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The dialogue and advocacy initiatives for reforming the business environment of the tourism and hospitality sector in Tanzania

Wineaster Anderson, Theresia Busagara, Deogratiuous Mahangila, Maria Minde, Donath Olomi, Victor Bahati,

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# The dialogue and advocacy initiatives for reforming the business environment of the tourism and hospitality sector in Tanzania

Wineaster Anderson, Theresia Busagara, Deogratious Mahangila, Maria Minde, Donath Olomi and Victor Bahati

## Abstract

**Purpose** – *This paper aims to investigate the nature of the public–private dialogue (PPD) initiatives and how PPDs are being used in the tourism and hospitality sector as the tool for reforming the business environment (e.g. set policy priorities, inform policy design, improve legislative proposals and incorporate feedback into regulatory implementation).*

**Design/methodology/approach** – *The study adapted a descriptive-qualitative method through desk research and in-depth interviews based on the explorative research design. The respondents included tourism and hospitality stakeholders from the public and private sectors in the Arusha, Kilimanjaro and Dar es Salaam tourist destinations in Tanzania.*

**Findings** – *The findings revealed numerous PPD initiatives which various actors in the tourism value chain rely on to address their matters. While some initiatives are not regular forums, few have been institutionalized in the Tourism Act of 2008, while others have been prescribed from the global level (UNWTO). The well-known PPD platforms include the Tourism Facilitation Committee, Technical Advisory Committee to the Minister, Tanzania National Business Council (the Tourism Task Force) and Public–Private Partnership in Tourism under the Ministry. However, most of the existing platforms overlap in terms of subject matter, mandates, participants and timing. The key success stories and factors of the PPD initiatives and the associated challenges have been discussed.*

**Practical implications** – *The study provides insight to the conclusion that public policies that are designed through PPD are better conceived and more effectively implemented because they result from mutual understanding between government and the business community. This knowledge is important to the least developed countries (LDCs), like Tanzania, as research has shown that stronger and more constructive dialogue between government and the private sector leads to better business environment, and countries with better business environments grow faster, attract more investment and reduce poverty more than the opposite.*

**Originality/value** – *Although several PPD initiatives are taking place in the tourism sector in most developing countries, little about them has been documented in the tourism literature. Hence, this study, which focuses on Tanzania, aims to fill this knowledge gap.*

**Keywords** Tanzania, Business environment, Public-private dialogue (PPD), Public-private dialogue advocacy, Tourism and hospitality sector

**Paper type** Research paper

## Introduction

Although there is a general consensus that public–private dialogue (PPD) and advocacy (PPA) initiatives are useful for improving the business environment, competitiveness and trust; and for fostering governance through coordination, transparency and accountability (BMZ and GIZ, 2014; Herzberg and Toland, 2009), most countries in the global south have

Wineaster Anderson is Associate Professor at the Department of Marketing, University of Dar es Salaam, Dar es Salaam, Tanzania. Theresia Busagara is Assistant Lecturer at the Department of Finance, University of Dar es Salaam Business School, Dar es Salaam, Tanzania. Deogratious Mahangila is Lecturer at the Department of Accounting, University of Dar es Salaam Business School, Dar es Salaam, Tanzania. Maria Minde is Assistant Lecturer at the Department of Marketing, University of Dar es Salaam Business School, Dar es Salaam, Tanzania. Donath Olomi is based at the Institute of Management and Entrepreneurship Development, Dar es Salaam, Tanzania. Victor Bahati is based at the Department of Accounting, University of Dar es Salaam Business School, Dar es Salaam, Tanzania.

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not done enough to maintain their sustainability (Pinaud, 2007; ILO, 2006). As also echoed in Bannock Consulting Ltd (2005), without both public and private champions investing in and driving the process, it is difficult to sustain PPD and achieve reforms. In general, the area is still under researched in the tourism literature, and the existing applied research (Toland, 2009; Waddington, 2006) has shown that countries with better business environments, not only grow faster but also attract more investment and reduce poverty more than countries posing greater barriers to private sector activity. The countries with better business environments have stronger and more constructive PPDs than the opposite.

The PPD has been defined by Herzberg and Toland (2009) as the act of public and private stakeholders coming together to define and analyse problems, discuss and agree on specific reforms and then working to ensure that these ideas become a reality. Advocacy, on the other hand, refers to the act of influencing, or attempting to influence, the way that someone else thinks about, and acts on, an issue (Irwin, 2014; Herzberg and Wright, 2006). Private sector advocacy, therefore, are attempts by the private sector to influence public policy in an effort to improve the business environment. In many least developed countries like Tanzania, PPD is a fairly recent development. During the socialist days in Tanzania, the formal organization of enterprises was limited, and policy was driven purely by the public sector. The interaction between government and private sector for a long time was largely studied in terms of rent seeking, collusion and corruption (Pinaud, 2007).

However, with the change to the market economy and recognition of the private sector as the engine of growth (United Republic of Tanzania, 2003), the private sector started to reorganize in the mid-1990s. PPD also started developing gradually. In 2001, the Tanzania Private Sector Foundation (TPSF) was established as an apex body of the private sector (TPSF, 2013), followed by the Tanzania National Business Council (TNBC, 2014) as the apex dialogue platform. Over the years, different formal and informal forms of dialogue platforms have evolved (Olomi and van Gerwen, 2005) including the initiatives and platforms for reforming the business environment in the tourism sector. Unlike many other economic sectors, the tourism sector involves various different stakeholders made up of various industries including tour operators, mountain climbing, travel agents, car hire firms, hunting, photographic, horse riding and balloon safaris, air charter and accommodation. In addition, the sector requires considerable investment in public infrastructure and services such as airports, roads, electricity, water and telecommunications. The government, in this case, is responsible for the sectoral public goods, institutional and regulatory frameworks.

Like in most developing countries, the tourism sector is facing numerous challenges, such as inadequate infrastructure, poor product development and management, poor destination marketing, outdated regulatory frameworks, insufficient institutional and technical capabilities as well as both quantitative and qualitative skills mismatch (Anderson, 2011, 2015; TNBC, 2014). Consequently, there is a need for structured interaction between the public and private sectors in promoting the right conditions for private sector development, improvements to the business climate and poverty reduction. However, given that tourism is a cross-cutting, multi-sectoral activity that relies on the use of specific natural and cultural assets, security, infrastructure, skills, etc., it encompasses a complex array of stakeholders, interests and processes (The World Bank Group, 2015; Anderson and Juma, 2011b). Each area faces numerous different challenges, for which PPD initiatives, either formal or informal, have been used as avenues for solving them [United Republic of Tanzania (URT), 2010]. Unfortunately, little has been done to document existing PPD initiatives relating to tourism at national, regional, district and even ward level.

As a result, each institution seeking to promote dialogue and advocacy in the sector tends to reinvent the wheel. In the light of such a shortage of research and output, a lot of time and financial and human resources have been spent on doing the same thing, instead of adding value to what has already been done. This study aims to give input in the process

to define a vision for transforming the tourism sector and implementing wide ranging reforms measures to realize the potential of the sector in the country's economy. It is critical that dialogue and advocacy initiatives are known about, properly informed and coordinated, so that they can all support realization of the vision. Therefore, the main objective of the study is to capture a comprehensive picture of PPD initiatives for reforming the business environment in the tourism and hospitality sector in Tanzania. To achieve the defined objective, the study identifies the main challenges facing the tourism and hospitality sector; describes the main actors in the tourism value chain; identifies the PPD platforms and initiatives existing in the sector; and highlights the success stories and the key success factors of the PPD initiatives.

We expect the findings to provide lessons and inform good practices which can be used to improve PPD and PPA, not only in the hospitality and tourism sector but also in all other sectors of the economy. To be more precise, the positive aspects may inform various stakeholders on how best to set up manage and ensure the sustainability as well as improve the effectiveness of dialogues. Moreover, as the area is still under-researched, future researchers will be acquainted with the knowledge of mapping the PPD initiatives in any sector of the economy. The paper is, therefore, organized in five main sections, starting with the introduction, literature review, methodology, findings and finally the conclusion.

## Literature review

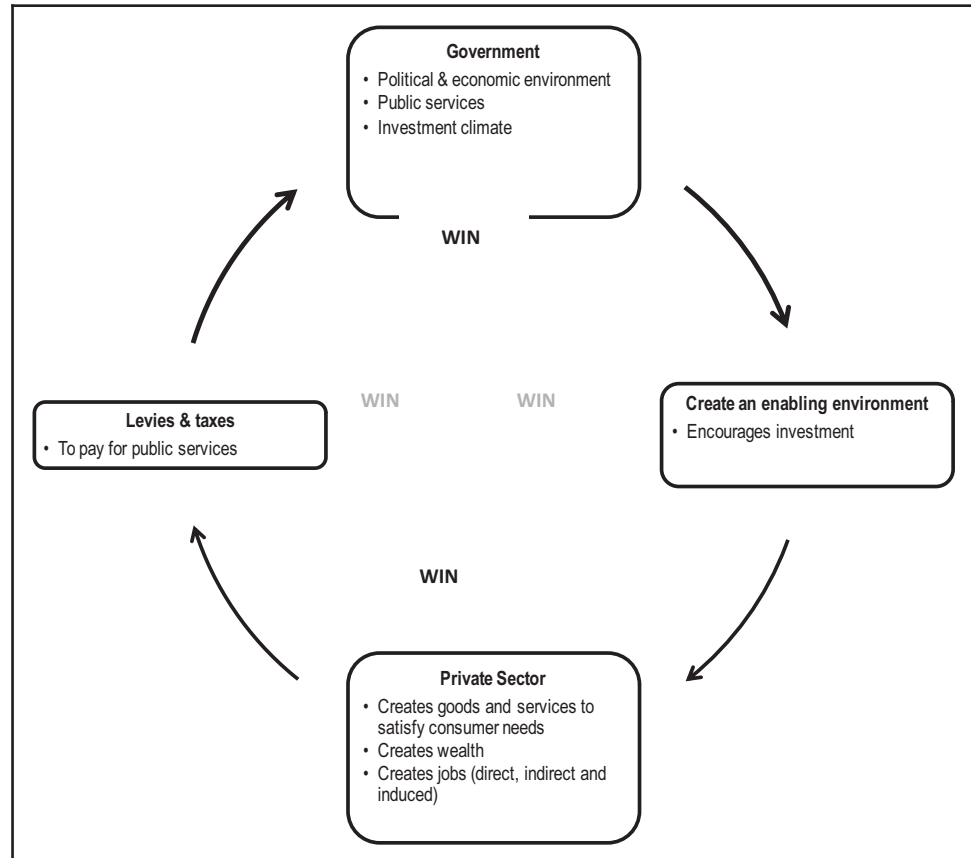
### *Meaning and value of public-private dialogues*

The PPD and advocacy PPA are forms of collaborative governance where one or more public agencies directly engage non-state stakeholders in a collective decision-making process that is formal, consensus-oriented and deliberative and that aims to make or implement public policy or manage public programs or assets (Ansell and Gash, 2008). It is consultation between firms and governments (Pinaud, 2007) as a way of improving government policies. According to Herzberg and Toland (2009), PPD refers to the structured interaction between the public and private sectors in promoting the right conditions for private sector development, improvements to the business climate and poverty reduction.

Policy makers are challenged to develop viable solutions to complex challenges, such as inclusive growth, government accountability, business integrity, national competitiveness, innovation and access to opportunity. Thus, PPD initiatives are often used as a tool to set policy priorities, inform policy design, improve legislative proposals and incorporate feedback into regulatory implementation (World Bank Group, 2014). Joint participation of the private and public sectors in policy making leads to better policies that are properly executed leading to successful outcomes. This happens through improved flow of information, more insights, increased understanding and ownership by all, validation of policy proposals and building momentum for change (Devlin, 2014; Bettcher, 2011).

Usually, it is challenges that put the two parties together to find a solution, or a win-win situation, as one party cannot easily resolve them alone (Figure 1). In fact, according to Herzberg and Wright (2013), effective PPDs provide stakeholders with a voice which they otherwise would not have and set a sound ground for the governments to improve the quality of policy making. The same perspective has been shared by Bettcher *et al.* (2015) that the governments that listen to the private sector are more likely to design credible reforms and win support for their policies. As a process, PPD typically takes an institutionalized form of interaction through business councils and other formal meetings and discussion forums.

However, the PPD may also extend to informal networks that include senior government officials, political decision makers and leading business figures (Herzberg and Bettcher, 2015). There is no strict formula, but PPDs vary in area of coverage, scope, leadership,

**Figure 1** A win-win situation is an outcome of effective PPDs

focus, timeframe and participants (Table I). According to Herzberg and Wright (2005), reforms that are designed through PPD are better conceived and more effectively implemented because they arise from increased mutual understanding between government and the business community. The dialogue mechanisms can be initiated by governments, lobbied for by businesspeople or driven by donors. They can be local, national or regional, structured along industry lines or organized according to cross-cutting topics. What they all have in common is giving formal structure and expression to the common desire of businesses and governments to create conditions in which the private sector can flourish (Herberg and Wright, 2006). Another important aspect to consider is that, there is no one-size-fits-all approach in conducting the dialogues (Herzberg and Wright, 2005).

**Table I** Characteristics of public-private dialogue platforms

<i>Characteristic</i>	<i>Alternatives</i>
Institutionalization	Formal platform or informal platform
Area	National, regional or local
Scope	Economy wide, sector specific or sub-sector specific
Leadership	Government or private sector
Focus	General orientation/many goals or specific goals
Participation	Many actors or few actors
Time frame	Permanent or temporary
Facilitated	Facilitated by a third party, not facilitated by a third party

### *Prerequisites for effective public–private dialogues*

Most PPD initiatives have substantial transaction costs, conflicts of interest and asymmetry of information between or among actors. In fact, many dialogue initiatives never deliver as intended (Pinaud, 2007) due to, among others, the lack of ownership and commitment by one side and dialogue being captured by narrow interest groups. The key prerequisites for effective PPD initiative have been identified in the literature (Olomi and van Gerwen, 2005; Pinaud, 2007; Qureshi and te Velde, 2013; Herzberg and Bettcher, 2015) including availability of credible champions, wider representation, transparency, capacity and sustainability. These are discussed.

Credible champions with the interests of the country at heart must take ownership of the dialogue process and drive it forward (Qureshi and te Velde, 2013; Herzberg and Bettcher, 2015). That is to say, champions from the public sector must have sufficient authority and be sufficiently engaged. Business champions, on the other hand, must be independent and recognized by the broader business community as qualified to speak on its behalf. Above all, there should be core leadership groups mobilizing and coordinating participation, to avoid over dependence on individuals (Herzberg and Toland, 2009). For objectivity and professionalism, the leading associations should be those that promote market solutions instead of being, what Pinaud (2007) refers as, rent seekers. Moreover, it is important that the PPDs represent the diversity of private and public sector interests (Olomi and van Gerwen, 2005). As much as possible, the wider coverage ought to be taken into account in the sense that, the participation should consider domestic and foreign investors, different sized formal and informal firms, as well as unorganized interests.

Transparency is essential to avoid collusion, ensure accountability and empower participants to make an informed contribution (Herzberg and Bettcher, 2015). Those from the public sector side should disclose the reform proposals under consideration and any relevant information. Also, building the capacity of the public and private sector is essential for preparing policy proposals, negotiating, eliciting feedback and organizing dialogue. Even when skilled facilitators are used, both sides need their capacity to be built for researching, analysing, eliciting views and feedback and engaging with stakeholders. Sustainability is secured by integrating PPDs with local institutions and ensuring that local actors and structures are not only displaced but also take ownership of the newly established mechanisms. It is also crucial to plan early for transitions, investing in building the requisite capacity in both the public and private sector and finding on-going financing (Olomi and van Gerwen, 2005).

### **Research methodology**

This study adopted the descriptive-qualitative method (Lambert and Lambert, 2012) through primary and secondary methods of data collection based on the explorative research design. The explorative research design which actually provides insights into the research problem (Clifford and Marcus, 1986; Hammersley and Atkinson, 2007) relies heavily on the secondary research and in-depth interviews. The choice of the research design was triggered by the fact that, several PPD initiatives are taking place in the tourism sector in Tanzania, but little about them has been documented in the tourism literature. In the light of the above, secondary or desk research enabled the identification of the key players in the tourism value chain and the types of PPD platforms that exist in the sector. Some of the secondary sources of data are outlined in Table II. Due to the qualitative nature of the study, an open-ended questionnaire was used as a guide for the in-depth interviews, which enabled the respondents to provide more detailed information. The guide questions covered various issues – ranging from the key players' roles in the tourism value chain; the nature of the PPD and PPA platforms and initiatives they are involved formally and informally; the key success stories and factors for each initiative; and the main challenges confronting the PPD initiatives in the country.



**Table II** Secondary sources of data

<i>Year of publication</i>	<i>Source</i>	<i>Author</i>
1999	National Tourism Policy	United Republic of Tanzania
2002	Integrated Tourism Master Plan: Strategy and Actions	MNRT
2008	Tourism Act	United Republic of Tanzania
2015	Promoting Sustainability of Biodiversity and Raising Annual Revenue Growth to 20%	Tanzania National Business Council
2015	The 2014 Tourism Statistical Bulletin, Tourism Division, Dar es Salaam, Tanzania	MNRT
2015	The 2013 International Visitors' exit survey report, March 2015. The Tanzania Tourism sector Survey	MNRT, Bank of Tanzania, Zanzibar Commission for Tourism, National Bureau of Statistics and Immigration Department

The questionnaire was administered to the identified key players in the Northern (Arusha and Kilimanjaro) and Coastal (Dar es Salaam) tourist circuits. These areas were selected because of their importance in the tourism and hospitality sector in the country (Anderson and Juma, 2011a). The northern tourist circuit receives around 75 per cent of safari tourists and the coastal tourist circuit receives more than 94 per cent of Sun and Sand tourists visiting Mainland Tanzania (Ministry of Natural Resources and Tourism, 2015). Dar es Salaam is not only the current home to public sector headquarters but also the country's major commercial city.

In the legal context of Tanzania, tourism actors are defined in the Tourism Act 2008 as persons (as well as registered companies) licensed to offer transport, accommodation, reservation, tour operation and related services to tourists and visitors (United Republic of Tanzania, 2008). So, the respondents comprised 29 actors in the tourism and hospitality sector – both the public (7) and private (22) sector (see Appendix).

During data collection, the public sector formed the first category which constitutes the Ministry of Natural Resources and Tourism (MNRT) and its directorates and the semi-autonomous agencies under it. The respondents, in this case, included the officials from the Ministry, the tourism managers from the Tanzania National Parks (TANAPA), Tanzania Tourist Board (TTB) and the Ngorongoro Conservation Area Authority (NCAA). The private sector is the second category of respondents, which is mainly made up of tourism businesses or associations representing various private business sectors. Their interests are coordinated under the umbrella of the Tourism Confederation of Tanzania (TCT) which is the apex body representing the private sector in the travel and tourism in the country. TCT's roles include ensuring that through national representation, appropriate macro policies and strategies are adopted for developing a favourable business environment (Passape *et al.*, 2013). The platform combining both, the public and private sectors, is the TBNC whose aims include ensuring that the business and state interests are met (United Republic of Tanzania, 2010). Under the second category of respondents, the study interviewed the executive secretaries of the associations and directors in the 12 tourism private sector organizations (PSOs) under TCT, PSO individual members and key officials from the TBNC. These were considered as credible sources of information, as they are the ones who participate in the dialogues within and between the two sides – public and private. The research data were qualitatively analysed and the findings are presented below.

## Findings

As stated earlier, this study intends to investigate the nature of the PPD initiatives and how they are being used by tourism actors as the tool for reforming the business environment

(e.g. set policy priorities, inform policy design, improve legislative proposals and incorporate feedback into regulatory implementation). The findings section, therefore, starts by identifying the main actors (i.e. from both public and private sectors) in the tourism value chain before it describes the ways through which these actors use PPD platforms and/or initiatives to solving the challenges confronting the sector. Thereafter, the success stories and the key success factors of the PPD initiatives have been discussed.

### *The actors in the tourism value chains in Tanzania*

Tourists have wide range of choices – ranging from package tour to independent tour arrangements – be it transportation, accommodation, attractions, meals and/or souvenirs (Anderson *et al.*, 2009). In Tanzania, most of these services are offered by the private business operators, who eventually share the benefits of the industry with the public sector in the form of taxes, contributions, fees and/or levies. Therefore, that is to say the tourism sector is fertile ground for a partnership between the private and public sector.

The public sector is a key player as regards with the regulatory and policy framework as well as in promoting the destination. The public sector in this case is championed by the MNRT which is responsible for managing natural, cultural and tourism resources. The Ministry oversees five divisions, which are Wildlife, Antiquities, Policy and Planning, Forestry and Beekeeping and Tourism (MNRT, 2016). Because of their relevance to this study, we focus on the divisions responsible for the tourism decisions in the country. The Tourism Division is the tourism facilitator, responsible for the sector's policy and planning, manpower training and the classification and licensing of tourism service providers. The division is also responsible for the National College of Tourism (NCT) and TTB. The Wildlife Division (WD) is responsible for the management of Game Reserves (GRs), Game Controlled Areas (GCAs) and all wildlife outside protected areas and Wetlands. Also, the WD facilitates the establishment of Wildlife Management Areas (WMAs), creates awareness of and disseminates information to village communities concerning the management of wildlife on their land. Currently, there are 16 national parks, 28 game reserves, 44 GCAs, 1 conservation area and 2 marine parks, which are reported to be the main attraction for international visitors (MNRT, 2015; Ministry of Natural Resources and Tourism *et al.*, 2015). And it is estimated that at least 80 per cent of inbound tourists in Tanzania come for wildlife or safari tourism (Anderson, 2015).

The WD is divided into four parastatals, TANAPA, the Tanzanian Wildlife Research Institute (TAWIRI), the NCAA and the College of African Wildlife Management (CAWM) at Mweka. TANAPA is responsible for conserving, preserving, protecting and managing the country's National Parks, while TAWIRI conducts wildlife research to provide scientific information and advice to the government and wildlife management authorities on the sustainable conservation of wildlife. The Forestry and Beekeeping Division is responsible for policy and planning as regards its respective natural resources. CAWM provides needs-based training for protected area and wildlife managers, who are given various awards for taking long courses in Wildlife Management. The Division of Antiquities is responsible for conserving, preserving, protecting and managing the cultural heritage resources.

The private sector is the second key player in the travel, tourism and hospitality sector. The private sector's importance as the tourism's engine for growth has been acknowledged in the National Tourism Policy of 1999, the Integrated Tourism Master Plan: Strategy and Actions of 2002 and the Tourism Act of 2008. The private sector is organized in as networks within/intra- and between/inter-industries. However, the role of safeguarding the interests of private sector and forming a bridge between the operators and the government is being played by the TCT.

The TCT, which is considered the apex body of private sector players, comprises 13 members who represent various tourism service providers – Hotel Association of Tanzania (HAT), Intra-Africa Tourism & Travel Association (ITTA), Tanzania Air Operators Association (TAOA), Tanzania Association of Cultural Tourism Organizers (TACTO), Tanzania



Association of Tour Operators (TATO), Tanzania Hunting Operators Association (TAHOA), Tanzania Professional Hunters Association (TPHA), Tanzania Society of Travel Agents (TASOTA), Tanzania Tour Guides Association (TTGA) and Tourism & Hotel Professionals Association of Tanzania (THPAT). TCT further ensures that through national representation, appropriate macro policies and strategies are adopted for developing and maintaining an environment that protects the natural and cultural heritage (Passape *et al.*, 2013). Table III shows the number of private sector operators registered and licensed to offer tourism services in the country. It is clear from the statistics that Tanzania continues to attract a large number of operators.

### *The public–private dialogue and advocacy platforms and initiatives*

The study has revealed some interesting findings as discussed below. Several PPD initiatives ranging from the national, sub-national, sub-sectorial or even local levels exist in the tourism sector. While other initiatives are not regular forums, some have been institutionalized in the Tourism Act of 2008 (such as the Technical Advisory Committee), while others have been prescribed from the global level [such as tourism facilitation committee (TFC)]. Likewise, there are other specific forums which are promoting reforms in the business environment and investment climate which apply to specific groups in the travel, tourism and hospitality sector. Most of the existing PPDs are largely overlapping in terms of their subject matter, mandate, participants and sometimes their timing. At least five PPD initiatives are well-known and active, including the TNBC – tourism task force, public–private partnership and quarterly PPD across the aviation industry (Table IV).

*The tourism facilitation committee.* TFCs is in place at national and regional level to oversee, among other things, tourism development issues. The TFC was first launched in Tanzania in 1992 with the main aim of implementing the decisions and agreements made during the 1991 United Nations World Tourism Organization meeting, held in the Seychelles. The main aim of initiating this kind of platform was to ensure that there is one voice from both public and private players for addressing various issues relating to tourism development, and also to make sure that there is conformity with the current development trends of the sector. This initiative has created a platform for tourism stakeholders from the public and private sector to make an invaluable contribution to the development of the tourism sector in Tanzania, specifically in terms of service quality in Tanzania. TFC members have a clear understanding that tourism is an important means of alleviating poverty and that it is a multi-sectoral industry in which no one organization can claim to have total control over the entire production line of tourist goods and services. This means that successful delivery of the wider tourism product depends on close working relationships and interactions with numerous stakeholders, both public and private, dealing with policy and regulations, transportation, safety and security, accommodation, education and training and infrastructure, among others. For this reason, TFC brings together stakeholders from almost

**Table III** Number of licensed tourism businesses in the private sector 2008-2015

<i>Provider</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
Tour operators	259	421	318	374	388	498	266	316
Mountain climbing	67	84	96	109	96	123	100	115
Travel agents	55	54	60	75	60	78	54	80
Car hire	35	24	20	27	20	25	21	23
Hunting safaris	26	36	34	36	34	41	35	41
Photographic safaris	7	9	9	6	9	7	5	6
Air charters, horse riding and balloon safaris	5	5	9	8	10	10	6	7
Accommodation	137	97	179	181	179	285	202	361
Total	591	730	725	816	796	1,067	689	949

Source: Ministry of Natural Resources and Tourism, Tourism Division

**Table IV** The main PPD initiatives in tourism and hospitality sector in Tanzania

<i>Name of initiatives</i>	<i>Membership</i>	<i>Focus areas</i>	<i>Key success factors</i>
Tourism facilitation committee	At least 100 members including: the four divisions under the MNRT, aviation industry, marine parks and reserves, Dar es Salaam Tourism Executive Board (DTEB), Ministry of Foreign Affairs and International Cooperation (MFAIC), Ministry of Lands and Human Settlement, Prime Minister's Office Regional and Local Government (PMORALG), the Bank of Tanzania (BOT), Ministry of Industry and Trade, Tanzania Hunting Association (TAHOA), Tanzania Association of Tour Operators (TATO), Ministry of Home Affairs, TCT, Coastal Travel Ltd, TANAPA, Hotels Association of Tanzania (HAT), Occupational Safety and Health Authority (OSHA). Other TFC members include the National Bureau of Statistics, Relevant Academic/Research Institution, National College of Tourism (NCT), Ministry of East African Cooperation (MEAC) and Tanzania Ports Authority (TPA), as well as Dar es Salaam City Council (DCC), Tanzania Civil Aviation Authority (TCAA), Tanzania Tourist Board (TTB), Ngorongoro Conservation Area Authority (NCAA), Tanzania Appeals Authority, TANROADS, Tanzania Tourist Licensing Board (TTLB), Tanzania Revenue Authority (TRA) and Tanzania Investment Centre (TIC) Chairperson: The Permanent Secretary, MNRT	Tourism development issues	An extension of UN world tourism trail. Great awareness among the organizers. A wide range of stakeholders involved from both the public and private sector
Technical advisory committee	The Membership of the Committee is stipulated in the First Schedule of the Tourism Act 2008 and comprises a representative of the Attorney General, a member from the ministry responsible for public safety and security, the WD Director; the Conservator of NCAA; the Executive Secretary of the HAT; the Managing Director of TTB, the Executive Secretary of TCT, the Executive Secretary of TATO, one member from the National Environment Management Council, the Manager of the Marine Parks and Reserves, the Director General of TANAPA, the Director of Antiquities and two members concerned with tourism matters to be appointed by the Minister (i.e. currently, 3 of 15 members are from private sector)	Advice on management and regulation of tourism facilities for tourism development	A few members (i.e. 15 members) who are technically equipped and so are better able to provide good advice. High profile personnel who are key decision makers across the sector Ministerial output and power
Tanzania National Business Council – Tourism Task Force	A total of 40 members, distributed as 20 government nominees and 20 private sector representatives Until early 2016, membership of the TNBC constituted the key figures including the President and Prime Minister of the United Republic of Tanzania, the Chairman, Tanzania Private Sector Foundation, Secretary General, Trade Union Congress of Tanzania (TUCTA). Chairperson: The Minister for Industry, Trade and Investment, from 2016. Before that the chairperson was the President of the URT	Development issues, investment issues	Being a National Business Council, its top priority is to improve the business environment. The TNBC tourism task force is currently reviewing the tourism policy, devising a tourism development strategy, renewing the anti-poaching drive, etc. Usually the results cannot be attributed to a single forum or process

*(continued)*

**Table IV**

<i>Name of initiatives</i>	<i>Membership</i>	<i>Focus areas</i>	<i>Key success factors</i>
Public-private partnership under MNRT	MNRT, TCT, HAT, TTB, TATO, NCT, TANAPA, TAHOA, TASOTA, ITTA, TTGA, TAOA, TATO, NCAA, National Museum Tanzania Chairperson: Permanent Secretary MNRT	Sector development and tackling challenges facing tourism industry	Provides an arena for enhancing the partnership between the public and private sector and for discussing issues in the tourism sector based on an MoU. Initiated capacity building programmes, reduced park fees, enterprise levies and taxes and improved infrastructure and security for tourists and their belongings
Quarterly PPD across aviation industry	Ministry of Transport, TCAA, TAA and TMA, TAOA Ministry of Finance, TRA, TAOA	Transportation and security issues Taxes and levies	Participatory approach to public and private sector Implementation of the PPD according to the calendar Strong initiatives from the private sector
Annual General Meeting	HAT, MNRT	Licence issues Levies and taxes issues Work permit Project funds	Private sector initiative and push mechanism
UN Funding Meetings Pre-fair and Post-fair meetings	HAT, MNRT TTB, TATO, TTGA, TACTO, NCAA, VHTTI	Preparation for Tourism exhibitions and feedback after exhibitions Training gaps and Training needs assessment	Influence of the UN to involve government and the private sector Promotion of Tanzanian tourism both locally and internationally Enhancement of networks with international tourist companies Hotel employees' training Students' practical training attachments VHTTI graduate students' employment Marketing and promotion of VHTTI courses
Tourism and hospitality stakeholders' forum	VETA HTTI, TTB, TTGA, TATO, Owners and Managers of hotels and tour operation companies in Arusha		
Biannual stakeholders' meetings	TTGA, KGA, KIATO, NCPG, MMPA, MKPS, KMGS and TPO	Demanding better pay and conducive working environment	Some tour operators have started paying US\$10 a day as agreed Number of meals per day for a porter and guide has increased from 1 to 2 or 3 per day Luggage weight of each porter has been reduced from 30 to 20 kg per trip
Cultural Tourism Programme stakeholder' meetings	Regional (Arusha) Tourism Office, TACTO and District Officers	Eliminate gates that respective district councils impose at cultural tourism sites for collecting levies	Some districts have agreed to remove gates at cultural tourism sites Promote cultural tourism as an alternative kind of tourism product; diversifying from wildlife tourism which currently attracts at least 90 per cent of tourists in Tanzania

all sectors in the country in recognition of the fact that proper planning and logical implementation is crucial for bringing about the desired positive results.

*Tourism advisory committee.* The minister responsible for natural resources and tourism has formed the Tourism Advisory Committee, which draws members from both the public and private sector. The committee is responsible for advising the minister on matters relating to the management and regulation of designated tourist facilities and activities, and tourism operators, as well as carrying out any other functions assigned to it under the Tanzania Tourism Act 2008 (United Republic of Tanzania, 2008). These functions include advising the minister on matters relating to the:

- issuance of licences;
- grading of tourist facilities;
- registration of tourist facilities and activities; and
- tourism development.

The registered achievements include the annual growth of the businesses licensed each year (Table III) moving from registering 179 accommodation facilities (in 2010) to 361 in 2015; the growth of tourist arrivals over the past 10 years (Table V) from 782,699 in 2010 to 1,137,182 tourists in 2015; as well as the successful classification of about 100 hotels into various star rankings under the umbrella of the East African Community (MNRT, 2010).

*Tanzania national business council – tourism task force.* The TNBC was established in 2001 to provide a platform for public and private sector dialogue. This platform focused on enabling the public and private sector to agree on how to manage resources and achieve socio-economic development in Tanzania (The Presidential Circular No. 1, 2001). The Council, which has 40 members, 20 government nominees and 20 private sector representatives, is responsible for monitoring the global business environment, improving the business environment and Tanzanian products and proposing new ones, and participating in amending or forming policies to achieve socio-economic development (The Presidential Circular No. 1, 2001). Consequently, this initiative brings together various stakeholders from different sectors including tourism. The importance of this platform for developing tourism and its various sub-sectors and resolving specific problems affecting tourism as a cross-cutting industry is immense. The vivid examples are the joint mechanisms of tackling the growing rate of destruction of natural strategic assets – poaching, dynamite fishing & poisoning, encroachment of national parks and water sources. The PPD initiatives have been instrumental in dealing with the reckless destructions of the country's natural and cultural tourism resources. As much as 30 per cent of protected area has been encroached by human activity, especially by pastoralists. Moreover, TCT has to a large extent been one of the private institutions of whistle-blowers that send information about poaching and associated corrupt practices and their perpetrators.

*Other public–private dialogue initiatives.* There are many other stakeholder platforms where the private sector interacts with the public sector at ministerial level on matters relating to the business environment. These exist in the sectors of tourism, energy, financial services, agriculture and specific agriculture value chains (e.g. cashew nut, sisal, tea and rice). In some sectors (rice, dairy, coffee, tea, cotton, pyrethrum, etc.), there are regulators (boards or councils) that act as the focal point for these platforms. These are supposed to engage with the different stakeholders in their respective sectors to create and sustain an enabling environment and level playing field. However, in many cases, government officials are unable to engage stakeholders from the private sector in meaningful dialogue for various reasons, including financial and human capacity limitations, corruption and conflict of interest.

**Table V** Major international markets for Tanzania, 2008 to 2015

Market	2008	2009	2010	2011	2012	2013	2014	2015
Africa	373,053	343,283	392,137	450,782	488,745	521,876	525,938	531,043
Americas	87,835	67,896	70,558	92,503	103,064	98,306	124,218	98,457
East Asia, Pacific	32,442	31,155	42,520	39,867	77,097	57,218	70,986	70,874
Europe	245,873	239,292	242,828	248,940	330,207	362,192	362,382	367,942
Middle East	10,377	11,121	10,521	15,281	21,348	18,142	21,805	27,961
South Asia	20,889	21,620	24,135	20,621	56,597	36,295	34,827	40,905
Total	770,376	714,367	782,699	867,994	1,077,058	1,095,884	1,140,156	1,137,182

Source: Ministry of Natural Resources and Tourism, Tourism Division

### *The key success stories from the public–private dialogue initiatives*

The success stories coming from the above discussed dialogues between the government and the business community are innumerable. However, we are limiting the discussions on the key ones, on how such initiatives have solved key challenges facing the tourism sector – inadequate infrastructure, poor product development and management, poor destination marketing, reckless destruction of natural and cultural resources (mainly illegal hunting and poaching), complexity and cumbersome tax administration, outdated regulatory frameworks, as well as both quantitative and qualitative skills mismatch.

*Adjustment of fees and taxes.* Before 2011, Tanzanian landing fees were much higher than those of neighbouring countries such as Kenya. After several dialogues, landing fees were reduced in 2011, but two years later in the government's 2014/2015 budget, these charges were to be increased, and so several PPDs to stop the increment. As a result, landing fees remained the same (without increment), and the air navigation fees were totally withdrawn. Similarly are the removal of value added taxes on tourist services as a result of three years' dialogue with the Tanzania Revenue Authority through Parliamentary committees and the unchanged entrance fee of US\$200 to the national parks. This fee was to be raised to US\$300, but after private sector involvement through tour operators the fee remained unchanged at US\$200. Two respondents from the private sector commented that:

We surely appreciate the Ministry of Transport, Tanzania Civil Aviation Authority and Tanzania Airport Authority for their welcoming notes during our dialogue which has made our issues workable.

The business sector was given notice by NCAA in 2011 that fees to national parks are to change from \$200 to \$300, but after some conversations, between the government and tourism enterprises, the fee remained unchanged.

*Initiation of capacity building programmes.* The findings revealed that dialogue initiatives have resulted in the initiation of capacity building programmes with a view to improve job skills. For instance, the partnership between HAT and TCT (the business community) working with the NCT (which is government-owned institution) established the 2014-2017 apprenticeship training programme, which took eight years of dialogue to establish. Apprenticeship training which is on-the-job training has enabled hoteliers to gain experience and improve the service offered to tourists. Different seminars, training courses and workshops are provided for tour guides, porters, cooks and hoteliers with the aim of improving customer service – thanks to the CAWM and TTB (the public institutions) collaboration with TTGA and TATO that provide various training packages to improve the service given to tourists. The aim is to motivate tour guides, porters and cooks and promote tourism. There is a positive response by different stakeholders. According to one respondent from the public sector:

Truly this programme has added value to tourism in that a tourist can explain what he/she has done after a tour and so we are very proud and we thank the hotels for being cooperative in accepting trainees.

"We got our certificates from various unrecognized institutions. But now it has come to the point that all tour guides need to have certificates from a recognized institution or university. We appreciate the agreement reached with CAWM who have agreed to prepare a syllabus and offer courses to tour guides at an affordable fee", added one of the respondents who is from private operator.

*Improvement of infrastructure.* Improving access to tourist destinations and activities is one of the competitive measures a country can take to improve tourism. Through dialogues between government and the business community, several destinations have been made accessible to tourist activities. For example, Ngorongoro – Makuyuni Road in Arusha, Africana – Mbezi Beach Road in Dar es Salaam and Silver Sands hotel Road in Dar es Salaam. In addition, to ensure that the infrastructure, such as hotels, is constructed to

international standards, the private sector must comply with all the rules and regulations governing the construction industry, including environmental guidelines. Therefore, TTB has for a long period engaged the hotel owners in several platforms who eventually agreed to construct hotels according to international standards so as to market the country's tourism and hospitality services internationally. One of the respondents was happy to comment:

Most national parks and attractions are accessible by road and air, especially in this northern zone. We thank the public-private engagement.

*Improvement of security for tourists and their belongings.* Security in the tourist industry is a key issue that can have a major impact on tourist arrivals and receipts, as without it tourists will shun the destination, but a safe environment will attract them. Thus, in Tanzania, several dialogues have been conducted to improve security at tourist destinations through protecting tourists and their belongings in national parks, on roads and within the attractions. With the same issue discussed continuously in the TFC sessions, among other platforms, traffic police officers have ceased their bribe-soliciting inspections of visitors travelling by road. As severally reported in the dialogues, the traffic police would stop safari cars anywhere on the road when guides were taking customers to/from national parks and ask them unreasonable questions. Also, the establishment of the Tourism Police Unit in various areas of major cities has eliminated the robbing of tourists staying there, and local communities have also benefited. The number of cases of visitors being robbed while at the destination has declined significantly:

If you look closely, you will see that the number of robberies and tourists' claims of being robbed have declined significantly in recent years. We thank the government for its efforts to protect tourists and their belongings, said one of the respondents.

"This police station has been of value not only to the tourists but also to the people living in this area", added the respondent.

*Establishment of regulatory authority, organizations, committee and forum.* Forums, organizations, committees and authorities play a major role in gathering information and facilitating the resolution of issues across the sector. The respondents in this study were very happy with the formation of platforms such as Tanzania Civil Aviation Authority (TCAA) and Tanzania Aviation Authority (TAA), a result of 10 years' dialogue with the public sector, because it meant that the government no longer controlled aviation activities, but it would continue to regulate them. Formation of the PPD forum to discuss challenges pertaining to the tourism industry, involving the National Facilitation Committee, East Africa Facilitation Committee and TACTO and establishment of the Regional Tourism Office in Arusha are more cases that were greatly appreciated:

Our organization is really helpful as it provides one network where all cultural associations can come together and improve cultural tourism replied one of the respondents.

"I believe if a few airports were let to the private sector, the government would have a greater some of income and they would be the best cash cows ever" said one respondent, who appreciated the role played by these regulatory authorities.

*Joint destination marketing strategy.* Release of the International Marketing Strategy in 2012 is another achievement, whereby TCT (representing the business community) and TTB (the public sector) worked together to promote tourism across the world. TCT played the bigger role of financing the strategy, including making all the necessary plans. Through the International Marketing Strategy of 2012, a number of activities have been supported and implemented. For instance, the marketing of Tanzania as a tourist destination has been enhanced through different exhibitions such as Karibu Travel Market in Arusha, KILIFAIR in Kilimanjaro and Swahili Tourism Expo (SITE) in Dar es Salaam. The private sector through TATO in collaboration with the government organize Karibu Travel Market and the venue (Magereza Stadium) is given for free for four days every year. SITE was established to



promote Tanzania and create a link between small and medium tourist enterprises and the international tourist market. These exhibitions attract exhibitors from different parts of the world and have the aim of promoting domestic tourism and expanding networks. Cultural tourism and its products are marketed by TTB worldwide and there is increased awareness of these cultural products and packages offered in the country. Tour operators include cultural packages when selling their packages to tourists, and travel guides (such as Lonely Planet) feature cultural products. Generally, TTB plays a major role in positioning Tanzania in the international market:

“Every year we use Magereza Stadium in Arusha as a venue for Karibu Travel Market exhibitions for four days for free. These efforts by TATO, the public sector and the government have been very supportive of these exhibitions”. One of the respondents from the business community explained.

In international exhibitions such as ITB in Berlin, TTB prepares a desk to showcase cultural products. As independent cultural organizations, I do not participate physically in such exhibitions but thanks to TTB my products are showcased another respondent commented.

*Conservation of tourism assets.* From these dialogue initiatives, an anti-poaching campaign was implemented through “Operation Tokomeza” (in English, “Operation to Eradicate”) in 2013, in an attempt to end the poaching of large mammals in the country. The aim of the campaign was to enforce the ban of elephant and rhinoceros poaching, which has been growing in recent years. In addition, WMAs have been established such as Tunduru, Makame, Kimbande and Kisungule, with the aim of conserving the present natural resources and banning porters and guides from destroying medicinal plants in national parks. Stakeholders joined their efforts to sensitize communities on the importance of wildlife protection and tourism development. According to the respondent:

Porters and guides believe that some plants cure certain diseases. When they go to national parks they take these plants home, leading to their disappearance. We had to take steps and educate them on the importance of having these plants in national parks. Thankfully they understood and they don’t destroy them anymore.

There has been active participation of the private sector in environmental conservation around NCAA for the last 14 years, and new camping procedures have been agreed on and followed.

*Tourism task force report.* The TNBC task force report addresses the need to protect natural assets, improve skills and to deal with restrictive labour laws, the multiplicity of taxes, levies and fees charged across the tourism value chain, limited tourism infrastructure, inadequate marketing, branding and vision as well as incoherent policies and regulations. Both TCT and HAT appreciate this report as according to the two institutions, it truly provides direction for the growth of tourism. With the presence of TNBC, tourism has been one of the leading sectors in the national Big Results Now initiative and has been included in the LAB, which means decisions on tourism are given greater priority and tourism is included in Presidential Delivery Bureau (PDB) matters:

Certainly this report is like a bible for the Tourism sector, and so we are very hopeful said one of the respondents.

*Designed and improved corporate social responsibility strategies.* These dialogues have resulted in a good relationship between NCAA and the indigenous Maasai through their council in the area as well as TANAPA and the communities surrounding the 16 national parks. More specifically, the development of different programmes that raise funds and help the local community surrounding the national protected areas is another success story. The problem of scarcity of food in the areas has been resolved. Food is given for free to the poor, and children get free education, and breakfast and lunch at school. Dialogues between NCAA and TTGA have reduced conflicts between tour guides, drivers and NCAA rangers. Likewise, there has been an improved relationship between porters and park rangers in national parks due to the good-natured relationship between porters (as private

sector) and then park administration (from public sector). One of the respondents commented that:

Through the PPDs, Maasai have established various programmes to raise funds for the development of the community, for example, cultural bomas to display their culture and community campsites that they rent out to visitors.

### *Key success factors from the public–private dialogue initiatives*

Behind the success stories, there are the key success factors. The study findings have identified a number of factors which explain the achievements registered. These include the readiness of stakeholders; good relationship built on trust, respect and transparency; cooperation between stakeholders; open discussions and dialogues between private and public sector actors on issues when they occur; from discussions to implementation; solidarity of private sector players, especially relating to cross-cutting issues, coupled with determination and follow up; holding talks with higher-level officials (decision makers) directly and bypassing lower-level officers; capacity building; availability of research funds; as well as ongoing awareness of government leaders. They are discussed as follow:

Readiness of stakeholders – the readiness of both public and private tourism stakeholders to implement what has been discussed in the dialogues is an important motivation for sustaining the dialogues. For instance, when capacity building programmes are initiated, stakeholders are ready to play a part and when there are new marketing strategies, such as international exhibitions, stakeholders (especially private one who can afford the costs) are ready to participate.

Good relationship built on trust, respect and transparency – due to the existing good relationship; players in the industry find it easier to work together with the common goal of sector development. Trust is strengthened when each side stops blaming and start looking for solutions when problems arise.

Cooperation between stakeholders – stakeholders cooperate to ensure that tourists and their belongings are protected, infrastructure is not destroyed and natural assets are conserved, which has led to the success and development of the sector.

Open discussions and dialogues between private and public sector actors on issues when they occur – there has been a series of discussions and dialogues on emerging issues in the sector, some being initiated by private sector players on matters like remuneration and the work environment, while others emanate from policy and the regulatory framework, like the adjustment of fees and taxes. Notable success has been achieved in tackling these issues when both sides are honest and open in a discussion, sometimes with facts and figures supporting their arguments.

From discussions to implementation – some local government leaders are serious about implementing decisions made at the meetings. Some of them are proactive in that they follow-up these decisions. Some district executive directors, for instance, have been supporting local tourism activities in their area by ordering that stumbling blocks to the development of the sector are removed. For example, some districts have managed to ban levies which were discouraging the growth of the sector. Likewise, the problem concerning the traffic police has been resolved because Arusha regional office, under the regional commissioner, took action.

Solidarity of private sector players, especially relating to cross-cutting issues, coupled with determination and follow-up – success in some of the issues that private sector players have been looking for is also attributed to their solidarity and determination to closely follow up the public sector. Solidarity seems to work better when issues are cross-cutting or are of interest to both parties. In 2013, for instance, all guides, porters and cooks in their associations in the northern circuit decided to unite and demand better pay. The issue was

accelerated by their solidarity even escalated to a boycott which was planned to start during the same year. The government decided to discuss the issue because if it let the boycott happen it would paralyze tourism activities.

Holding talks with higher-level officials (decision makers) directly and bypassing lower-level officers – some matters which required the attention of decision makers failed to materialize until stakeholders decided to bypass lower-level officials and approached the higher level directly. Therefore, whenever stakeholders sense that lower-level officers have failed, they take action and approach high ranking officers like ministers or the permanent secretary, although they sometimes approach high profile officials before even attempting to get a solution from junior officials.

Capacity building – is one of the key success factors that was pointed out by the respondents. The nature of dialogues in connecting the public and private sector looks like a wall between two parties and so they need to understand what dialogues mean and the techniques necessary for undertaking dialogues. According to the respondents, dialogues were more successful and easier to undertake after several training courses they attended at the University of Dar es salaam on dialogues and advocacy, which were funded by best AC. Several steps were taken to build capacity to undertake dialogues, which caused them to be successful:

We are now confident and very critical when it comes to dialogues with the public sector because without doubt we are using the right approach to doing so.

Availability of research funds – through using the scientific method of identifying the problem identification and coming up with a recommendation has built capacity for successful dialogue. BEST-AC has provided funds to carry out research on issues that need a solution, and the research findings and recommendations have gained credibility causing the state to take notice and take action. Moreover, research has increased the ability of the private sector to identify matters and back them up with scientific findings so that when these issues are presented in the dialogues they become more of a win-win situation rather than one party benefiting.

Ongoing awareness of government leaders has accounted for a lot of success of dialogues in the tourism sector. This has been partly facilitated by the scientific approach of identifying problems and backed by scientific findings of proposing the way forward. The government leaders have been very keen to analyse these issues and take action on them. Moreover, this has also earned the appreciation of the private sector for how the government handles these matters. This has enabled good relations to be established through mutual understanding, leading to successful dialogues.

### *Major challenges facing the public–private dialogues*

Despite the existence of key success, stories and factors, the findings revealed that the challenges facing the PPDs in the sector include inadequate funding; frequent change of leadership in the public offices and negative perception of PPDs by some officials; government system and cultural influence; inadequate vision; incoherent policies and regulations; incompetent personnel; negative perception on the value of dialogue; representation gap; lack of forums in the public sector; unimplemented issues; mistrust between private and public sector; and conflicting interests of officials and local and central government. These are discussed below.

The major problem facing public and private organizations is the shortage of funds to facilitate the platforms. The limited capacity of PSOs to engage with the state due to limited financial and human resources does not help the efforts to promote PPDs. For example, associations such as TTGA and TACTO wish to organize the PPD but do not have enough funds. Last year (2015), MNRT was supposed to organize two PPD but managed to organize only one because of the limited budget:

Organizing PPD requires a lot of financial resources which sometimes are unavailable due to the stringent budget said a respondent.

Frequent change of leadership within the ministry and tourism authorities or agencies (the public sector offices) is another barrier to most of the strategies and matters raised in the dialogues. Frequent changes result in slow or no implementation at all of some decisions, as the new leaders need time to become familiar with on-going and matters in the sector and those that have been decided on. In some dialogues, the public sector may reach decisions that cannot be changed or “no discussion” decisions. Frequent changes in decision makers (such as directors or permanent secretaries) leads to having people who do not value dialogue or understand dialogues or how they are conducted and so they feel uncomfortable engaging in them or they adopt a defensive strategy.

The private sector has its norms and culture as well as the government (public institutions). The two parts differ in ideology and the way their systems act. Thus, the private sector finds it difficult to match its systems to those of the public sector. The culture of dialogue is generally underdeveloped in the society, partly because of the dominance of the top-down approach in families, education and society. Moreover, there are no minutes of any previous meetings between government representatives and the private sector to refer to. Therefore, issues are discussed blindly all the time as if they have never been mentioned or agreed on at any previous meeting because government officials always lead the meetings even when there are hot issues. When private sector associations call on the government to discuss the issues, they often do not appear. Later on, the government decides to take the lead by calling on the private sector to discuss some issues, including those for which they previously declined to appear at a meeting.

According to two different respondents:

The system of decision making is totally different in the public and private sector. Major decisions are made by the public sector, leaving some discussed issues undecided.

Some stakeholders do not see the reason for attending these dialogues because they do not take place frequently, and they think that only special people attend.

Inadequate vision and the outdated tourism vision imply that this sector is not meeting the current demands and needs of the tourism market. Notwithstanding, the National Tourism Policy ([United Republic of Tanzania, 1999](#)) and the Tourism Master Plan ([Ministry of Natural Resources and Tourism, 2002](#)) are outdated and do not take PPD and PPA into account, and because the Tourism Act ([United Republic of Tanzania, 2008](#)) is also silent on the roles of the PPD and PPP in tourism development, this study calls for close interaction between government and private sector in the review process. Moreover, as mentioned earlier, the TNBC meetings should be held at least semi-annually, but as its establishment in December 2014, only eight meetings have been held at national level. The reasons for this include:

- lack of awareness and commitment of public sector actors;
- lack of resources to support the work of working groups and organize meetings;
- reliance on a model that requires payment of allowances to participants at meeting; and
- limited capacity of private sector representatives, especially at district and regional level to push for meetings.

The incoherence of policies and regulations has brought a general feeling that most challenges facing the private sector are not resolved by the government. This has resulted to seeking for court solutions on some matters. For example, the study has found out that when environmental issues matter, the National Environment Management Council (NEMC) has been punishing those who infringe the guidelines instead of educating them. Also,

there is a general feeling that the Tourism Development Levy was established to bring about development relating to tourism, but since collection started some three years ago, this fund has not been used for the established purpose. The complexity of the concession fees to the national parks caused the HAT and other private operators to seek for court injunction:

To reach the point where the private sector sends the public sector to court is shameful simply because the laws are incoherent said one respondent.

The incompetent personnel and negative perception on the value of dialogue have been mentioned as additional challenges. Lack of competence in the sectoral matters by the personnel in some public offices hinders developmental plans and visionary activities. For instance, the tourism licensing section has not been able to define the licensing fee for hotels, leading to conflicts between the public and private sector. It is common to find hotels in different locations are treated differently in terms of license fees, among others. In other cases, participants/representatives in these dialogues have little knowledge of the subjects discussed, they do not know what specific matters to present in the dialogues, how to present them and whom to address. Also, players in the sector do not participate in dialogues when invited and later they complain. There is a general feeling among actors in the private sector that some senior officials do not prioritize PPD, making it ineffective. In most meetings, the government sends a representative who is not a decision maker (a junior official), and so cannot respond to any matters addressed. Sometimes when the government calls a meeting, they end up discussing an agenda that is different from the one in the invitation letter. Sometimes in many stakeholders' meetings, the government does not come with facts but uses mere words to force an agreement between the two sides. In fact, their perception is that the public sector does not see the value of dialogue. According to one respondent:

Most participants do not know the best approaches for addressing their issues; they lobby high-profile officials and forget the operational/technical staffs that are more aware of the sector.

When some government leaders are invited to dialogues they send representatives who cannot respond to anything we ask for. We don't appreciate that at all, commented another respondent.

There is a gap in the advocacy representation among large and small practitioners in the tourism sector. For instance, hotel matters are well represented due to their large number and strong association, but that is not the case of other tourist organizations and associations. Again, this can be viewed from the leadership perspective as in many associations most of the leaders are foreigners, which weakens TCT and its respective organizations, as when decisions are made in the dialogue, the foreigners want to maximize their own benefits and not those of the other side. Failure to involve the private sector when making by-laws is also a challenge facing the tourist industry. When the public sector makes by-laws, it does not involve the private sector, although it is asked to implement them. Also, when dialogues are organized, some stakeholders are ignored leading to misunderstanding and miscommunication between the sectors:

For example, in 2015, although it was not a success, NCAA gave notice that entrance fees would be increased from \$200 to \$300 without taking into account the concerns of the private sector. If that had succeeded, this means we would have been paying fees without being involved in coming to that decision.

There are no forums for the public sector to discuss issues relating to the tourism sector, leading to misunderstanding and mistrust between the public and private sector, which results in a lack of transparency on matters affecting both private sectors. Moreover, some issues raised in these dialogues end up being unattended to. It is very expensive for indigenous tour operators to get a licence, and those wanting to operate a tourist business must have at least five safari cars and no less than US\$2,000, which is very expensive for

most Tanzanians. There have been dialogues to reduce licensing costs for indigenous operators but they have been unsuccessful. Two different respondents commented that:

We as a cultural tourism organization asked for a reduction in visa fees for volunteers coming to help in nursery schools and hospitals that stay for less than one month in the country. The minister promised to work on our request but up to now nothing has been done.

We are discouraged from investing in the sector because these conditions are too expensive for us. Most tour operators in the country are owned by foreigners because they can meet all the requirements, as they have the capital. But for us Tanzanians, we don't have enough capital; you cannot start with little in this business because the conditions do not allow it.

There is mistrust between the private and public sector in one hand and between local – and Central – government on the other. Usually private sector stakeholders hide most of the information concerning their businesses and earnings and do not disclose them to anyone at any time, especially when a government official is present. According to public sector respondent, private sector players underestimate the ability of local government officers to address their issues, and so they do rush to ministerial level. Each side comes to a meeting with their own plan and so neither side is willing to give up their proposal. Moreover, high-profile officials in the government have direct or indirect economic interests in the tourism value chain, some of whom are well known. That is why there has been little or no seriousness in handling some issues, especially those that seem to benefit frontline players (guides, porters and cooks). Local government offices conflict with the central government and sometimes do not implement their orders. The respondent commented that:

In this travel and tourism, sometimes we may need some information from some stakeholders but they don't disclose it, hindering performance of the sector.

## Conclusion

This study investigates the nature of the PPD initiatives and how PPDs are being used in the tourism and hospitality sector as the tool for reforming the business environment (e.g. set policy priorities, inform policy design, improve legislative proposals and incorporate feedback into regulatory implementation). It provides insight to the conclusion that institutional and regulatory frameworks that are designed through PPD are better conceived and more effectively implemented because they result from mutual understanding between government and the business community. This knowledge is important to the least developed countries (LDCs), like Tanzania, as research has shown that stronger and more constructive dialogue between government and the private sector lead to better business environment; and countries with better business environments grow faster, attract more investment and reduce poverty more than countries posing greater barriers to private sector activity.

The study findings have revealed various PPD initiatives existing in the tourism sector which are ranging from the national, sub-national, sub-sectorial or even local levels. While other initiatives are not regular forums, some have been institutionalized in the Tourism Act of 2008 (such as the Technical Advisory Committee), while others have been prescribed from the global level (such as TFC). Likewise, there are other specific forums which are promoting reforms in the business environment and investment climate which apply to specific groups in the travel, tourism and hospitality sector. Most of the existing PPDs are largely overlapping in terms of their subject matter, mandate, participants and sometimes their timing. At least five PPD initiatives are well-known and active, including the TNBC – tourism task force, public–private partnership and quarterly PPD across the aviation industry.

The registered success stories of the PPD initiatives include reduced fees and taxes, initiated capacity-building programmes, improved infrastructure and security of tourists and their belongings, establishment of regulatory authority, committee and forum,



development and rolling out of the international marketing strategy, design and improvement of corporate social responsibility strategies, development of the tourism task force report and conservation of natural and cultural assets. The reasons for this success include the readiness of stakeholders to tackle the challenges facing them, the good relationships built on trust, respect and transparency, the cooperation between the stakeholders involved, the frequency of dialogues between private and public sector actors including open discussion on issues whenever they occur, the seriousness and support of local government leaders, the determination by private sector players to follow-up on cross-cutting issues, direct access to higher-level officials (decision makers) with minimum bureaucracy, capacity building through training on how best PPDs work and the increasing awareness of government leaders.

It is well-known that tourism is a cross-cutting, multi-sector activity that encompasses a complex array of stakeholders, interests and processes, but the sector's PPD initiatives still face numerous and heterogeneous challenges, such as inadequate funding for meetings, the limited capacity of PSOs to engage with the state due to limited financial and human resources, poor participation by the public sector in some crucial meetings, differences in ideology and how the system works, incapable personnel, the public sector does not see the value of PPDs, incoherent policies and regulations and mistrust between private and public sector actors on important issues. Still the PPD platforms overlap in terms of subject matter, mandates, participants and sometimes timing. Thus, for effectiveness and efficiency, there is a strong need to have harmonized, well-planned and monitored PPD initiatives across the tourism and hospitality sector. It is essential that the public and private sector players work together so that each understands the other's issues and they develop mutual trust so they can arrive at viable solutions to problems. They also must work transparently so that there is trust between the sectors, which does not seem to exist now.

To resolve the existing challenges, inclusive decision-making is highly recommended, by involving the majority of stakeholders from both the public and private sector in making key decisions. Because most decisions pertaining to tourism are usually made at national level, there is a clear need to have a resolution to launch, manage and operate tourism offices at both the local and national level so that PPD initiatives are brought closer to the local level. Each ministry's plans on how tourism should be integrated, facilitated and implemented need to suit all levels and be tailored to local issues, institutions and experience because each area may have different challenges, and so we expect each PPD platform to be unique.

The inclusive management of destinations at various levels has a positive impact when it comes to discussing challenges confronting the sector at any level. For the same reason, the participation of private and public sectors in policy making leads to better policies, enhanced execution and successful outcomes. PPP based on transparency and trust is necessary for the sector's growth and will give stakeholders the chance to take charge of issues happening in their sector. Likewise, considerable planning must go into harmonizing the dialogue process. The quality of the key representatives in the dialogues matters, as most high-profile government officials avoid PPD forums and send junior officials representing the public authorities instead, who often lack the confidence to handle the matters addressed in the platforms, causing the PPD initiatives to be fruitless. To have fruitful PPD initiatives, any agreement made in the previous dialogues should be implemented to increase trust and energize public and private sector players. There is a need to build the capacity of public and private sectors concerning the prerequisites, techniques, tools and importance of dialogue and advocacy initiatives as tool for inclusive decision-making.

Finally, we propose further studies to find out why some actors in the tourism value chains prefer to avoid the PPD platforms and initiatives which may give insights when developing effective state-business relationships across different sectors for long-term national

development strategies. We also recommend future research to find out the extent at which the prerequisites of effective PPDs are followed to identify the contextual models, mechanism and processes that work in the tourism sector in the developing countries.

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## Appendix

**Table A1** The study respondents

<i>Sr no.</i>	<i>Title</i>	<i>Institution</i>
1	Director, Licensing	Ministry of Natural Resources and Tourism
2	Director, Marketing	Ministry of Natural Resources and Tourism
3	Tourism Officer	Ministry of Natural Resources and Tourism
4	Head, Zonal Tourism Office	Ministry of Natural Resources and Tourism
5	Executive Secretary	Tourism Confederation of Tanzania
6	Executive Secretary	Tanzania National Business Council
7	Manager	Tanzania Tourist Board
8	Manager Tourism Services	Tanzania Tourist Board
9	Executive Secretary	Hotel Association of Tanzania
10	Executive Secretary	Tanzania Air Operators Association
11	Secretary General	Tanzania Tour Guides Association
12	Chairman	Tanzania Tour Guides Association
13	Chairman	Tanzania Association of Cultural Tourism Organizers
14	Executive Secretary	Tanzania Association of Tour Operators
15	Zonal Coordinator	Ngorongoro Conservation Area Authority
16	Coordinator	Cultural Tourism Program
17	Human Resources Manager	Roika Group of Companies
18	Marketing Manager	Roika Group of Companies
19	General Secretary	Kilimanjaro Guides Association
20	General Secretary	Tanzania Porters Organization
21	Chairman	Mount Kilimanjaro Porters Society
22	Deputy Secretary	Kili-Meru Mountain Guides Society
23	Tourism Manager	Tanzania National Parks
24	Head, Tourism Unit	The Regional Commissioner's Office, Arusha
25	Chairman	Ngurdoto Crater Porters Group
26	Chairman	Mount Meru Porters Association
27	General Secretary	Mount Meru Porters Association
28	Principal	VETA HTTI, Arusha
29	Deputy Principal	VETA HTTI, Arusha

### Corresponding author

Wineaster Anderson can be contacted at: [wineaster@udbs.udsm.ac.tz](mailto:wineaster@udbs.udsm.ac.tz)

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