Pricing of park products
Uganda wildlife Authority.

By

Moses Chelibei Kamuron
moses.chelibei@ugandawildlife.org

Senior Tourism Development officer (UWA)

27th -30th April. 2011

Victoria falls Zambezi, Zimbabwe.
HIGHLIGHTS

• Uganda profile
• History of wildlife management.
• Park categories.
• Relevant Stakeholders in the Business of Conservation.
• Government support/ subventions overtime.
Highlights cont.

- Park Budgets overtime.
- Key Tourism activities in the country.
- Major revenue streams for UWA.
- Tariffs over time.
- UWA’s Pricing policy
- The process of arriving at park Tariff prices.
Introduction

• Country Profile
Surface area of 91,135 sq. miles.
Population of 32million
Lies astride the Equator
Land - 77,108 sq. miles (84.6%)
Water - 14,027 sq. miles (15.4%)
Generally peaceful & stable country. GDP annual growth of about 6%.
One of the East African countries. Under the Regional corporation of EAC.
History of Uganda Wildlife Authority (UWA)

- Game Dept. established in 1926
- Uganda National Parks (UNP) established in 1952
- UWA established in 1996 by merging Game dept and UNP under the wildlife Act
- UWA manages 10 NPs, 12 WRs and wildlife outside Protected Areas
- Wildlife PAs cover 11% of Uganda’s land area which include tropical rainforests, woodlands, grasslands, wetlands and open water.
- Plays major role in the tourism industry in Uganda.
Bad governance in the 1970s until the mid 1980s resulted into decimation of wildlife populations, some to extinction e.g. rhino and oryx.

Characterised by shifts in wildlife management policy and practice.
UWA’s MISSION

“To conserve, economically develop and sustainably manage the wildlife and protected areas of Uganda in partnership with neighboring communities and other stakeholders for the benefit of the people of Uganda and the global community”
Vision Statement

• ”To be a leading self sustaining wildlife conservation agency that transforms Uganda into one of the best Eco-tourist destinations in Africa”
PARK CATEGORISING

◆ CLASSIFYING PARKS INTO:

✓ CLASS: A (EXCEPTIONAL TOURIST RESOURCE VALUE)

✓ CLASS: B (MEDIUM OF ABOVE)

✓ CLASS: C (MIXED HUMAN WILDLIFE ACTIVITIES)

✓ All protected areas managed under 7 regional conservation areas
Relevant stakeholders

- Tour Operators.
- Parent MINISTRY (MTTI).
- Local (Park edge communities).
- Local District Administration.
- Travel agencies and airlines.
- Hotel owners and operators.
- Oil companies.
- Service providers and suppliers.
- Learning institutions/Research institutions.
UWA’S MAIN TOURIST ACTIVITIES

✓ Primate Tourism
  • Gorilla Tracking (US$500)
  • Chimpanzee Tracking (US$130)
  • Golden Monkey Tracking (US$450)
  • Chimpanzee Habituation Experience (US$220)
Activities

✓ Game Viewing (Entrance)
✓ Day Nature and Night Guided Walks
✓ Bird watching
✓ Mountaineering and Hiking
✓ Launch Cruise/trips.
✓ Canoeing Sport Fishing
✓ Filming wild places and wildlife.
✓ Accommodation concessioned out.

Murchison falls
Statistics

- 169,600 receipt (2009/2010)
  ✓ 85% FRN
  ✓ 10% Residents.
  ✓ 5% locals (70% students).
## CURRENT REVENUE STREAMS – 2009/10

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>%</th>
<th>REVENUE (US $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primate Tourism</td>
<td>63.8%</td>
<td>$11.5m</td>
</tr>
<tr>
<td>Park entry</td>
<td>30.3%</td>
<td>$5.45M</td>
</tr>
<tr>
<td>Rent of property/ concessions</td>
<td>2.4%</td>
<td>$0.432M</td>
</tr>
<tr>
<td>Others</td>
<td>3.5%</td>
<td>$0.629M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100%</strong></td>
<td><strong>$18.011m</strong></td>
</tr>
</tbody>
</table>
Donner Funding overtime.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>World Bank</td>
<td>90%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>UWA</td>
<td>---</td>
<td>78%</td>
<td></td>
</tr>
<tr>
<td>Gvt Subvention</td>
<td>10%</td>
<td>8%</td>
<td>5%-10%</td>
</tr>
</tbody>
</table>
Funding/Donner support

- World bank support:
  - PA mgt.
  - Infrastructural development.
  - Capacity building.
  - Governance and Administration.
- UWA – Marketing and Tourism (use of internally Generated funds. Very minimal)
PARK PRICING POLICY IN UGANDA/UWA

• Park entrance fees are set with a primary objective of raising revenue FOR wildlife mgt. (sustainability).
• Are also an instrument to prevent congestion and environmental damage in protected areas by limiting access to SOME parks and other protected areas.
• Uganda’s park pricing policy differentiates between tourists’ origin and between parks. It also differentiates between non residents and residents.
PARK PRICING IN UGANDA

• Uganda quotes park fees for foreigners (both non residents and residents) in US Dollars, but allows them to pay the equivalent in Uganda shillings. This is done to ensure that international demand for parks remains unaffected by exchange rate fluctuations/inflation. (Hard currency pegging)

• foreign residents and Ugandan citizens can acquire special passes (per annum) to all protected areas.

• Tariff lifespan of two(2) years reviewed 5 times from 2000
PARK PRICING PROCESS

✓ NO SCIENTIFIC BASIS FOR PRICE TAGGING OF OUR SERVICES AND ACTIVITIES.

✓ PROCESS STARTS WITH CALL FOR PROPOSALS FROM ALL PARK MANAGERS.

✓ PROPOSALS BACKED UP BY VERY BASIC SURVEY RESULTS.

✓ MOST OF THE TIME IMPULSIVE.

✓ DRAFT TARIFF GUIDE SHARED.
Park Pricing

• DRAFT SHARED WITH THE STAKEHOLDERS
  ➢ TOUR OPERATOR ASSOC
  ➢ HOTELS AND LODGES.
  ➢ Other stakeholders.

• REVIEW WITH PARTNER STATES ESPECIALLY FOR THE GORILLA TOURISM.
  ➢ UGANDA
  ➢ RWANDA
  ➢ DR CONGO
Park Pricing

• COMPARISION OF TARRIF GUIDE OF PARTNER STATES IN THE REGION TO REMAIN COMPETETIVE.

• CONCESSION AGREEMENTS WITH SET/NEGOTIATED PRICES PAYABLE.
  • 10% OF THE ANNUAL REVENUE ACCRUED.
  • BED NIGHT CONTRIBUTION.
  • ANNUAL LEASE PAYMENT.
  • CONTRACT SIGNING FEES.

• Submited to the minister for gazetemeent and adoption by government.
TOURIST/CLIENT CATEGORISING

✓ FOREIGN NONE RESIDENTS (FNR): PAY HIGHEST.

✓ FOREIGN RESIDENTS (FR) E.G DIPLMATS, EXPERTRIATES, NGO WORKERS WITH MINIMUM 2 YR EXPRESS WORK/PERMITS/VISA.

✓ EAST AFRICAN CITIZENS (UGANDA KENYA, TANZANI, RWANDA AND BURUNDI)
TOURIST/CLIENT CATEGORISING

✓ Students - Local students.
  International Students (ISIDCard).
✓ Research Fee (annual)
✓ Entrance: Adult
  Child.
✓ Game Drive (NO)
✓ Mountaineering (NO)
✓ Primate Tourism (ADULTS ONLY)
TOURIST/CLIENT CATEGORISING

• There are also special group discounts for example,
  • More than 50 people – 30%
  • 25 - 50 people - 20%
  • 10 - 24 people - 10%
  • Foreign students with valid international identity cards are allowed 25% discount on entrance fees.
conclusion

• No models to use for setting price tags to services and activities.
• UWA does not have a way to ascertain if the park fees charged is the optimal fee.
• The park fees charged are not set after a proper analysis of the demand and supply in the nature tourism market.
• Our tariff regime are different regionally.
• Sometimes politics determine the outcome of the tariff guide for the national park products.
Cont.

- Pricing to cater for seasonality of tourism still lacking vis-à-vis advance booking.
- Absence of uniformity regionally (Tariff regime and lifespan)
- Pricing survey required
FOR GOD AND MY COUNTRY

Conserving for Generations
THANK YOU FOR YOUR ATTENTION