graduated fee structure for foreign tourists by length of stay and family composition, it might be possible to segment the market in a useful way. It would be possible to collect more from European, Oceania and North American tourists (who typically have shorter stays, and are less likely to bring children) while keeping fees in a range to attract South Africa (and other African) tourists, who are more likely to plan a stay of perhaps a whole week with a family in a park like Hwange.

An alternative would be to provide an “African discount” available only to residents of other African nations. This would probably be administratively cumbersome, however, and might arouse resentments among tourists from outside Africa.

Mana Pools National Park – Mana Pools National Park attracts many fewer foreign visitors as compared with Hwange. However, it is an internationally known wildlife destination that is very attractive for a set of particularly knowledgeable foreign tourists. Like Hwange National Park, such foreign visitors to Mana Pools would be unlikely to be deterred by a US \$20 entrance fee per day for a short stay. Also like Hwange, it would be desirable to give a significant discount for longer stays, but much less than the current discount. The same discount structure as suggested above for Hwange might be adopted at Mana Pools, including large discounts for families with children.

Matopos National Park -- Matopos National Park has the second highest level of foreign visitation after Hwange. (Almost twice as many residents of Zimbabwe also visit Matopos as any other national park unit, except the Rain Forest). Matopos is located in close proximity to Bulawayo, and its attractions include examples of

Zimbabwe's unique rock and other geologic formations. It also has the burial site of Cecil Rhodes in a beautiful mountain-top setting. Unlike Hwange, where visitors often plan stays of several days or more, tourism at Matopos is more likely to consist of visits of a day or two. Also unlike Hwange, few foreign visitors to Matopos National Park come to Zimbabwe specifically for this purpose. South Africans in 1998 represented 17 percent of the foreign visitation to Matopos National Park.

Although Matopos does not have the international tourism drawing power of Hwange, it is still capable of attracting many foreign tourists. A suggested fee for consideration at Matopos for foreign visitors would be US \$15 per day for the first day, and US \$8 for any additional days.

Chimanimani National Park – Chimanimani National Park is an attractive area of spectacular mountain scenery that is an international tourist destination in eastern Zimbabwe along the border with Mozambique. It is popular among international tourists as a place for hiking and camping. However, Chimanimani does not have the “big five” and other spectacular wildlife populations that are critical to attracting foreign tourists in other parks of Zimbabwe. It is currently being considered for inclusion in a transborder conservation area in conjunction with other areas in Zimbabwe, as well as adjacent parts of South Africa and Mozambique – a step that could significantly increase its international visibility. However, lacking the extent of wildlife attractions that are central to the objectives of so many foreign visitors to Zimbabwe, a park entrance fee at Chimanimani National Park for foreign visitors of US \$15 for the first day might be appropriate with additional days priced at US \$8 per day.

Nyanga National Park -- Nyanga National Park is also an attractive mountainous area in eastern Zimbabwe with similar scenic and other attractions as Chimanimani. Located closer to Harare and along a main highway, it has extensive lodging facilities and is one of the most visited parks by Zimbabwe residents. Many Harare residents vacation at lodges and individually owned property on private land nearby. However, Nyanga National Park is less known internationally than several other parks in Zimbabwe and probably has less international drawing power. A fee structure for foreign visitors of US \$10 for the first day, and US \$5 for additional days would seem appropriate for consideration by the Department of National Parks and Wildlife Management.

Other Zimbabwe National Parks -- Most other parks lack the international attractions for foreign visitors of those described above. For these parks, a fee for foreign visitors of US \$8 for the first day, and US \$4 for additional days, would seem realistic for consideration in light of the state of lower market demands for tourism in these parks. For most foreign visitors, a fee structure at this level would have little affect on their decisions to come to or not come to a park.

Conclusion

The policy changes suggested above would likely yield significant increases in total revenues for the national park system of Zimbabwe. As a rough estimate, total revenues might be increased by Z \$150 million to Z \$200 million (US \$3.9 million to US \$5.3 million) per year. The funds could be devoted to improving the maintenance and quality of operation of the Zimbabwe park system, including greater protection for its wonderful wildlife and other ecological assets.

Most of these revenues would be obtained from foreign tourists who on average have much higher incomes than the residents of Zimbabwe. It would thus amount to an equitable transfer of income from richer people to poorer people. Among the residents of Zimbabwe, a few with larger incomes and greater assets might also pay more under the policy changes described. This also would be an appropriate direction of change.

Although the administrative complexity would be somewhat greater than the current system, it might be a small price to pay for the many other benefits to Zimbabwe that would be achieved.

TABLE 1 -- KEY UNITS OF THE PARK SYSTEM OF ZIMBABWE

Park System Unit	Area (Hectares)	1998 Visitation (residents of Zimbabwe)	1998 Visitation (Foreign visitors)
Chizarira	192,000	470	1,155
Gonarezhou	500,000	7,043	2,483
Hwange	1,460,000	35,278	88,885
Mana Pools	219,600	1,540	8,720
Matopos	43,200	69,521	70,581
Matusadona	140,700	4,326	3,350
Nyanga	33,000	25,449	11,087
Rain Forest (with Victoria Falls)		97,144	215,899
Zambesi	56,000	12,545	23,535
Total	2,644,500	255,314	427,693

Source: Department of National Parks and Wildlife Management

**TABLE 2 – COUNTRY OF ORIGIN OF 1998 VISITORS TO MAIN
CAMP, HWANGE NATIONAL PARK**

Country of Origin	Number of Visitors	Percent of Visitation
Zimbabwe	29,287	26.8%
South Africa	11,657	10.7%
Zambia	1,248	1.1%
Other Africa	2,914	2.7%
United Kingdom	14,649	13.4%
Europe	26,521	24.3%
North America	5,988	5.5%
South America	3,216	3.0%
Oceania	11,617	10.7%
Asia	1,884	1.7%
Grand Total	108,981	100%

Source: Department of National Parks and Wildlife Management

**TABLE 3 – SOUTHERN AFRICAN DEVELOPMENT COMMUNITY
(SADC), TOTAL TOURIST ARRIVALS, 1998**

SADC Nations	Total Arrivals	Percent Growth, 1997-98
South Africa	5,981,000	10.0%
Zimbabwe	1,600,000	7.0%
Mauritius	570,000	4.1%
Namibia	510,000	11.6%
Tanzania	447,000	28.8%
Zambia	382,000	6.2%
Swaziland	325,000	0.9%
Malawi	215,000	5.7%
Seychelles	131,000	0.8%
Lesotho	115,000	2.7%
Botswana	74,000	0.8%
Angola	50,000	1.1%
Congo (DRC)	32,000	6.1%
Mozambique	N/A	N/A
All SADC(*)	10,432,000	N/A

(*) Not including Mozambique, no figures for percentage change for all SADC nations were included in the original table.

Source: Southern African Development Community's Travel and Tourism: Economic Driver for the 21st Century, prepared by the World Travel and Tourism Council, London, England, for the Southern Africa Initiative of German Business and the World Bank, July 1999, p. 32.

**TABLE 4 – TOURISM IN THE SOUTHERN AFRICA DEVELOPMENT
COMMUNITY (SADC), 1997**

Nation	Foreign Tourist Spending (000,000)	All Travel, Tourism Spending (000,000)(*)	Direct Travel, Tourism Jobs	Direct and Indirect T & T Jobs	Projected Tourism Growth to 2010
Angola	US \$12	US \$315	41,500	126,200	8.3%
Botswana	US \$199	US \$418	8,900	30,500	5.9%
Congo	US \$ 2	US \$221	92,500	356,000	6.0%
Malawi	US \$13	US \$92	36,000	93,000	5.7%
Mozambiq.	US \$63	US \$325	194,000	648,000	6.8%
Namibia	US \$336	US \$524	22,000	48,000	6.8%
South Africa	US \$3,447	US \$9,465	264,000	595,000	6.6%
Tanzania	US \$394	US \$934	365,000	805,000	7.9%
Zambia	US \$81	US \$329	65,000	184,000	3.4%
Zimbabwe	US \$266	US \$612	73,000	206,000	3.4%
All SADC Nations (**)	US \$5,727	US \$14,641	1,221,200	3,198,300	6.3%

(*) All Travel and Tourism Spending includes Domestic Tourism, Plus Business and Government Travel, in addition to Foreign Tourist Spending.

(**) Total SADC includes Lesotho, Mauritius, Seychelles and Swaziland, in addition to the nations shown.

Source: Southern African Development Community's Travel and Tourism: Economic Driver for the 21st Century, prepared by the World Travel and Tourism Council, London, England, for the Southern Africa Initiative of German Business and the World Bank, July 1999.

**TABLE 5 – ENTRANCE FEES AT SELECTED NATIONAL PARKS IN
SOUTHERN AND EASTERN AFRICA**

National Park System or Unit	Entrance Fee (Residents of the Country)	Entrance Fee (Foreign Visitors)
“Category 1” National Parks, Zimbabwe	Z\$ 20 = US\$ 0.54	US\$ 10
Rain Forest (with Victoria Falls)	Z\$?	US\$ 10
“Category 2 and 3” National Parks, Zimbabwe	Z\$ 5 = US\$ 0.14	US\$ 5
Kruger National Park, South Africa	30 Rand = US\$ 5	30 Rand = US\$ 5
Other National Parks, South Africa	?	?
Etosha National Park, Namibia	?	N\$30 = US\$ 5
Botswana National Parks	?	50 Pula = US\$ 12.50
Kenya National Parks	?	US \$15 – US \$27
Tanzania National Parks	?	US\$ 25
Bazaruto National Park, Mozambique	?	US\$ 4

**TABLE 6 – SOURCES OF ZIMBABWE PARK SYSTEM REVENUES,
1991-1992**

Revenue Source	1991/1992 Revenue (000)	Percent of Total	1991/1992 Revenue Potential (Market Pricing) (000)
Entrance Fees	Z\$1,740	12.0%	Z\$15,000
Accommodations	Z\$3,162	21.7%	Z\$16,700
Tour Operators	Z\$515	3.5%	Z\$9,900
Hunting	Z\$4,446	30.5%	Z\$17,800
Fishing	\$170	1.2%	Z\$340
Ivory, Other Government Sales	Z\$988	6.8%	Z\$2,000
Boats	Z\$278	1.9%	Z\$1,500
Other	\$2,402	16.5%	Z\$10,000
Grand Total	\$14,555	100%	Z\$77,240

Source: Doris J. Jansen, "Investigation and Recommendations on Access, Pricing, and Control over Resources and Services of Dept of National Parks and Wildlife Management (DNPWLM)," Wildlife Management and Environmental Conservation Project, April, 1993, p. 8.

**TABLE 7 – VISITATION AT SELECTED PARK UNITS, BY MONTH,
1998**

Month of Year	Rain-forest (Res.)	Rain-forest (For.)	Hwange (Res.)	Hwange (For.)	Matopos (Res.)	Matopos (For.)	Nyanga (Res.)	Nyanga (For.)
January	6,778	16,122	2,022	5,043	7,924	4,503	2,557	1,661
Feb.	3,887	13,766	1,105	4,720	3,595	3,123	2,493	221
March	5,015	11,281	1,438	6,287	3,108	4,140	1,940	910
April	10,062	22,262	3,159	8,953	7,275	5,906	4,353	1,839
May	7,450	17,356	1,838	7,065	4,549	3,768	3,022	625
June	4,831	13,660	1,958	6,247	3,650	4,710	1,194	1,490
July	7,267	24,960	3,592	11,773	5,795	9,599	1,912	1,361
August	14,563	29,006	5,880	9,019	10,423	10,370	1,193	344
Sept.	6,000	15,000	3,406	10,051	2,756	5,415	2,318	689
October	6,000	15,000	2,454	7,655	5,631	10,206	2,872	627
Nov.	11,247	18,914	3,915	5,692	5,742	3,906	2,022	449
Dec.	14,044	18,572	4,511	6,380	9,073	4,935	4,128	871
Total	97,144	215,899	35,278	88,885	69,521	70,581	25,449	11,087

Source: Department of National Parks and Wildlife Management

ENDNOTES

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⁴ *Southern African Development Community's Travel and Tourism: Economic Driver for the 21st Century*, Prepared by the World Travel and Tourism Council, London, England, for the Southern Africa Initiative of German Business and the World Bank, July, 1999.

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⁶ *Report of the Commission of Inquiry into Appropriate Land Tenure Systems, Volumes I, II, and III*, Under the chairmanship of Professor Mandivamba Rukini (Harare, Zimbabwe: Republic of Zimbabwe, October 1994).

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¹⁵ *The State of Zimbabwe's Environment, 1998*, p. 77.

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¹⁷ "Putting SA on the Map," *Financial Mail*, September 10, 1999, p. 42-43.

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²¹ See David Kaufman, *Zimbabwe Tourism: Development Program – Regional Market Analysis*, K T & T Consulting on behalf of EXA International, Paris, France, February 1992.

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