

# **TOURISM DEVELOPMENT PROGRAMME BFP FY 2021/22**

## *Tourism Development Programme Budget Framework Paper FY 2021/22*

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### **PROGRAMME: TOURISM DEVELOPMENT PROGRAMME**

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#### **FOREWORD**

The Tourism industry had established itself in the recent past as an economic transformative force with its contribution to GDP reaching Ushs 8.36 trillion and tourism foreign exchange earnings rising from US\$ 834 million in 2012 to US\$ 1.6 billion in 2018 and supporting 570,000 jobs by 2018.

Tourism in Uganda is a private sector driven industry and Government led, the Ministry works with the private Sector to provide a conducive environment and regulation of the sector.

With the outbreak of COVID-19 and its being declared a Pandemic in early 2020 the tourism industry registered massive business losses characterised by private business shutdown, tourist bookings cancellations, closure of Protected Areas/National Parks and tourist sites with the resultant jobs and livelihood loss

The outbreak of COVID-19 has had devastating impacts on the tourism industry and the Ugandan Economy at large. However, historically, tourism has shown a strong ability to adapt, innovate and recover from adversity but this requires new approaches and strong multi-level responses and partnerships.

Through the 3<sup>rd</sup> National Development Plan, the Tourism Development Programme has put in place measures to Manage the crisis and mitigate the socio-economic impacts on livelihoods, boosting competitiveness and building resilience, advancing innovation and the digitalization of the tourism ecosystem, fostering sustainability and inclusive green growth, strengthening coordination and partnerships to transform tourism by pursuing the following objectives;

- i. Promote domestic and inbound tourism
- ii. Increase the stock and quality of tourism infrastructure
- iii. Develop, conserve and diversify tourism products and services
- iv. Develop a pool of skilled personnel along the tourism value chain and ensure decent working conditions
- v. Enhance regulation, coordination and management of the tourism.

The Medium-Term Expenditure Framework (MTEF) allocation for the Tourism Development Programme (Ministry and its Agencies) for the FY 2021/22, is **Ushs 176.73 billion**, a reduction of Ushs 20.72 billion from Ushs **UShs.197.45bn** that was approved in the FY 2020/21. This huge reduction in the MTEF is due to the Government policy to implement cuts on consumptive items which, given the nature of activities of Tourism MDAs, has greatly affected their funding and operations.

In view of the targets of NDPIII and the impacts of COVID-19 the Programme requires additional **UShs. 86.33bn** to achieve the planned activities to recover the Tourism industry. Finally, on behalf of the Tourism Development Programme we commit to achieve the planned interventions outlined in this Budget Framework Paper

Kiwanda Godfrey Ssuubi (MP)

**MINISTER OF STATE FOR TOURISM**

**HOLDING THE PORTFOLIO OF MINISTER OF TOURISM, WILDLIFE AND ANTIQUITIES**

## **Abbreviations and Acronyms**

BINP	Bwindi Impenetrable National Park
BOQs	Bills of Quantity
BOU	Bank of Uganda
CITES	Convention on International Trade in Endangered Species of wild fauna and flora
CSOs	Civil Society
DPs	Development Partners
EAC	East African Community
GDP	Gross Domestic Product
Ha	Hectares
IRA	Insurance Regulatory Authority
KCCA	Kampala Capital City Authority
KM	Kilometers
KNP	Kibale National Park
LMNP	Lake Mburo National Park
M&E	Monitoring and Evaluation
MDAs	Ministries, Departments and Agencies
MEACA	Ministry of East African Affairs
MEMD	Ministry of Energy and Mineral Development
MFNP	Murchison Falls National Park
MFPA	Murchison Falls Protection Area
MIA	Ministry of Internal Affairs
MICT &NG	Ministry of ICT and National Guidance
MODVA	Ministry of Defence and Veteran Affairs
MOES	Ministry of Education and Sports
MoFA	Ministry of Foreign Affairs
MoFPED	Ministry of Finance, Planning and Economic Development
MOGLSD	Ministry of Gender, Labor and Social Development
MOH	Ministry of Health
MoLG	Ministry of Local Government
MoWE	Ministry of Water and Environment
MoWT	Ministry of Works and Transport
MRTIDP	Mt. Rwenzori Tourism Infrastructure Development Project
MTIC	Ministry of Trade, Industry and Cooperatives
MTWA	Ministry of Tourism, Wildlife and Antiquities
NCDC	National Curriculum Development Centre
NCS	National Council of Sports
NDP	National Development Plan
NITA-U	National Information Technology Authority
NP	National Park
NPA	National Planning Authority
PACU	Problem Animal Control Units
PIAP	Programme Implementation Action Plan

PPP	Public-Private Partnerships
PSFU	Private Sector Foundation Uganda
RMNP	Rwenzori Mountains National Park
SNP	Semliki National Park
TDA	Tourism Development Areas
TELCOs	Telecommunication Companies
TSWR	Toro-Semliki Wildlife Reserves
UA	Uganda Airlines
UBC	Uganda Broadcasting Corporation
UBOS	Uganda Bureau of Statistics
UCAA	Uganda Civil Aviation Authority
UCDA	Uganda Coffee Development Authority
UDC	Uganda Development Corporation
UEPB	Uganda Export Promotion Board
UHTTI	Uganda Hotel and Tourism Training Institute
UIA	Uganda Investment Authority
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNRA	Uganda National Roads Authority
UNWTO	United Nations World Tourism Organization
UPDF	Uganda People's Defence Forces
UPF	Uganda Police Force
UTA	Uganda Tourism Association
UTB	Uganda Tourism Board
UWA	Uganda Wildlife Authority
UWEC	Uganda Wildlife Conservation Education Centre
UWRTI	Uganda Wildlife Research Training Institute

## P1: PROGRAMME OVERVIEW

### Snapshot of Medium-Term Budget Allocations

**Table P1.1 Overview of Programme Expenditure (Ush Billion)**

		Approved Budget	MTEF Budget Projections				2025/26
		2020/21	2021/22	2022/23	2023/24	2024/25	
<b>Recurrent</b>	<b>Wage</b>	3.94	3.94	3.94	4.14	4.14	4.14
	<b>Non-wag</b>	177.21	156.49	156.49	177.21	177.21	177.21
<b>Devt.</b>	<b>GoU</b>	16.30	16.30	16.30	16.30	16.30	16.30
	<b>Ext Fin.</b>	-	-	-	-	-	-
<b>GoU Total</b>		197.45	176.73	176.73	197.65	197.65	197.65
<b>Total GoU+Ext Fin (MTEF)</b>		197.45	176.73	176.73	197.65	197.65	197.65
<b>Grand Total</b>		<b>197.45</b>	<b>176.73</b>	<b>176.73</b>	<b>197.65</b>	<b>197.65</b>	<b>197.65</b>

### **PROGRAMME Strategy and linkage to the National Development Plan III (*restrict to one page about 1,700 characters*)**

This program contributes to the attainment of the results of NDPIII's objective One which is; *to increase production and productivity of the key growth sector.*

The goal of this program is to *increase Uganda's attractiveness as a preferred tourism destination.*

The key targeted results to be achieved over the NDP III period (FY 20/21 to FY 24/25) are:

- i) Increase annual tourism revenues from USD 1.45 billion to USD 1.862 billion;
- ii) Maintain the contribution of tourism to total employment at 667,600 people;
- iii) Increase inbound tourism revenues per visitor from USD1,052 to USD1,500;
- iv) Maintain the average number of International Tourist arrivals from the U.S, Europe, Middle East, China and Japan at 225,300 tourists;
- v) Increase the proportion of leisure to total tourists from 20.1 percent to 30 percent;
- vi) Increase the number of direct flight routes to Europe and Asia from 6 to 15.

The objectives of the program are to:

- i) Promote domestic and inbound tourism;
- ii) Increase the stock and quality of tourism infrastructure;
- iii) Develop, conserve and diversify tourism products and services;
- iv) Develop a pool of skilled personnel along the tourism value chain and ensure decent working conditions; and
- v) Enhance regulation, coordination and management of the tourism. Table 1 shows the linkage between the program results and the objectives.

**Table P1.2 PROGRAMME OUTCOMES AND OUTCOME INDICATORS**

<b>Program Outcome 1: Increased tourism receipts</b>							
<b>Program Objectives contributed to by the Programme Outcome</b>							
Promote domestic and inbound tourism							
<b>Programme Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Contribution of Tourism to GDP (Tn UGX)	2017/18	7.3	7.8	7.9	8	8.1	8.5
Annual international tourism receipts (USD Bn)	2017/18	US\$ 1.45 bn	1.49	1.52	1.64	1.80	1.862
No of Tourist arrivals	2017/18	1,402,409	1,570,698	1,609,966	1,706,563	1,877,220	2,102,486
Proportion of leisure and MICE tourists	2017/18	20.1	22.5	24.5	26.5	28.0	30
No of Ugandans visiting Natural and cultural heritage sites	2017/18	620,352	839,218	872,335	914,195	950,226	990,144

<b>Program Outcome 2: Increased competitiveness of Uganda as a key tourist destination</b>							
<b>Program Objectives contributed to by the Programme Outcome</b>							
Increase the stock and quality of tourism infrastructure							
<b>Programme Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Tourist accommodation capacity (no of beds)	2014/15	103,261	152,564	160,192	168,201	176,611	185,442
No of international MICE attracted.	2017/18	13	15	20	25	30	35
Number of direct flight routes to Europe and Asia	2017/18	6	8	10	12	14	15

<b>Program Outcome 3: Increased product range and sustainability</b>							
<b>Program Objectives contributed to by the Programme Outcome</b>							
Develop, conserve and diversify tourism products and services							
<b>Programme Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Length of tourist stay (days)	2017/18	7.5	8.3	8.55	8.81	9.07	9.34
Accommodation occupancy rates (room)	2017/18	51.8	52.3	54.2	55.8	56.2	58.5
Average Inbound tourism revenues per leisure tourist	2017/18	1,052	1,129	1,211	1,300	1,394	1,500

<b>Program Outcome 4: Increased employment/ jobs created along the tourism value chain</b>							
<b>Program Objectives contributed to by the Programme Outcome</b>							
Develop a pool of skilled personnel along the tourism value chain and ensure decent working conditions							
<b>Programme Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Contribution of tourism to total employment (%)	2017/18	6.3	6.8	7.1	7.5	8	8.5
Number of people directly employed along the tourism value chain	2017/18	220,000	250,000	270,000	290,000	320,000	350,000



<b>Program Outcome 5:</b> Enhanced conservation and sustainability of wildlife and cultural heritage resources							
<b>Program Objectives contributed to by the Programme Outcome</b>							
Promote Conservation of Natural and Cultural Heritage							
<b>Programme Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Proportion of selected wildlife species with favorable conservation status	2017/18	21%	21%	21%	21%	24%	24%

<b>Program Outcome 6:</b> Enhanced policy and regulatory framework for the management and utilization of tourism resources							
<b>Program Objectives contributed to by the Programme Outcome</b>							
Enhance regulation, coordination and management of the tourism.							
<b>Programme Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Number of enterprises licensed to operate in tourism business	2018/19	171	205	246	295	354	425
Level of tourist satisfaction (%)	2017/18	71	74	78	80	83	85
No of policies and legislations developed and or reviewed.	2017/18	6	1	1	1	1	1

**P2: INTERMEDIATE OUTCOMES, OUTCOME INDICATORS AND PROPOSED BUDGET ALLOCATIONS ALIGNED TO THE NDP**

**Table P2.1: Intermediate Outcomes and Outcome Indicators Aligned to the NDP**

<b>Vote:[022] MINISTRY OF TOURISM, WILDLIFE AND ANTIQUITIES</b>							
<b>Sub-programme 01: Tourism, Wildlife Conservation and Museums</b>							
<b>Sub-Programme Objectives</b>							
To promote tourism, wildlife and cultural heritage conservation for socio-economic development and transformation of the country							
<b>Intermediate Outcome:</b> Improved Heritage Conservation and Tourism Growth							
<b>Intermediate Outcome Indicators</b> <i>(Type them below)</i>	<b>Performance Targets</b>						
	<b>Base Year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Annual change in visitors to National parks	<b>2019/20</b>	-23.1%	10%	10%	12%	12%	12%
Annual change in visitors to museums and monuments sites	<b>2019/20</b>	-5.2%	10%	10%	10%	10%	10%
Annual change in tourist arrivals for leisure and business	<b>2019/20</b>	-10%	3%	5%	7%	9%	10%

<b>Vote:[022] MINISTRY OF TOURISM, WILDLIFE AND ANTIQUITIES</b>							
<b>Sub Programme: 49 General Administration, Policy and Planning</b>							
<b>Sub Programme Objectives: To strengthen the Departments and Sector Agencies to implement sector policies, plans and strategies</b>							
<b>Intermediate Outcome: Improved Heritage Conservation and Tourism Growth</b>							
<b>Intermediate Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Level of compliance of planning and budgeting instruments to NDPIII	<b>2019/20</b>	55.9	60%	63%	67%	70%	70%
Annual External Auditor General rating.	<b>2019/20</b>	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified

<b>VOTE:[117] UGANDA TOURISM BOARD</b>							
<b>Sub Programme: 1902 Tourism Development</b>							
<b>Sub Programme Objectives:</b>							
<ol style="list-style-type: none"> <li>1. To improve coordination and streamline tourism marketing</li> <li>2. To increase international and regional tourist arrivals</li> <li>3. To increase domestic tourist arrivals</li> <li>4. To increase investment and job creation in the tourism sector</li> <li>5. To increase competitiveness of the tourism destination</li> <li>6. To improve collection and access to tourism information</li> <li>7. To improve internal efficiency and effectiveness</li> </ol>							

**Intermediate Outcome:**

1. Increased number of inbound visitor arrivals from 1.5 million to 1.6 million
2. Increased availability and access to tourism information
3. Increased number of domestic visitors to Uganda's key tourist destinations
4. Increased proportion of leisure to total tourists from 20% to 30%
5. Improved perception of the destination
6. Proportion of Tourists oriented enterprises that are compliant with tourist service standards.

<b>Intermediate Outcome Indicators</b>	<b>Performance Targets</b>						
	<b>Base year</b>	<b>Baseline</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
No. of inbound visitor arrivals	2019	1,542,620	1,214,008	1,239,591	1,515,335	1,594,389	1,677,568
Increased number of domestic visitors Uganda's key tourist destinations	2019	566,808	612,214	636,264	661,258	-	-
Increased proportion of leisure to total tourists (%)	2019	20.1%	20.5%	22.9%	25%	28%	30%

**Table P2.2: Medium Term Projections by Sub-Programme**

<i>Billion Uganda Shillings</i>		Medium Term Projections				
Sub-Programme Service	Approved Budget 2020/21	2021/22- Proposed Budget	2022/23	2023/24	2024/25	2025/26
<b>Vote:[022] MINISTRY OF TOURISM, WILDLIFE AND ANTIQUITIES</b>						
01 Tourism, Wildlife Conservation and Museums	161.912	150.33	150.33	161.912	161.912	161.912
49 General Administration, Policy and Planning	8.697	8.697	8.697	8.798	8.798	8.798
<b>Total for the Vote</b>	<b>170.609</b>	<b>159.03</b>	<b>159.03</b>	<b>170.71</b>	<b>170.71</b>	<b>170.71</b>
<b>VOTE:[117] UGANDA TOURISM BOARD</b>						
<b>1902 Tourism Development</b>	26.84	17.70	17.70	26.93	26.93	26.93
<b>Total for the Vote</b>	26.84	17.70	17.70	26.93	26.93	26.93
<b>Total for the PROGRAMME</b>	<b>197.45</b>	<b>176.73</b>	<b>176.73</b>	<b>197.65</b>	<b>197.65</b>	<b>197.65</b>

### P3: PROGRAMME INTERVENTIONS FOR 2021/22

Objective	Intervention		MTEF allocation FY2021/22 (Bn Ugx)	FY 2021/22-requirements (Bn Ugx)	FY 2022/23-requirements (Bn Ugx)	FY 2023/24-requirements (Bn Ugx)	FY 2024/25-requirements (Bn Ugx)
<b>1. Promote domestic and inbound tourism</b>	Review or develop a national tourism marketing strategy		0.3	0.3	0	0	0
	Set up Market Destination Representatives (MDRs)		3.34	12.4	15.5	18.6	18.6
	Establish market intelligence frameworks to monitor trends and status of Tourism growth		0.26	3.75	3.75	3.75	3.75
	Train Ugandan diplomats to support tourism marketing and handling and visa/ consular staff in customer care		0	1.118	1.645	2.145	2.65
	Undertake tourism promotional Programmes		14.049	49.828	64.728	79.331	93.831
<b>2. Develop, Conserve and diversify product range</b>	Improve and diversify product offerings		12.049	54	142	180.5	275.5
	Facilitate formation of tourism groups in target communities (e.g. Art and Craft) in Busoga, Teso, Bukedi and Karamoja		0	0	21.84	21.84	21.84
	Nurture local private sector to participate in local, regional, and global tourism value chains through training and credit extension.		0.13	0.45	15.56	15.91	17.16
<b>3. Increase the stock and quality of tourism infrastructure</b>	Expand, upgrade and maintain tourism national transport infrastructure and services: Trails and tracks inside protected areas maintained		5.2	23	25	25	30
	3 Stop over points constructed		0	2.5	4.5	7	10
	12 tourism information centers established in regions including Busoga, Teso, Bukedi and Karamoja		0.16	2.5	2.5	5	4.5

<b>4. Develop a pool of skilled personnel along the tourism value chain and ensure decent working conditions</b>	Transform the Uganda Hotel and Tourism Training Institute into a centre of excellence		5.73	69.6	72.22	63.5	96
	Transform the Uganda Wildlife Research and Training Institute into a centre of excellence		3.18	31.24	20	20	24
	Specialized trainings in the Tourism sector including Trainings of museologists, museography, curatorship and heritage experts provided		0	1	3	3	3
	Provide Skills through internship and apprenticeship programs		0.2	1.24	3.64	3.64	3.64
<b>5. Promote Conservation of Natural and Cultural Heritage</b>	Expand and Modernize the National Museum		0	15	16	2	2
	Maintain integrity of cultural or heritage sites and monuments		1.03	7	7	7	7
	Develop Regional Museums		0	1.25	1.25	1.25	4
	Promote natural and cultural/heritage conservation		9.1	36	47	49.7	52.7
	Promote wildlife enterprises		0.36	0.5	1	1	1
	Enhance and maintain ecological integrity of wildlife conservation		116.47	131	165.05	200.3	230.55
<b>Enhance regulation, coordination and management of the tourism</b>	Develop and operationalize a Tourism Information Management System		0.62	6.02	4.52	4.52	4.03
	Strengthen inspection and enforcement of service standards for tourism facilities and tour operators		2.237	5.5	5.5	5.5	5.5
	Establish quality marks/standards for grading of tourism-related facilities such as accommodation, attractions, beaches, restaurants and travel		0.7	2	3	0	0
	Strengthen institutional partnerships for tourism development		0.245	0.7	0.8	0	0
	Develop and enforce policies, standards and regulations		0.81	1.1	2.55	2.55	2.3
	Operationalize the Tourism Development Programme coordination and Working Group framework		0.5	0.5	1	1	2
	<b>GRAND TOTAL</b>		<b>176.73</b>	<b>459.496</b>	<b>650.553</b>	<b>724.036</b>	<b>915.551</b>

## **Programme Challenges in addressing gender and equity issues for FY 2021/22**

1. Attracting female candidates for male dominated job openings (Wildlife Scout and Rangers);

*For the FY 2021/22, Ushs.7.7 billion has been allocated for construction of 200 new units of staff houses with attendant utilities and maintenance of 500 units of staff houses in Protected Areas. The availability of more conducive accommodation is important for female employees in Protected Areas.*

2. Low enrolment of male students in hospitality courses compared to females;

*UHTTI has provided for sensitization in schools to interest more boys in the hospitality career as well as media publicity on the programmes offered in order increase access to information. Additionally, two regional Training Clinics will be conducted for industry workforce across the country and this will create a reach out to male youth to know and experience the offers and opportunities at UHTTI and the entire Tourism industry.*

*Driver tourist guide training equipment (one vehicle) has been provided for by UHTTI to expand the driver training opportunities, and these are mostly attractive to male.*

3. Low enrolment of females at Uganda Wildlife Training Research Institute;

*Government has improved accommodation and sanitary facilities for female students in order to improve their comfort at the institute. Ushs 250 million has been spent on this. In the next FY 2021/22, Government has provided for procurement of training equipment such as sleeping bags, binoculars, and specialized field training van to improve training conditions and this will attract female students. New courses in tourism are to be conducted and these will also attract female students at Uganda Wildlife Training Research Institute.*

*Ushs 150 million has been proposed by UWRTI to Promote and market the institute. Focus will also be on promoting affirmative action for ladies during admission of new students.*

4. Failure to attract females in remote and hard to reach locations;

*For the FY 2021/22, Ushs 7.7 billion has been allocated for construction of 200 new units (in all protected areas) of staff houses with attendant utilities and maintenance of 500 units of staff houses in Protected Areas. The availability of more conducive accommodation is important for female employees in Protected Areas.*

5. Absence of female and male counsellors at institutional level;

*A provision has been made by each MDA to equip selected staff with counselling skills and to undertake counselling programmes on various issues on gender and equity (0.21 billion).*



6. Absence of Gender and Equity Policy to mainstream gender concerns in the Sector

*The development of a gender and equity policy for Tourism Wildlife and Antiquities has been provided for in the budget for FY 2021/22 (Ushs 0.1 billion).*