United Nations Development Programme
Country: Uganda
Project Document

Project Title	**Support for Development of Inclusive Markets in Tourism**
UNDAF Outcome(s):	**Outcome 2.2.3:** Vulnerable segments of the population increasingly benefit from sustainable livelihoods and in particular improved agricultural systems and employment opportunities to cope with the population dynamics, increasing economic disparities, economic impact of HIV&AIDS, environment shocks and recovery challenges by 2014.
Expected CP Outcome(s):	**Outcome 2.2:** Increased productivity, competitiveness and employment in selected sectors particularly benefiting women and youth
Expected Output(s):	**Output 2.2.2:** Functional and Inclusive markets in Agriculture, Trade and Tourism in place
Implementing Partner:	Uganda Tourism Board (UTB)
Collaborating Parties:	Ministry of Tourism, Uganda Tourism Association, Tour Operator Organization, Hotel Owner Association, Uganda Wildlife Authority

Brief Description

Tourism in Uganda has not realized its full potential due to a highly fragmented private sector, lack of sufficient public sector support, lack of adequate skilled human resources particularly in tourism promotion, inadequate research and development of pro-poor tourism products and the narrow product diversity.

This project will support the government of Uganda in development of markets in tourism, focusing on participation of the poor and local communities in the tourism sector as entrepreneurs, employees and consumers. This will contribute to increased benefits for the poor in terms of improved access to labour and markets and increased opportunities for decent work and incomes. These will be achieved through creation of market linkages, development and promotion of new niche products that are also pro-poor, and building the capacity of key tourism support institutions and associations.

Programme Period:	2011 - 2014
Key Result Area (Strategic Plan): and achievement of MDGs	Poverty eradication
Atlas Award ID:	00062245
Start date:	2011
End Date	2014
PAC Meeting Date	1 – 2 June 2011
Management Arrangements	NIM

Project budget:	
Total resources required	USD 1,770,000
Allocated resources:	USD 1,250,000
Regular	USD 1,250,000
Other:	
Donor	
Government	
Unfunded budget:	USD 520,000
In-kind Contributions	

Agreed by Government of Uganda, MFPED:

Agreed by Uganda Tourism Board:

Agreed by UNDP:

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Tourism Market Development Specialist: 32

Business Enterprise Support Specialist: 33

Tourism Product Development Specialist: 34

Capacity Development Specialist: 35

ACRONYMS

BCtA	Business Call to Action
BDS	Business Development Services
EU	European Union
GDP	Gross Domestic Product
ITC	International Trade Centre
MSME	Micro, Small and Medium Enterprise
MT	Ministry of Tourism
NDP	National Development Plan
PB	Project Board
PM	Project Manager
PSDCs	Private Sector Development Companies
SME	Small and Medium Enterprise
STAR	Sustainable Tourism in the Albertine Rift
TA	Technical Advisor
UCOTA	Uganda Community Tourism Association
UHOTOA	Uganda Hotel Owners and Tour Operators Association
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Program
UNV	United Nations Volunteer
UTA	Uganda Tourism Association
UTB	Uganda Tourism Board
WTO	World Tourism Organisation

Uganda's tourism sector has made remarkable improvements over the past decade. Visitor arrivals have increased steadily from under 200,000 in 2000 to an estimated 900,000 in 2010, an average annual increase of over 40 percent. Tourism expenditure has more than doubled from USD 321 million in 2004 to USD 683 million in 2009[1], an average annual increase of 22 percent. The tourism industry is now one of the leading growth sectors in Uganda, contributing 9.2 per cent to GDP making up 7.4 per cent of total employment and generating 25.4 percent in foreign exchange earnings making it the primary source of Uganda's foreign exchange.

The number of leisure tourists has steadily increased from 45,000 in 2001 to 225,000 in 2010, although it still constitutes a small proportion of the visitors. Compared to Kenya and Tanzania, where the leisure segment accounts for 52% and 90% respectively, Uganda's leisure tourism market is still nascent and accounted for only 16% of the total visitors in 2009. The table below compares Uganda with Kenya and Tanzania in regard to tourist categorization by purpose of visit in 2009.

Table 1: Categorization of Visitors by Purpose of Visit (2009)

Destination/Purpose of Visit	Uganda	Kenya	Tanzania
Total number of visitors in '000s	817	729	714
Earnings (US$ M)	564	767	1,160
Holiday, recreation and leisure	16%	52%	90%
Business	21%	18%	4%
Visiting friends and relatives	50%	12%	0%
others	13%	18%	6%

The low level of leisure tourism reflects marketing and promotion limitations and the need to intensify marketing, diversify the tourism product, and provide a rationale for supporting the sector. Currently Uganda's tourism product mix is concentrated on wildlife and nature-based tourism, which is centered around its national parks, wildlife reserves and forest reserves, most of which are located in western Uganda. The main attractions include gorilla and other wildlife tracking, visits to national parks to view wildlife and waterfalls, and white water rafting at the source of the Nile in Jinja. As such, a large proportion of the benefits from the sector are concentrated on a few tourism products (National Parks and wildlife tracking), which are located in a specific geographic area (western Uganda), and where business is dominated by a few high-end wildlife lodges and a scattered array of tour operators. There is a limited amount of targeted marketing that could meaningfully involve "pro-poor" participation in niche tourism segments such as community tourism, eco-tourism, cultural heritage and faith-based tourism – segments that can provide benefits to Uganda's rural communities.

In the recent past, government and donor interventions in the sector have generally not prioritised the needs and opportunities as well as the participation of the poor in tourism development. Thus, linkages between the private sector leaders and small scale tourism operators and the grassroots communities in traditional tourism zones are weak. In addition, micro, small and medium enterprises in the sector face a number of challenges which have been identified as: lack of access to affordable and appropriate finance, lack of business and technical skills, poor access to market information and limited access to markets, inappropriate technology and inefficient operations. Improving MSME performance is important for the tourism sector. Moreover, there are limited linkages between Uganda's small-scale operators with international tourism operators, which would provide a direct link to international and regional markets.

[1] Source: UNWTO's Compendium of Tourism Statistics, 2011 Edition (Dec 2010 update)

There are a number of on-going and previous interventions in support of the tourism sector; USAID is providing support for community tourism in Western Uganda through its STAR (Sustainable Tourism in the Albertine Rift) project, and working with communities adjacent to environmental conservation areas in the rift valley. Between 2002 and 2007, the EU provided support to the tourism sector through the Uganda Sustainable Tourism Development Project and an evaluation report of that project indicated that there were inherent weaknesses in the government's level of commitment to tourism development, inadequate participation of the private sector , as well as insufficient knowledge, understanding and acceptance of the concept of "community tourism".

IMPLEMENTATION STRATEGY

This project will support the development of markets in tourism focusing on participation of the poor and local communities in the tourism sector as entrepreneurs, employees and consumers. This will contribute to increased benefits for the poor in terms of improved access to labour and markets, increased opportunities for decent work, incomes, choice and affordability for essential goods and services. The project aims to achieve the above results through engaging specialized agencies like UN WTO, ITC, UNCTAD and others to provide expertise in the form of technical assistance. This technical assistance (TA) will be both short term and might take on a phased approach depending on the output area. In particular, short term international technical advisors will be provided in these areas; market development, product development and institutional capacity development. One UNV, who will have technical expertise in implementation of tourism projects will also be sourced to support the project manager/implementing Partner (UTB) in the overall implementation of the project for the duration of the project. This project will have the following outputs:

Output 1. Market linkages developed and operationalized.

In order to raise the level of competitiveness and enhance the participation of small businesses in the tourism sector, there is need for better integration among small enterprises and actors along value chains in the tourism sector. These chain actors in these linkages include airlines and travel operators; immigration and related services; international and domestic tour operators and guides; hotels, crafts, cultural and entertainment services; operators of tourist attraction sites, and community tourism businesses among others.

The project will establish and strengthen market linkages and support, taking into account the need for integration within the tourism value and market chains with emphasis on linking small tourism operators with larger players in the market, including, where relevant, access to international tour operators. This is particularly important given the growing importance of domestic and regional tourism especially within the East African regional market context.

Activity results:

- Identify and establish linkages among actors along the tourism value chains Provide technical support and advice for mentoring the linkages
- Provide specialized business development services
- Monitor and backstop the implementation and performance of the established linkages.

Output 2: Innovative pro-poor tourism products and services developed and promoted

There is an emerging fundamental market shift in the worldwide tourism industry, away from traditional

tours and business models and towards more responsible and sustainable tourism models. These are based on a country's natural ecology, its culture, and its various special interest activities. Consumers are becoming more concerned about the environmental, social and cultural impacts of their travel and, as a result, are becoming more interested in sustainable forms of tourism.

This output will support the development of new differentiated tourism products and services to include a variety of pro-poor and inclusive tourism experiences that will benefit Uganda's poor communities. The project will build on successful examples of inclusive business models, including the Business Call to Action initiative (BCtA), that have been used to provide support to the tourism sector involving appropriate specialized "pro-poor" niches such as heritage tourism, community tourism, bird watching, religious tourism, hiking trails, volcano treks, etc. There is also a growing adventure tourism segment; and the government is also interested in developing new markets for its conferences and events segment. This will be achieved by undertaking the following key activities

Activity results

- Undertake market research and product feasibility studies
- Develop innovative and viable tourism products and services
- Provide specialized business development services
- Build capacity to implement/roll out the products
- Undertake marketing and promotional activities for the products
- Monitor and backstop the operationalization of the products.

Output 3. Capacity of business enterprises and selected tourism support institutions built

This output will address the capacity gaps in key selected tourism support institutions. The institutions will include Uganda Tourism Association (UTA), Uganda Community Tourism Association (UCOTA), Uganda Hotel Owners and Tour Operators Association (UHOTOA), Association of Private Sector Development Companies in Uganda (APSDCU and, Uganda Tourism Board (UTB). Project interventions will cover i) building capacity of local enterprises and community groups to enable them to participate in and manage the tourism interventions ii) strengthening the governance and management of tourism support associations and organizations; iii) formation of relevant Public Private Partnerships, and v) provision of technical support in specialized areas such as product and market development.

Activity Results

- Undertake a capacity assessment of the selected tourism support institutions to identify the critical capacity gaps to be addressed.
- Prioritize and undertake capacity building interventions
- Provide business development services
- Support the establishment of a multi-stakeholder platform

EXIT STRATEGY

A market-led approach such as this will provide the means of establishing long-term partnerships between local and international tourism industry practitioners that will benefit stakeholders in the public and private sectors. Establishment of long term partnerships will provide greater benefits than the traditional short-term project models, because these partnerships will provide the framework of incentives for the private sector to mobilize resources and expertise for the development of sites and attractions even beyond the lifetime of the project. Such an approach will also provide the strategic positioning needed to

attract investment into innovative and pro poor tourism products and services, which can benefit poor communities. In addition, because this project will develop the capacity of UTB, this will ensure that it will be better able to mobilise and absorb resources from other partners, including government, in order to carry out their mandated activities effectively and in a sustainable manner.

Intended Outcome as stated in the Country Programme Results and Resource Framework: Outcome 2.2: Increased productivity, competitiveness and employment in Agriculture, Tourism and Trade sectors particularly benefiting women and youth				
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:				
Applicable Key Result Area (*from 2008-11 Strategic Plan):* Poverty eradication and achievement of MDGs				
Project title and ID (ATLAS Award ID): Support for Development of Inclusive Markets in Tourism				
INTENDED OUTPUTS	**OUTPUT TARGETS FOR (YEARS)**	**INDICATIVE ACTIVITIES**	**RESPONSIBLE PARTIES**	INPUTS
Output 1: Market linkages developed and operationalized **Target** 30 new business linkages established and operationalized **Indicators:** No. of business linkages established **Baseline:** Businesses in the tourism sector are operating in a fragmented manner with limited inter-linkages	**2011** At least 60 potential business linkages identified **2012** Capacity built in 40 selected enterprises for effective business linkages **2013** At least 30 established business linkages mentored **2014** At least 30 fully developed business linkages in place and fully functioning.	**Activity Result 1** ▪ Identify and select linkages among actors along the tourism value chains Action 1 Select 40 viable MSMEs, SMEs and tour operators for development of business linkages Action 2 Facilitate the provision of business mentoring and coaching services to selected players in collaboration with local and international tour operators **Activity Result 2** ▪ Provide technical support and advice for mentoring the linkages **Actions** Action 1. Define required project interventions to facilitate creation of viable linkages in the tourism value chain	UTB and Enterprise Uganda with support from international technical advisors	*US $ 250,000*

		Action 2. Offer BDS support to nurture and sustain the linkages formed. **Activity Result 3** ▪ Provide specialized business development services **Actions** Action 1. Define required project interventions to facilitate the tourism value chain Action 2. Offer BDS support to nurture and sustain the linkages formed. **Activity Result 4** ▪ Monitor and backstop the implementation and performance of the linkages. **Actions** Action 1. Offer business counselling/handholding support to nurture and sustain the linkages formed.		
Output 2: Innovative pro-poor tourism products and services developed and promoted **Target** 6 innovative pro-poor products produced and promoted **Indicators** • Number of niche pro-poor products developed and implemented • Increase in no. of tourists visiting selected niche	**2011** At least 5 specialized tourism niche markets products selected and developed **2012** Selected products developed and implemented **2013** Destination branding, marketing and promotion materials and campaigns	**Activity Result 1** Develop innovative and viable tourism products and services **Actions** Action 1 – Undertake market research and product feasibility studies Action 2 - Mobilize and sensitize the corporate private sector and other players about pro-poor product development Action 3. Conduct a business call to	UTB with support from international technical advisors	*US $ 800,000*

tourism sites **Baseline:** Few tourists are visiting Uganda's community tourism and other pro-poor tourism attractions outside National Parks	developed **2014** 2 Domestic Marketing activities, 1 regional marketing activity and 2 international marketing exhibitions accomplished	action mapping study Action 4. Facilitate corporate companies and communities to identify and select appropriate business concepts Action 5 Mobilise and conduct awareness campaigns in the identified target communities for active engagement in the development of products **Activity Result 2** Provide specialized business development services to selected enterprises Action 1. Technically backstop the roll out of the products/services **Activity Result 3** Provide technical support for marketing and promotional activities for the products **Actions** Action 1 Develop and implement a marketing strategy Action 2 Develop and implement a media and communications plan **Activity Result 4** Monitor and backstop the operationalization of the products **Actions** Action 1. In liaison with the corporate private sector and communities, monitor the progress of the business innovation		

		being developed Action 2. Provide technical support to the communities in the implementation of the business plans.		
Output 3: Capacity of business enterprises and selected tourism support institutions built ***Baseline:*** Weak tourism associations and little support provided to business enterprises ***Indicators:*** No. of enterprise support interventions implemented ***Targets:*** 6 interventions implemented	**2011** Public and private institutions supporting tourism (niche) markets with potential for high employment and income impact on the poor selected. - Bottlenecks affecting performance of MSMEs and SMEs in selected markets that have potential for high employment and income impact on the poor identified **2012** At least 6 interventions developed to address the identified bottlenecks **2013** At least 4 interventions implemented **2014** At least 2 interventions implemented	**Activity Result 1** Undertake a capacity assessment of the selected tourism support institutions to identify the critical capacity gaps to be addressed. **Actions** Action 1. Conduct a capacity assessment of selected enterprises, institutions and business support associations Action 2. Identify key bottlenecks affecting performance of tourism enterprises, and support institutions. **Activity Result 2** Provide demand driven business development services to the selected institutions and their members	Enterprise Uganda with support from the TA – capacity development specialist	*US $ 275,000*
Project Management	Monitoring, Evaluation and Audit			US$ 40,000

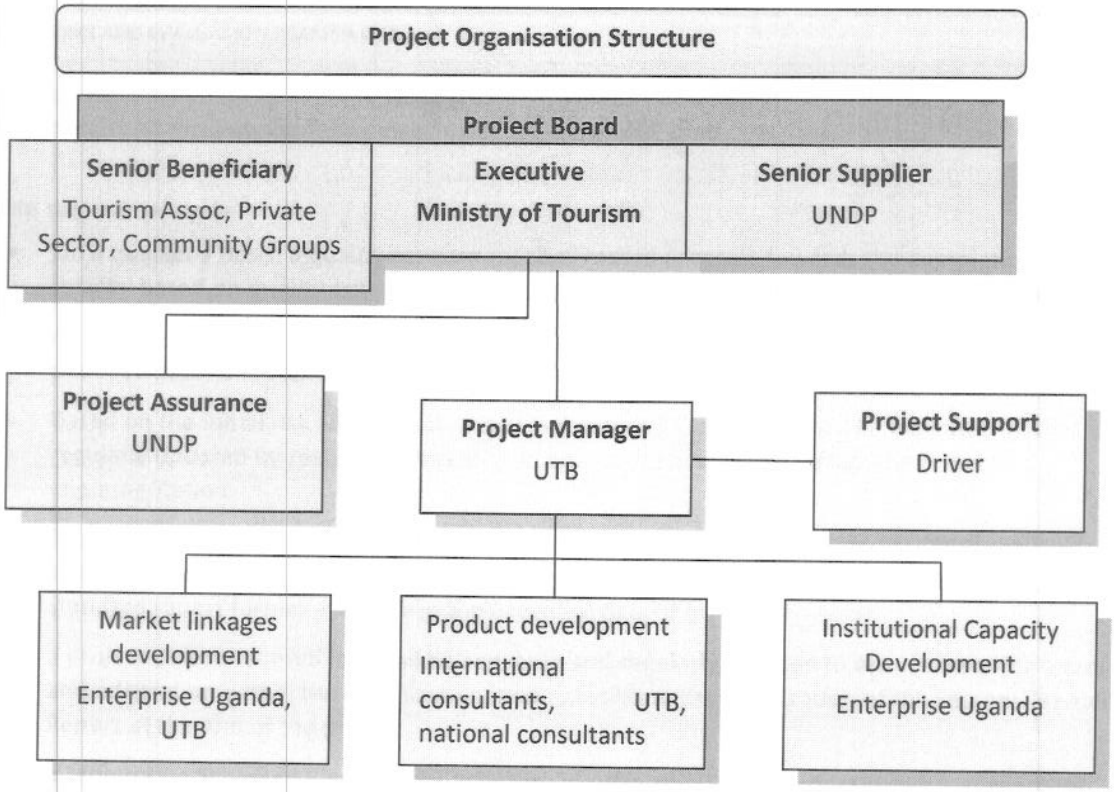
	1 project vehicle procured	Procurement of a project vehicle		US$ 50,000
	• Technical advisor (UNV)			US $ 220,000
	• Technical assistance (3 of them for duration of 3 months each) • Driver			US$ 110,000 US$ 25,000
Total				**1,770,000**

INTENDED OUTPUTS	INDICATIVE ACTIVITIES	Q1	Q2	Q3	Q4	RESPONSIBLE PARTIES	INPUTS (USD)
Output 1: Market linkages developed and operationalized **Target** 30 new business linkages established and operationalized **Indicators:** No. of business linkages established **Baseline:** Businesses in the tourism sector are operating in a fragmented manner with limited inter-linkages	**Activity Result 1** ▪ Identify and establish linkages among actors along the tourism value chains					UTB	*15,000*
	Action 1 Select 40 viable MSMEs, SMEs and tour operators for development of business linkages						
	Action 2 Facilitate the provision of business mentoring and coaching services to selected players in collaboration with local and international tour operators						
	Activity Result 2 ▪ Provide technical support and advice for mentoring the linkages **Actions**						
	Action 1. Define required project interventions to facilitate creation of viable linkages in the tourism value chain						
	Action 2. Offer BDS support to develop and nurture the linkages formed.						
	Activity Result 3 ▪ Provide specialized business development services						

	Actions Action 1. Define required project interventions to facilitate tourism value chain players						
	Action 2. Offer BDS support to develop and nurture the linkages formed.						
	Activity Result 4 ▪ Monitor and backstop the implementation and performance of the linkages.						
Output 2: Innovative pro-poor tourism products and services developed and promoted **Target** 6 innovative pro-poor products produced and promoted **Indicators** • Number of niche pro-poor products developed and implemented • Increase in no. of tourists visiting selected niche tourism sites **Baseline:** Few tourists are visiting Uganda's community tourism and other pro-poor tourism attractions outside National Parks	**Activity Result 1** Undertake market research and product feasibility studies					UTB and Technical Advisor	*25,000*
	Activity Result 2 Develop innovative and viable tourism products and services						
	Actions Action 1 - Mobilize and sensitize the corporate private sector and other players about pro-poor product development in the tourism sector						*10,000*
	Action 2. Conduct a business call to action mapping study						*15,000*
	Action 3. Facilitate corporate companies and communities to identify and select appropriate business concepts						*20,000*
	Action 4 Mobilise and conduct awareness campaigns in the identified target communities for active engagement in the development of products						
	Activity Result 3 Provide specialized business development services to selected enterprises						

Output 3: Capacity of business enterprises and selected tourism support institutions built ***Baseline:*** Weak tourism associations and little support provided to business enterprises ***Indicators:*** No. of enterprise support interventions implemented ***Targets:*** 6 interventions implemented	**Activity Result 1** Undertake a capacity assessment of the selected tourism support institutions to identify the critical capacity gaps to be addressed. **Actions** Action 1. Conduct a capacity assessment of selected enterprises, institutions and business support associations					Enterprise Uganda with support from the TA – Capacity development	*30,000*
	Action 2. Identify key bottlenecks affecting performance of tourism enterprises, and support institutions.						
	Activity Result 2 Prioritize and undertake capacity building interventions of one institution (UTB)						*8,000*
	Actions Action 1: Develop/design targeted training, to strengthen governance and entrepreneurship in the selected Institutions						*15,000*
	Action 2: Conduct study tours to successful tourism business models and institutions within the country and the region.						
	Activity Result 3 Provide business development services to the selected institutions and their members					*Enterprise Uganda, TA and PSDCs*	
Project Management	• Monitoring, Evaluation and annual audit						15,000

	Vehicle purchase						50,000
	• Vehicle fuel and maintenance						7,500
	• Technical Advisor (UNV)						20,000
	Technical Assistance (1 int. consultant – 3 months						34,500
Total for year 1							**265,000**


Project Organisation Structure
Project Board
Senior Beneficiary
Tourism Assoc, Private Sector, Community Groups
Executive
Ministry of Tourism
Senior Supplier
UNDP
Project Assurance
UNDP
Project Manager
UTB
Project Support
Driver
Market linkages development
Enterprise Uganda, UTB
Product development
International consultants, UTB, national consultants
Institutional Capacity Development
Enterprise Uganda

Monitoring and Evaluation Framework

Output 1: **Market linkages developed and operationalized**		
Activity Result Identify and establish linkages among actors along the tourism value chains		Start Date Q4, Y1 End Date Q4, Y4
Purpose	Initiate and develop formal and structured business linkages between SMES in the Tourism Industry and big and well developed industry operators (local and foreign)	
Description	Action 1: Select 40 viable MSMEs, SMEs and tour operators for development of business linkages Action 2: Facilitate the provision of business mentoring and coaching services to selected players in collaboration with local and international tour operators	
Quality Criteria	Quality Method	Date of assessment
Number of SMEs and products selected Number of lead firms enlisted SMEs that have improved linkages	Quarterly and Annual Reports MoUs signed Signed contracts End of Project report	Quarterly, Annually, end of project
Activity Result 2 Provide technical support and advice for mentoring the linkages		
Purpose	Mentor the established business linkages	
Description	Action 1. Define required project interventions to facilitate farmer group upgrading Action 2. Offer BDS support to nurture and sustain the linkages formed.	
Quality Criteria	Quality Method	Date of assessment

Number of BDS mentored	Annual and Quaterly reports	Annually and quarterly
Activity Result 3 ▪ Provide specialized business development services		
Purpose	Offer BDS support to sustained the formed linkages	
Description	Action 1. Define required project interventions to facilitate farmer group upgrading Action 2. Offer BDS support to nurture and sustain the linkages formed.	
Quality Criteria	Quality Method	Date of assessment
Number of linkages trained and supported	Annual and quarterly reports	Annually and quarterly
Activity Result 4 ▪ Monitor and backstop the implementation and performance of the linkages.		
Purpose	Monitor the implementation and performance of the established linkages	
Description	Action 1. Offer business counselling/handholding support to nurture and sustain the linkages formed.	
Quality Criteria	Quality Method	Date of assessment
Number of Linkages monitored and sustained	Annual and Quaterly reports	Annually and quaterly
Output 2: Innovative pro-poor tourism products and services developed and promoted		
Activity Result 1 Undertake market research and product feasibility		Start Date Q4, Y1 End Date Q4, Y4

studies		
Purpose	Identify gaps in the market	
Description		
Quality Criteria	Quality Method	Date of assessment
Number of market research and product feasibility studies undertaken.	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly
Activity Result 2 Develop innovative and viable tourism products and services		Start Date Q4, Y1 End Date Q4, Y4
Purpose	Design appropriate and viable tourism products and services	
Description	Action 1 - Mobilize and sensitize the corporate private sector and other players about pro-poor product development Action 2. Conduct a business call to action mapping study Action 3. Facilitate corporate companies and communities to identify and select appropriate business concepts Action 4 Mobilise and conduct awareness campaigns in the identified target communities for active engagement in the development of products	
Quality Criteria	Quality Method	Date of assessment
Number of products developed	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly
Activity Result 3		Start Date Q4, Y1

Provide specialized business development services to selected enterprises		End Date Q4, Y4
Purpose	**Provide enterprises with training in BDS**	
Quality Criteria	Quality Method	Date of assessment
Number of enterprises trained	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly
Activity Result 4 implement/roll out the developed products		Start Date Q2, Y2 End Date Q4, Y4
Purpose	Implement the developed products	
Quality Criteria	Quality Method	Date of assessment
Number of products implemented	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly
Activity Result 5 Undertake marketing and promotional activities for the products		Start Date Q3, Y2 End Date Q4, Y4
Purpose	Promote the developed product	
Description	Action 1 Develop and implement a marketing strategy Action 2 Develop and implement a media and communications plan	
Quality Criteria	Quality Method	Date of assessment
Number of products successfully promoted and marketed	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly

Level of popularity gained		
Activity Result 6 Monitor and backstop the operationalization of the products		Start Date Q4, Y2 End Date Q4, Y4
Purpose	**Ensure proper implementation and sustainability of the products**	
Description	Action 1. In liaison with the corporate private sector and communities, monitor the progress of the business innovation being developed Action 2. Provide technical support to the communities in the implementation of the business plans.	
Quality Criteria	Quality Method	Date of assessment
Number of monitoring tools	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly
Output 3: Capacity of business enterprises and selected tourism support institutions built		
Activity Result 1 Undertake a capacity assessment of the selected tourism support institutions to identify the critical capacity gaps to be addressed.		Start Date Q4, Y1 End Date Q4, Y4
Purpose	**Identify existing gaps**	
Description	Action 1. Conduct a capacity assessment of selected enterprises, institutions and business support associations Action 2. Identify key bottlenecks affecting performance of tourism enterprises, and support institutions.	
Quality Criteria	Quality Method	Date of assessment

Capacity assessment carried out	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly
Activity Result 2 Prioritize and undertake capacity building interventions		Start Date Q4, Y1 End Date Q4, Y4
Purpose	Strengthen operational and institutional capacity	
Description	Action 1: Develop and implement targeted training, and strengthen governance in the institutions Action 2: Conduct study tours to successful tourism business models and institutions within the country and the region. Action 3: Facilitate access to various certification schemes and market standards	
Quality Criteria	Quality Method	Date of assessment
Number of institutions capacitated	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly
Activity Result 3 Provide business development services to the selected institutions and their members		Start Date Q4, Y1 End Date Q4, Y4
Purpose	Increase knowledge in BDS	
Quality Criteria	Quality Method	Date of assessment
Number of institutions and members trained	Annual reports, quarterly reports, activity implementation reports	Annually, quarterly

ANNEXES

Risk assessment

Description of Risk	Date identified	Type of risk (Financial, organisational, operational)	Impact and probability (1 – lowest 5 – highest)	Mitigation Measures	Owner of risk	Submitted, upated by	Last update
Over dependence on development partner support (UTB)	30/04/11	Financial	Lack of sustainability after project closure P=3 I=3	• Transfer ownership to Multi-sector committee formed • UTB and Tourism Sector Development Partners to engage government in negotiations to approve the Tourism Levy	Project management UNDP	Stuart Black	22/07/2011

Insufficient number of market leaders and corporate companies willing to get involved	30/04/11	Strategic	Tourism MSMES may be frustrated and discouraged if business linkages fail to work out P=3 I=3	Continue to lobby for the enabling policy and incentive framework Involvement of regional/international tourism market leaders	UNDP, Project Management Team	Stuart Black	22/07/2011
Lack of sufficient funding for the project	30/04/11	Financial	This project still has a deficit and not all activities will be implemented as planned of resources are not mobilised. Key activities may have to be cut out and thus affect the overall impact of the project P=3 I=3	Lobby for more resources from other partners	UNDP Project management	Stuart Black	22/07/2011
Insufficient numbers of operators willing to engage with the pro-poor initiatives	30/04/11	Strategic	Failure of bringing on board the poor communities to benefit from tourism benefits P=3 I=3	Appropriate structuring of these engagements to create win-win partnerships Prove/show evidence of profitability of developed pro-poor tourism products through preparation of concrete business plans and feasibility studies	Project Management	Stuart Black	22/07/2011

TORs for Project Manager, Project Board, Project Assurance, project support team

Project Management

Project Board

Overall responsibilities: The Project Board is the group responsible for making by consensus management decisions for a project when guidance is required by the Project Manager, including recommendation for UNDP/Implementing Partner approval of project plans and revisions. In order to ensure UNDP's ultimate accountability, Project Board decisions should be made in accordance to standards that shall ensure best value to money, fairness, integrity transparency and effective international competition. In case a consensus cannot be reached, final decision shall rest with the UNDP Programme Manager. Project reviews by this group are made at designated decision points during the running of a project, or as necessary when raised by the Project Manager. This group is consulted by the Project Manager for decisions when PM tolerances (normally in terms of time and budget) have been exceeded.

Based on the approved annual work plan (AWP), the Project Board may review and approve project quarterly plans when required and authorizes any major deviation from these agreed quarterly plans. It is the authority that signs off the completion of each quarterly plan as well as authorizes the start of the next quarterly plan. It ensures that required resources are committed and arbitrates on any conflicts within the project or negotiates a solution to any problems between the project and external bodies. In addition, it approves the appointment and responsibilities of the Project Manager and any delegation of its Project Assurance responsibilities.

Composition and organization: This group contains three roles, including:

1) An Executive: individual representing the project ownership to chair the group.
2) Senior Supplier: individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project. The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project.
3) Senior Beneficiary: individual or group of individuals representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries.

Potential members of the Project Board are reviewed and recommended for approval during the LPAC meeting. For example, the Executive role can be held by a representative from the Government Cooperating Agency or UNDP, the Senior Supplier role is held by a representative of the Implementing Partner and/or UNDP, and the Senior Beneficiary role is held by a representative of the government or civil society. Representative of other stakeholders can be included in the Board as appropriate.

Specific responsibilities:

Defining a project

- Review and approve the Initiation Plan (if such plan was required and submitted to the LPAC).

Initiating a project

- Agree on Project Manager's responsibilities, as well as the responsibilities of the other members of the Project Management team;
- Delegate any Project Assurance function as appropriate;
- Review the Progress Report for the Initiation Stage (if an Initiation Plan was required);
- Review and appraise detailed Project Plan and AWP, including Atlas reports covering activity definition, quality criteria, issue log, updated risk log and the monitoring and communication plan.

Running a project

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;

- Address project issues as raised by the Project Manager;
- Provide guidance and agree on possible countermeasures/management actions to address specific risks;
- Agree on Project Manager's tolerances in the Annual Work Plan and quarterly plans when required;
- Conduct regular meetings to review the Project Quarterly Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Review and approve end project report, make recommendations for follow-on actions;
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide on project changes through revisions;

Closing a project

- Assure that all Project deliverables have been produced satisfactorily;
- Review and approve the Final Project Review Report, including Lessons-learned;
- Make recommendations for follow-on actions to be submitted to the Outcome Board;
- Commission project evaluation (only when required by partnership agreement)
- Notify operational completion of the project to the Outcome Board.

Executive

The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring a cost-conscious approach to the project, balancing the demands of beneficiary and supplier.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure that there is a coherent project organisation structure and logical set of plans
- Set tolerances in the AWP and other plans as required for the Project Manager
- Monitor and control the progress of the project at a strategic level
- Ensure that risks are being tracked and mitigated as effectively as possible
- Brief Outcome Board and relevant stakeholders about project progress
- Organise and chair Project Board meetings

The Executive is responsible for overall assurance of the project as described below. If the project warrants it, the Executive may delegate some responsibility for the project assurance functions.

Senior Beneficiary

The Senior Beneficiary is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The role represents the interests of all those who will benefit from the project, or those for whom the deliverables resulting from activities will achieve specific output targets. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require more than one person to cover all the beneficiary interests. For the sake of effectiveness the role should not be split between too many people.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Ensure the expected output(s) and related activities of the project are well defined
- Make sure that progress towards the outputs required by the beneficiaries remains consistent from the beneficiary perspective
- Promote and maintain focus on the expected project output(s)
- Prioritise and contribute beneficiaries' opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Resolve priority conflicts

The assurance responsibilities of the Senior Beneficiary are to check that:

- Specification of the Beneficiary's needs is accurate, complete and unambiguous
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target
- Impact of potential changes is evaluated from the beneficiary point of view
- Risks to the beneficiaries are frequently monitored

Where the project's size, complexity or importance warrants it, the Senior Beneficiary may delegate the responsibility and authority for some of the assurance responsibilities (see also the section below)

Senior Supplier

The Senior Supplier represents the interests of the parties which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role.

Specific Responsibilities (as part of the above responsibilities for the Project Board)

- Make sure that progress towards the outputs remains consistent from the supplier perspective
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management
- Ensure that the supplier resources required for the project are made available
- Contribute supplier opinions on Project Board decisions on whether to implement recommendations on proposed changes
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts

The supplier assurance role responsibilities are to:

- Advise on the selection of strategy, design and methods to carry out project activities
- Ensure that any standards defined for the project are met and used to good effect
- Monitor potential changes and their impact on the quality of deliverables from a supplier perspective
- Monitor any risks in the implementation aspects of the project

If warranted, some of this assurance responsibility may be delegated (see also the section below)

Project Manager

Overall responsibilities: The Project Manager has the authority to run the project on a day-to-day basis on behalf of the Project Board within the constraints laid down by the Board. The Project Manager is responsible for day-to-day management and decision-making for the project. The Project Manager's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The Implementing Partner appoints the Project Manager, who should be different from the Implementing Partner's representative in the Outcome Board. Prior to the approval of the project, the Project Developer role is the UNDP staff member responsible for project management functions during formulation until the Project Manager from the Implementing Partner is in place.

Specific responsibilities would include:

Overall project management:

- Manage the realization of project outputs through activities;
- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the Project Board or its appointed Project Assurance roles to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Liaise with any suppliers;
- May also perform Team Manager and Project Support roles;

Running a project

- Plan the activities of the project and monitor progress against the initial quality criteria.
- Mobilize goods and services to initiative activities, including drafting TORs and work specifications;
- Monitor events as determined in the Monitoring & Communication Plan, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, using advance of funds, direct payments, or reimbursement using the FACE (Fund Authorization and Certificate of Expenditures);
- Monitor financial resources and accounting to ensure accuracy and reliability of financial reports;
- Manage and monitor the project risks as initially identified in the Project Brief appraised by the LPAC, submit new risks to the Project Board for consideration and decision on possible actions if required; update the status of these risks by maintaining the Project Risks Log;
- Be responsible for managing issues and requests for change by maintaining an Issues Log.
- Prepare the Project Quarterly Progress Report (progress against planned activities, update on Risks and Issues, expenditures) and submit the report to the Project Board and Project Assurance;
- Prepare the Annual review Report, and submit the report to the Project Board and the Outcome Board;
- Based on the review, prepare the AWP for the following year, as well as Quarterly Plans if required.

Closing a Project

- Prepare Final Project Review Reports to be submitted to the Project Board and the Outcome Board;
- Identify follow-on actions and submit them for consideration to the Project Board;
- Manage the transfer of project deliverables, documents, files, equipment and materials to national beneficiaries;
- Prepare final CDR/FACE for signature by UNDP and the Implementing Partner.

TORs for specialized technical support

Tourism Market Development Specialist:

Experience in marketing and promotion of "inclusive" speciality tourism market niches and increasing the demand for specialized tourism products and services; experience in establishing business linkages

- Experience developing niche markets and targeted marketing strategies using specialized

international tourism operators and other practitioners

- Experience dealing with market level challenges, such as lack of marketing and market segmentation, and challenges in tourism product development and differentiation, product quality, etc.
- Success in increasing tourist traffic at community tourism sites by a combination of product development and marketing and promotion
- Experience with developing marketing and promotional material, country branding and packaging; signage, and interpretation
- Experience with promoting niche areas such as community tourism through the internet in conjunction with international operators, and working with journalists to write articles for the web and in newspapers and magazines, and working with specialised travel guides like Lonely Planet, Bradt Travel Guide, etc .
- Experience with promotion of domestic tourism through local media, NGOs, churches, tourism associations, etc.

Activities:

- Undertake a market evaluation of potential "inclusive" market niches
- Development of marketing strategies for a number of specialized niches
- Development of new tours and itineraries
- Preparation of individual strategic implementation plans for a number of specialized niches
- Development of marketing material and collateral (maps, brochures, etc.)
- Design and implementation of signage at key entry points (Entebbe and border points) and interpretation at key in-country destination points (on roads and highways near tourism sites)
- Development of linkages to private sector operators involving specialized activities and niche markets, such as photo image banks (eg, birds, hiking trails, etc.), guidebooks and magazine articles, in print and on the web.
- Re -develop the tourism website
- Hold domestic promotion campaigns (Annual Excellency Awards and Annual tourism festivals)
- Hold annual regional tourism birding festivals
- Attend international tourism fairs.

Business Enterprise Support Specialist:

Experience supporting tourism associations and business enterprises through a range of enterprise support initiatives and linkages with specialized international tour operators

- Experience developing business linkages through a range of enterprise support initiatives and providing linkages with specialized international service providers
- Experience developing market information, managing technical assistance in service delivery, human resource development, access to finance, etc.
- Experience improving livelihoods by establishing business linkages with local tourism enterprises and between local small-scale tourism operators and internationally recognized operators
- Experience developing a comprehensive program of business linkages and support

Activities:

- Identify MSMEs, SMEs and tourism operators capable of establishing business linkages
- Select 40 viable MSMEs, SMEs and tour operators for development of business linkages
- Facilitate the provision of business mentoring and coaching services to 30 MSMEs and SMEs in collaboration with local and international tour operators
- Research options for redesign and customization of BDS, based on updated market information relating to BDS supply and demand and best practice models observed in

the Uganda tourism market

- Select broad targets for achieving objectives with respect to up-scaling tourism enterprises along the supply chain, increasing cooperation, increasing income and employment, etc.
- Design and implement BDS services tailored to suit different sections of the value chain and different tourism operators
- Explore and negotiate possible outsourcing, resource pooling and linkage arrangements with BDS mentors and coaches. Establish a pool of service providers in the tourism sector.
- Identify and implement measures required to make financial markets more responsive to small and medium-sized tourism businesses
- Introduce scheme to facilitate group asset acquisition and working capital finance
- Carry out diagnostic study to assess tourism business financing requirements in terms of affordability and facility size to inform design of appropriate products
- Piloting of various products and returnable grant with the objective of facilitating asset acquisition and funding for other tourism activities
- Brokering of financing arrangements (between banks and tourism service providers) which rely on innovative security and guarantee arrangements (e.g to provide finance on the strength of signed contracts, etc.)

Tourism Product Development Specialist:

Experience with the development of innovative and diversified pro-poor tourism products and services, and diversification of tourism products and services into new niche areas that will benefit poor communities

a. Experience with the development of differentiated tourism products and services to include a variety of pro-poor and inclusive tourism experiences
b. Experience "pro-poor" niches and inclusive business models
c. Experience increasing tourist traffic at community toruism sites by a combination of product development and marketing and promotion
d. Experience with a zonal approach, taking into consideration the development of tourism activities according to various specialized tourism zones
e. Experience developing new products including bird watching, heritage tourism, hiking trails, volcano treks, communities and religious tourism
f. Experience identifying and developing products/services and/or tourist activities/sites to be managed by community groups, tourism cooperatives and/or MSMEs

Activities:

- Formulate a strategy for product development and a 4-year implementation plan in collaboration with local tourism stakeholders and international tourism operators
- Development of 10 new products/services and/or tourist activities/sites that will be managed by community groups and/or MSMEs, (eg. birding, hiking trails, crafts making, set up markets for community products, etc.)
- Participation from specialized international tourism operators as well as national corporate firms in the development of products, sites and services
- Development of an investment strategy for the tourism sector exploring the possibilities for: PPP, special incentives and discount arrangements for businesses, the inclusion of tourism investment in the President's Investment Roundtable
- Support Tourism cooperatives in accessing funding i.e. training and skills development