



Strengthening Africa's Economic Performance

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Capitalising on Natural Potential

Tourism in Costa Rica and Colombia: Lessons for Africa

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Executive Summary

International tourism has grown impressively since 2001, and is today an \$800 billion industry. While traditional destinations in Europe and North America still tend to dominate tourist arrivals, some developing countries have implemented highly successful tourism strategies that have lured foreign visitors in large numbers and made tourism an important part of the overall growth and development in these countries.

Costa Rica is a primary example of this, where tourism has become the cornerstone of economic progress in recent years. It currently accounts for about 8% of total economic earnings and is growing impressively and diversifying each year.

While Costa Rica's rich biodiversity and its twin coastline of sun, sea and beaches has endowed it with an array of potential tourism activities, a closer look the Costa Rican experience shows that it's real success lies in a few key factors and attributes that the country consciously implemented and developed in line with its core strategy of attracting higher-end visitors from North America and Europe. These were based on core principals of safety and security, national image, access and proximity, and high quality service.

As the case of Colombia shows, these key attributes are not easy to implement or project abroad even if the country is blessed with natural potential. Tourism is a dynamic sector that requires ongoing evaluation and improvement, along with a balanced mix of local input and international investment. Security and perceptions thereof is critical.

The lessons from Costa Rica and Colombia are instructive for Africa where there is vast potential but where tourism potential remains underexploited and the continent's unique attributes underutilised.

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Introduction

The name of Costa Rica is synonymous with ecological tourism (or ecotourism). The country's natural beauty and concentration of biodiversity have brought international tourists flocking to it, and today Costa Rica is the top tourist destination in Central America. In the whole of Latin America, only Brazil and Mexico — the two traditional giants of tourism — attract more foreign tourists each year. But in relative terms, Costa Rica, with a population of less than 4.5 million people and an economy that is at least 30 times smaller than either Brazil's or Mexico's, attracts a significant share of tourists to the region.

Costa Rican tourism has evolved rapidly into an upper-end, semi-adventure-type operation. Of the 1.8 million foreign tourists that visited Costa Rica in 2006, over 53% were North American and nearly 15% were European. This market is eager to see the country's many natural wonders of fauna, flora, volcanoes and coffee plantations, but also to enjoy the creature comforts they are accustomed to back home and are far less price-sensitive than regular adventure tourists and backpackers. Such a class of tourists are also big spenders, and with the number of foreign visitors expected to reach about two million in 2007/08, they have helped make the tourism sector the biggest earner and by far the largest employer in Costa Rica. Tourism accounts for about 8% of total gross domestic product (GDP) earnings in the country.²

The essence of tourism in Costa Rica lies in the target market and the country's image abroad. A certain type of foreign tourist who enjoys nature and is seeking a safe 'Latino' experience is the typical candidate for a visit to Costa Rica. The country has therefore managed to effectively package its natural resources and potential together with its regional identity and appeal to fit the requirements of a specific niche. In recent years this concept has evolved further through increased spending on human resources and services that have helped create greater comfort, efficiency and a high general standard in the tourism industry that is unparalleled in the region. This has attracted a slightly older and wealthier clientele.

Costa Rica's approach, which is certainly different to that of other tourist locations in the region, has proven effective in meeting the principle goals of sales, employment and added value. The average tourist in Costa Rica spends over \$170 a day, which is well above the international average. But, more importantly, out of every US dollar spent on tourism in Costa Rica, 36 cents stays in the country, which is well above Cancun in Mexico, which appeals to a similar market and attracts an enormous number of foreign tourists each year, but where only 9 cents of each US dollar spent remains in Mexico. This can be attributed to the nature of the services offered in Costa Rica by mainly smaller scale operators, and the high percentage of joint ventures among locals and foreigners in hotels and other initiatives. The role and input of foreigners are important in identifying, establishing and maintaining the international standards and expectations of international tourism. But this needs to be coupled with the local factors of investment and expertise.

² These figures were provided by the Costa Rican Tourism Board and the Costa Rican Investment Promotion Agency (CINDE).

Tourism in Costa Rica is characterised by a dynamic process of change and development. It is constantly evolving to meet the needs of foreign tourists through the services and experiences it has to offer, as well as the relationship these foreigners develop with the country over years of returning and perhaps even ultimately settling there. New areas of tourism — agricultural and rural tourism, and especially coffee tourism (see below) come to mind — are constantly explored as a way to add value, incorporate a new area of the country or sector of the population, and provide a sought-after experience for the visitor. In addition to this, existing services and locations are constantly evaluated in an effort to retain the so-called unique feel and standard quality of Costa Rica.

Tourism also seems to have advanced into areas of real-estate development, which, to many, appears to be the next major phase of development in Costa Rica. Those very same upper-end foreign tourists are now seeking to retire in a pleasant, relaxing and risk-free environment. Costa Rica has positioned itself well to meet the requirements and standards these retirees are looking for.

Tourist Arrivals ('000)						
	1990	1995	2000	2002	2004	2006
Americas	92,884	109,029	128,164	116,755	125,735	136,000
Costa Rica	435	785	1,088	1,113	1,453	1,725
Colombia	813	1,399	557	567	791	1,053
Africa	15,200	20,311	28,184	29,500	33,436	40,900
World	455,900	539,565	686,738	703,000	763,917	842,000

Source: World Tourism Organisation

Where did it all start? Tourism in Costa Rica

Costa Rica has always been a natural haven of beauty and conservation. It was one of the first countries to institute environmental protection and, with 27% of the country protected through conservation areas, it is today the country with the largest percentage of natural resources protected in the world. This status and the attitude of Costa Ricans (called 'Ticos') attracted a broad range of scientists and some adventure travellers back in the 1960s, well before tourism became the dynamo it is today.

While the country certainly has embraced tourism and the idea of tourism as a primary source of development, there does not appear to be a clear model or strategy that initiated the tourism drive and established the industry that exists today. Some government policies and initiatives may have helped in the 1980s and 1990s, but they were short lived, and most Costa Ricans are ambivalent about the role government has played and should play in the tourism sector.

Those that were involved in tourism well before the so-called boom at the end of the 1990s and early in the new millennium attribute the initial interest and rise in tourism to a few key events, some of which appear to be almost entirely unrelated to tourism.

The wars in Central America during the 1980s paralysed the region and certainly did not help tourism, even for neutral Costa Rica, which carried the regional stigma and battled to shed the image of just another dangerous Latino location. But for many US journalists in particular, Costa Rica provided a haven away from the drama and violence of war. It was a place of rest and recreation, where they could gather their thoughts and relax. This idea seemed to stick and brought journalists and US officials back to Costa Rica after the wars had ended. Journalists also used the neutral territory during the time of conflict to meet with guerrilla leaders, and used the opportunity to write spin-off travel stories that helped deliver a positive picture of Costa Rica to the US and Europe. This no doubt contributed to the initial positive image of Costa Rica in Central America and its promotion abroad.³

The fact that US–Costa Rican relations have always been very healthy — unlike those of every other Latin American country — also helped create an environment where US visitors felt welcome and were genuinely liked by the Costa Ricans.

Certain political and foreign policy developments in the 1980s also appear to have encouraged foreigners to visit Costa Rica. The first was the decision to move the Costa Rican embassy in Israel to Jerusalem, which was very popular among wealthy Jews in New York and other parts of the US and is believed to have encouraged them to visit Costa Rica.

The second, and undoubtedly more relevant event, was the awarding of the Nobel Peace prize to President Oscar Sanchez Arias, who was instrumental in bringing peace to Nicaragua. This helped galvanise Costa Rica's image of peace and democracy, which had a huge impact on US perceptions of the country.

The foreign currency crises of the 1980s and the creation of a duty-free zone also made Costa Rica a relatively cheap location. Coupled with tax incentives and subsidies that helped build large international hotels, Costa Rica became an increasingly appealing location.

In the 1990s the country launched a highly successful campaign that promoted Costa Rica as a destination of 'tourism with a twist of comfort'. This, along with the development of larger hotel chains, brought more mainstream tourists and, ultimately, with price increases and greater exclusivity, the upper-enders.⁴

While the success story behind tourism in Costa Rica may — to some — appear to be more accidental than strategic, today the country has a solid image and has done the leg work to position itself in a favourable part of the market. It no longer uses grand campaigns and still likes to retain the impression of a 'hidden location'. It is promoted through word of mouth more than any other medium. One tour operator in the capital, San Jose, is amused

³ This was a point made in discussion by Michael Kaye, who has been a tour operator in Costa Rica since 1978.

⁴ This is based on a discussion with Prof. Pedro Raventos, an economist at INCAE Business School in Costa Rica, who has done extensive work on tourism in the country.

by first-time US visitors to the country, who say to him with great enthusiasm every day, 'Costa Rica is about to take off as a prominent American destination!'

It is these attributes and Costa Rica's unique positioning that caters specifically for an upper-end foreign market — over and above the natural resources and ecological beauty it is endowed with — that has made tourism such a success in Costa Rica and helped it grow into the principle economic earner in the country.

Key factors and principles behind Costa Rica's tourism success

Costa Rica is fortunate to be blessed with a rich array of ecological resources and biodiversity, and its proximity to the US — which is its most important tourist market — certainly does add to its appeal. It is a small country with only 0.01% of the world's surface area, but with 4% of the planet's variety of plant and animal species. Its size also offers tourists the opportunity to visit an assortment of volcanoes, rain forests, mountains and beaches in one short visit.⁵ But other countries in Central America and even the Andean region enjoy similar proximity to the US, and most of them also have the natural beauty that so many visitors believe is 'unique' to Costa Rica. While these factors are important, there are a number of other key attributes that made tourism in Costa Rica a success story.

An established history of democracy

This is a feature consistently associated with Costa Rica (in the context of the region) and referred to by operators and officials as a key contributor to the success story around tourism.

It is also directly related to political and economic stability, which has been enjoyed in Costa Rica far longer than any other country in the region. Such stability is a prerequisite for attracting foreign visitors, and it underpins Costa Rican tourism. Political leadership has also contributed positively to the experience.

Safety and security

Costa Rica is the safest location for foreign visitors in the region. It has established an image of a safe and trustworthy location, which is not especially common in the surrounding Central American and Andean regions.

Safety and security have placed Costa Rica ahead of Colombia, Guatemala and others that share equal potential in the diversity of tourism offered, but suffer from a violent history and negative image abroad. A safer environment in Costa Rica has attracted those US tourists eager to have a Latin American experience, but who are concerned about crime and security in the region.

⁵ See P. Raventos, 'The Internet strategy of the Costa Rican Tourism Board', *Journal of Business Research*, 59, 2006, pp. 375–86.

A friendly and educated population

The Costa Rican government invested heavily in education throughout the 1990s. This seems to have paid off with clear results today. English is widely spoken, thanks to various programmes to promote the teaching of English in public schools. Costa Rica is widely regarded as the most bilingual (English and Spanish) country in Latin America.

The Costa Rican culture is also both open and friendly — especially toward foreigners. This attitude is an obvious prerequisite for a successful tourism model.

A positive image abroad

While Costa Rica did run a number of campaigns to promote tourism and attract foreigners — especially Americans — the country has a long-established positive image that has drawn foreign visitors to various areas of the country. Costa Rica no longer relies on big promotion campaigns. While it is famous for slogans such as 'Costa Rica — No Artificial Ingredients' and '100% Costa Rica', word of mouth has become the primary source of promotion.

Establishing first rate comfort and good service

Costa Rica has targeted a high-end niche of the market. This group is interested in visiting the country and exploring all its natural wonders, but demands high-quality standards and comfort while doing so. Costa Rica is well equipped to provide this service, while allowing foreigners to 'experience the country in style'.

Constant evaluation and improvement has ensured that Costa Rica has been able to deliver first-rate comfort and service. This requires ongoing investment.

Direct and easy flights

Through the late 1990s and the turn of the millennium, tourism operators and hotel or resort developers lobbied the government to encourage prominent American airlines to establish direct flights to Costa Rica from major US cities. They have also worked at developing airports. There are four international commercial airports in Costa Rica today, which allow foreigners to reach their destinations quicker and in greater comfort than before.

Intelligible legislation; same treatment of foreign & local investment

This has had an impact on investment across the board in Costa Rica. The fact that there are no restrictions on foreign ownership has encouraged foreigners to investment in development projects in the tourism sector, and, importantly, has drawn a number of the big hotel chains to the country.

A cohesive national plan for tourism

As the biggest earner in the economy, tourism has been embraced by investment agencies, government departments and the Tourism Board, and the private sector alike. These stakeholders are all committed to the same goal: constant growth and improvement in the tourism sector. Information is therefore transferred, and concerted (and combined) efforts to improve services and develop the sector still further are constantly discussed and

strategised. The various role players often collaborate on large projects and collectively lobby for policy changes that will benefit tourism in Costa Rica. The overall result, in practice, is a standardised approach to the tourism services offered, the quality of which is appreciated by individual visitors to Costa Rica who 'know what they are getting'.

A culture that appreciates and is aware of nature and conservation

The culture of conservation is embedded in Costa Ricans. This is a trait that existed well before tourism and eco-tourism became the life blood of the economy. A basic enthusiasm toward the eco-system and all its natural wonders is clearly evident among the people and is automatically shared with foreign visitors, who seem to adopt a similar enthusiasm toward Costa Rica's beauty. Sustainable development and the conservation of these resources are priorities.

The effect of externalities

Surprisingly, the 9/11 terrorist attacks in the US actually contributed to the growth of tourism in Costa Rica in 2001. Americans seeking a safe location closer to home found just that in Costa Rica, which is only a few hours flight time from most major US cities. After 9/11, distance seemed to protect Costa Rican tourism from competitors across the Atlantic.

A blend of local and foreign investment development projects

Costa Rica has attracted many of the big international hotel chains, but it has managed to do this without losing the local authenticity. This has been done through joint ventures or collaborative projects, which help to retain the so-called 'Costa Rican flavour' (even if it is watered down and geared to the US market) and sell the Latino experience.

Excellent relations with the US

This is a variable that should not be underestimated. Costa Rica has never harboured any animosity toward America, and, unlike other countries in the region, it does not share the same 'interventionist' history with the US. As one tour operator put it, 'Costa Ricans genuinely like the Americans and the Americans feel comfortable here.'

The current trend in tourism

Tourism is the biggest earner in the Costa Rican economy. It currently accounts for approximately 8% of GDP or \$2 billion dollars annually. The number of foreigners visiting Costa Rica has increased consistently over the past 20 years, with a dramatic boom between 2001 and 2004. This coincides with the country's strategy of targeting upper-end tourists in the US and Europe — the big spenders — which helped generate impressive returns. The nature and comfort of Costa Rica has lured tourists back — regardless of the increasing costs.

Studies and surveys conducted indicate that visitors to Costa Rica are less price-sensitive than ordinary tourists and are willing to pay higher prices year after year so long as the nature and comfort of the country is preserved. This sentiment resulted in dramatic increases in entrance fees at national parks

through the 1990s, which brought about important shifts and developments in the tourism sector over the medium to long term. Prices across the board generally increased. But, more importantly, a larger percentage of tourists began to visit privately owned reserves, which helped balance out the influx of tourists to Costa Rica and curb the problems of over-crowding at state-run reserves and the overrunning of certain resources and sites close to San Jose. This has had a direct and positive impact on conservation and an indirect impact on private investment in areas of tourism. It also helped realign the priorities of the state regarding infrastructure development and allowed greater freedom to the private sector in the development of parks and tourism services.

These shifts formed part of the process that has shaped tourism in Costa Rica today. They have helped integrate a majority of the working population in a service-driven sector that is rich in human resources and that has instilled a strong social concept around 'green tourism' that has made ecological tourism a sustainable and integral part of the Costa Rican economy.

Over 80% of the companies involved in the tourism sector are small and medium-sized enterprises owned by Costa Ricans that cater for a specific class of tourist and have adopted a focus that is geared more toward attracting smaller numbers of wealthier tourists rather than huge numbers of visitors to the country. This focus has placed a greater emphasis on the services provided and has helped ensure continued improvement and a strong sense of sustainable development. It has also helped ensure that a large portion of the income generated through tourism is retained in Costa Rica.

But, despite this progress in the area of tourism, Costa Rica is not without its challenges. Tourism, and especially the arrival of the wealthy upper-end visitors, has created new social divisions in the country and, some believe, perpetuated inequality. This is especially evident in the formally remote areas of the Pacific coastline, where local communities can no longer afford day-to-day basic goods due to increasing prices linked with the demand from the foreign visitors.⁶ The high-end tourist development is yet to feed into the local communities, and many feel they are being pushed out by the increased cost of living.

Some of these social issues are contributing to the rise in incidents of crime in Costa Rica. Safety and security is a pivotal issue that has distinguished Costa Rica from its neighbouring countries with similar potential for many years. It is essential that a relaxed and safe environment is maintained.

Development in some areas is also said to be environmentally damaging. It is essential that this growth in tourism retains the so-called 'green image' of the country and develops in a sustainable fashion. If not, it would be a classic case of 'killing the goose that lays the golden egg' in Costa Rica.

The most pressing and immediate concerning pertaining to tourism in Costa Rica is infrastructure. Despite it attracting by far the largest numbers of tourists to the region, Costa Rica has arguably the worst road infrastructure in

⁶ Tourism, as the main earner in Costa Rica, directly drives up the prices of basic goods.

Central America. This causes endless delays and even leaves some parts of the country inaccessible in the face of adverse weather conditions.

Despite some of these issues, tourism has developed well in Costa Rica. But it is a dynamic process that requires ongoing improvement and exploration in new avenues of potential attraction. This, in turn, requires, continued investments that will effectively integrate new areas of Costa Rican society into the broader tourism sector in an environmentally sustainable way.

The next phase of development

Costa Rica is now starting to focus on the next phase of tourism, which involves improved services through the use of ICT, expanding tourism into new areas like rural tourism and visits to coffee plantations in particular, and, most importantly, new avenues of investment like real estate and the influx of retirees from the US.

Research shows that more and more foreign travellers — especially higher-income Americans — use the Internet to plan and book their trips.⁷ Effective use of this tool to promote Costa Rica and facilitate easy trip preparation and reservations is a sure way of improving existing services and attracting more visitors.

Rural tourism is hailed as the 'new hope' for Costa Rican tourism and is driving a new phase of development. While this includes an array of products from cheese to chocolate, coffee tourism is the key to the hype around rural tourism. Costa Rica produces some of the world's highest-quality coffee. It has followed the example of Colombia by eradicating the growth and sale of lower-quality Robusta beans, opting instead for the exclusive growth of the sought-after Arabica varieties. Coffee and the willingness to taste it and understand how it is produced appeals to the same market of tourists that visit Costa Rica for its natural wonders and beaches. The product has been promoted in airports in Costa Rica (and the region) through the national Café Brit brand for some time, which has established a strong association between Café Brit coffee and Costa Rica for foreign visitors.

This concept has recently expanded into selected coffee tastings and 'coffee tours' that take visitors to the plantations and the processing areas to witness the production from plant to bean to cup. It is no surprise that Café Brit is leading this initiative with up to three tours daily that are promoted through the slogan: 'Come discover the origins of the world's finest coffee!'

Organic coffee promotion and tours are a natural progression from existing coffee trails and the 'green concept' in Costa Rica. This would be conducted in harmony with specific areas of eco-tourism and thus would be relatively easy to implement, given the existing infrastructure and sentiment in the country.

⁷ Studies conducted by the University of California, Los Angeles and the Travel Industry Association found that over 80% of travelling Americans in the upper-income bracket were online.

Coffee tourism has already started capturing an important share of the market and is growing through effective promotion techniques and targeting skills to adequately cater for tourism in the coffee sector. This has come with the realisation that coffee plantations and high-quality coffee do not automatically cater for foreign visitors. Tourism requires a specific skill, so the guides involved with the tours have nothing to do with the production of coffee, but are rather trained in the various aspects of tourism.

The third new area of development is around real estate and the appeal of Costa Rica to retirees from North America. This is a distinctive phase that is attracting a substantial amount of investment. It is based on the idea of returning tourists or seasonal visitors that come back to Costa Rica year after year, and have decided to retire there because services and the standard of living have improved (especially with regard to medical services and security).

Costa Rica was recently rated as one of the most popular places to live after a person's own country. There are about 40,000 US and 15,000 Canadian retirees currently in Costa Rica, and this number is likely to increase with the rising cost of health care in the US — an important factor for retirees — and the fact that there are no restrictions on the foreign ownership of property becomes more widely known.⁸

The priorities of comfort and safety contribute directly toward the growth of retirees seeking this quality of life in their twilight years, and they are investing in real estate projects and gated communities across the country.

A counterfactual example: Coffee tourism in Colombia

While some growth and progress has been accomplished in Colombia, this is still a long way away from the true potential of the country. This is due to number of reasons, both intrinsic and strategically changeable.

Tourism is still vastly undeveloped in Colombia. With a few exceptions on the Caribbean coast, Colombian tourism is concentrated in particular areas and enjoyed predominantly by the local market. Tourism (local and international) accounts for just 2% of Colombia's total GDP.⁹ The stigma of war, violence and drug trafficking has left the country with a tarnished international image that will take years to shed, even with the recent progress toward 'democratic security' achieved by the Uribe government. Insecurity is still the pivotal deterrent driving away foreign visitors and investment in Colombia, and it certainly has hampered an international standard of development in the tourism sector across the country.¹⁰

Colombia is blessed with an array of natural resources. While it is most often associated with sun and beaches, Colombia's true potential lies in ecological and agrarian tourism. It is ranked as the top country in the world in terms of biodiversity, with nearly 2,000 species of birds, 456 mammals, 583

⁸ These figures were provided by CINDE.

⁹ This figure includes tourism expenses by both residents and international travellers. Foreign tourism captures less than half the amount of total tourism in Colombia.

¹⁰ Cartagena, the famous colonial town on the Caribbean coast, is an obvious exception.

amphibians and 14,000 butterfly species — well above the numbers in Costa Rica. Its dramatic topography and geographical location has endowed it with all climates and ecosystems, and it is one of the world's richest producers of fruit and agricultural products. The name Colombia is synonymous with high-quality coffee, and it is the most important producer of the highly regarded smooth and full-bodied Arabica variety.

Colombia has traditionally focused (in recent years) on the domestic market. This has proven vastly different to the international market, which, with improvements in security, has gained greater priority. But Colombia's real challenges are branding and image building. These challenges have been embraced at various levels of government and by a range of promotion agencies in the country and abroad. It is a national initiative that has integrated symbolic products like coffee and the famous Juan Valdez image to the new branding campaign '*Colombia es Pasion!*' (Colombia is Passion!).

These initiatives form part of the next phase of a national campaign to increase tourism and investment in Colombia. It started by targeting the local market through improved security in the 2001 campaign, '*Vive Colombia, viaja por ella*' (translated roughly: 'Live Colombia, travel around'). The government improved safety and security on the roads and highways so that people could travel with relative safety by road around the country. This also involved a huge investment initiative in infrastructure. But these improvements have been slow and Colombia still has some of the most daunting highways and mountain passes in the world that are often effected by heavy rains and adverse weather conditions. This adds considerable time to road journeys and is a factor that will need to be improved considerably to attract higher-end foreign tourists.

The latest attraction in Colombian is centred around agrarian or rural tourism in traditional coffee-growing regions. This began in the 1990s shortly after the coffee crisis at the end of the 1980s — when the price of coffee plummeted. It initially catered exclusively for the domestic market that was mostly from the immediate region. But the idea has caught on among a particular niche of foreign visitors who tend to associate coffee tourism with ecological and adventure tourism in Colombia's coffee-producing areas.¹¹

However, this form of tourism is more like tourism that coincidentally happens to be in a coffee region than 'coffee tourism' as such. Colombians are yet to capitalise on the concept of coffee tourism or a coffee trail, and still tend to focus on the demands of the domestic market, which tends to have little interest in coffee tourism and education, preferring some of the other attractions in the region and the luxurious farm-style accommodation of the old *haciendas* or former coffee-producing plantations. While this style of accommodation does appeal to foreign visitors, they tend to seek a more informative and richer experience that reflects the true essence of rural tourism, and coffee tourism in particular.

¹¹ The coffee region in Colombia is particularly rich in fauna and flora. Quindio, a small provincial department at the heart of the coffee country with Armenia as its capital city, has as many as 1,000 varieties of bird species.

Coffee in Colombia

Coffee has historically been a prominent commodity export for Colombia's economy. In the 1930s, coffee represented as much as 80% of Colombian exports. Today, coffee makes up only about 10% of exports.

The end of the World Coffee Pact in 1989 changed coffee production in Colombia forever. This agreement was based on a US-determined fixed price setting regulated by the federation of coffee growers, who bought all Colombian coffee produced and sold it to one of the four or five global big buyers.

The revolution in coffee pricing and sales drove the price of coffee down (internationally), while the costs of production in Colombia (which included labour, fertilisers, etc.) increased. The demand for higher-quality Arabica beans — as produced in Colombia — decreased *vis-à-vis* the cheaper Robusta variety produced by the likes of Brazil and Vietnam. This ushered in a coffee crisis, which forced the Colombian Coffee Federation and coffee producers alike to alter their traditional strategy around coffee and pursue alternative areas of income associated with coffee. In particular, it introduced the Colombian industry to new areas of sales — a new coffee-drinking or café culture where higher-value sales are made by the cup, not by the kilogram or the bag. Tourism in the coffee region was the other area that opened up as a result of the crisis.

With its enormous value-adding potential that is able to utilise existing facilities in the coffee plantations, tourism provides much-needed employment for the excess labour that resulted from the necessary cutbacks in the production costs of coffee.

Colombian coffee is pegged on quality. It cannot compete with the true global giants (Brazil and Vietnam), which are low-cost producers. The country therefore focuses on its distinguishing characteristic: 100% Arabica quality Colombian coffee. Like Costa Rican coffee, 100% Colombian coffee is not blended with other inferior beans that produce lower-cost and lower-grade coffee. Juan Valdez is the symbol of high-grade 100% Colombian coffee.

In recent years, with the rise of barrister cafés and international coffee bars demanding a higher-quality product, Arabica beans have made a slow recovery. But this is not enough to sustain the economic demands that coffee production and exports once satisfied in Colombia. Other areas like tourism are needed to complement the income previously received through the sale and export of coffee.

One new area of development of enormous potential in Colombia's coffee sector is centred around organic coffee production and promotion. Some producers have already made progress in this area and are producing world-class organic coffee. Organic coffee in Colombia has also been linked with tourism — and eco-tourism in particular.¹²

¹² Mesa de los Santos near Bukaramanga, Santander, is the largest and most successful organic coffee producer in Colombia. Their *finca* has been opened to visitors and is one of the few truly 'coffee tour'

Coffee carries strong symbolic relevance in Colombia and is an important promotional tool for the country abroad. But this has not been used as effectively as it could be in the realm of tourism. There is great potential and a demand for coffee tours and a coffee trail in the coffee region — apart from the recreational activities that are already in place, i.e. the coffee theme park and *hacienda* accommodation. The scope for rural and eco-tourism in Colombia's coffee region is vast, but generally ill-informed and seriously under-serviced. This type of tourism should include an active coffee trail that can provide informative tours of the coffee plantations, insight into the growth and production of coffee in Colombia, and tasting. It would thus complement existing facilities and services currently offered in the coffee region and certainly help to attract more foreign tourists, especially those upper-enders interested in learning more about Colombia and its so-called national product. It would also contribute to an integrated international tourism strategy in the country that would offer more than just beaches and Cartagena to the foreign visitor's package by adding greater diversity to the services and experiences provided.¹³ This also requires promotional efforts that explain the security situation (and progress) in the country — especially the fact that the coffee region (like Cartagena) is a relatively safe destination for foreign visitors to Colombia.

Conclusion: Lessons for African countries?

As the cases of Costa Rica and Colombia show, natural potential and existing resources mean little if certain fundamental issues pertaining to tourism are not addressed and certain prerequisites are not in place. Africa has the natural resources and potential — from wildlife to beaches — but lacks certain fundamentals necessary for tourism.

Firstly, there is the issue of safety and security. This is a crucial prerequisite for any form of tourism, but especially for foreign and upper-end visitors. Tourists must feel safe. This is the main deterrent to the growth of tourism in Colombia, and was noted over and over again as key to Costa Rica's success. Perceived insecurity takes years to rectify in a country's image abroad. Foreign tourists tend to gravitate toward stable locations with established democracies. This is a long-standing and ongoing problem in Africa.

Secondly, a cohesive national strategy is required. This applies not only to a national plan, but also involves collective efforts to build and improve the infrastructure and services around tourism. Tourist locations should be accessible through direct air routes and adequate road infrastructure. A country can only hope to attract upper-end tourists if its road infrastructure is both easy to navigate and safe.

providers, which offers tours of the plantation and coffee tasting. Mesa de los Santos was rated as one of the best organic coffees in the world in 2006 and 2007.

¹³ Lack of cohesion in Colombia's tourism strategy is evident, especially in the coffee region. Not only does this region pursue a very separate strategy to that of the rest of the country, but it is also split into three separate areas (or cities) — Armenia, Manizales and Pereira — each pursuing a different and even competing strategy. This is counter-productive when the goal is to attract foreign visitors, who generally view various regions and places in Colombia as one. Collaborative or national efforts are therefore vastly more effective than those undertaken by small sub-regions or individual entities and cities.

Thirdly, education and language competence help ensure better services and open the tourism sector to a broader range of people. This is most evident in Costa Rica, where the level of education is high and the country boasts the most bilingual nation in Latin America, which has proven most effective in attracting US visitors.

Fourthly, a country should build a national brand and healthy image of the country abroad. This is a long process that, like the national tourism strategy, requires a collective effort that is both strategic and creative. Colombia started with this some years ago, but is still tainted by an image of war and drugs, while Costa Rica has worked at building its positive image since the 1970s. Unfortunately, one incident of criminal activity or violence can unravel the entire process and tarnish a country's image for years to come. Many countries in Africa suffer from a negative image of insecurity and violence abroad, even years after civil conflicts have been resolved and democracy established.

Fifthly, foreign tourists appreciate and often demand good service and a friendly reception. Foreign visitors like to feel comfortable when they are far away from home and should never feel alienated. This approach also ensures that visitors return over and over again. African countries can learn from Costa Rica in this regard, as foreigners enjoy good service and are genuinely well received. Visitors to Costa Rica very often return and even retire there.

Finally, visa requirements, legislation and investment policy should make it easy to visit and invest in a country. This should be a relatively easy problem to overcome. But the reality is that these systems and procedures in Africa are opaque at best. The more open and easy a country is to visit, the quicker it will draw foreign travellers and investors. If these issues can be addressed and a system of contractual guarantees is instituted, much-needed foreign investment will help develop the tourism sector and, in so doing, provide necessary input and foreign experience, which helps establish solid international standards. Meanwhile, those visitors returning to the country year after year will ultimately invest in real estate or retirement projects, as is the case in Costa Rica, where tourism has generated a sustainable investment cycle.