Research proposal on Corruption analysis in national parks and wildlife management

Rumbidza Tizora

Department of Economics

University of Zimbabwe

<u>Introduction</u>

- Park management can be enhanced through increased revenue streams.
- Suggestions on optimal park pricing need to take the political economy aspects into account.
- The issue of corruption (wrongdoing on the part of an employee, authority or powerful party through means that are illegitimate, immoral or incompatible with ethical standards) is one of the key aspects to consider; in some instances, revenue collection has been hampered by the prevalence of corruption rather than the levels at which tariffs are pegged.
- We propose to explore the impact of corruption in national parks and wildlife management; our focus will be on the existence of relationships and circumstances which are likely to breed corruption.
- Initially, we will use Zimbabwe as a case study.

Background

- Parks and Wildlife Amendment Act (2001).
- Parks and Wildlife Management Authority
- Some major revenue generating activities:
 - park entrance fees;
 - accommodation concessions;
 - hunting concessions/licenses and quotas;
 - river usage
 - leases and rentals
 - annual registration fees
 - fishing permits

Stakeholders

- Shareholder (the government which is represented by the Minister of Environment and Natural Resources and the Minister of Tourism and Hospitality)
- The Minister of State Enterprises and Parastatals,
- Board of directors, management and employees,
- Suppliers, financial institutions,
- Customers (mainly hunters and tourists both local and international) and the communities at large
- Other conservation agents (conservancies, landholders, Rural district councils, Ward and Village Wildlife Development committees),
- Non-governmental organizations, Advocacy groups,
- Safari and tour operators, hotels

- Allocation of accommodation concessions
 - Bidding: well-connected individuals could unscrupulously use inside information about the impending adjudication process to win tenders – they will ordinarily not be the best candidates; the park agency loses opportunities for higher revenue generation
 - Award: well-connected individuals could "put pressure" on the park agency (or decision maker) to award them the concession which they do not deserve – ultimately no adequate revenue generation
 - Tariff: well-connected individuals might (or "cause" decision makers to) dictate the tariff levels these are usually below what competitors would be willing to pay (or what the park agency would otherwise have raised); this can easily happen in circumstances where some of the tariffs are decided after a winner of the tender has been chosen e.g. the rental or share of profits accruing to the park agency

- Allocation of hunting concessions/licenses/quotas
 - Well-connected individuals might "put pressure" on officials to under-report actual offtake; they use the license to gain access to the parks estate but hunt more than supported by licenses
 - Well-connected individuals might (or "cause" decision makers to) dictate the quota to be issued; this will usually be above the optimal amount
 - Well-connected individuals might "influence" the decision makers to renew their hunting concessions; they will ordinarily not be the best candidates and might have flouted regulations which should see them disqualified from renewals
 - A hunter may given a quota for an impala and end up shooting another animal with more trophy value and pay the ranger some money.
 - Hunter may shoot an elephant but it runs away. He may pay the ranger so that he does not record this and they can shoot another.

Safari and tour operators

- Payment of protected area entrance fees
 - Since entrance fees are collected manually rather than through an electronic system with a capability to tally the collections, this provides an opportunity for corrupt behaviour or theft.
 - The tour operators can connive with the park employees and pay eg for only 5 people when they actually come with 20.
 - The clerks at the gate can have their own personal receipt books which allows them to pocket the money they make, the tourists would not know the difference between fake and real receipts.
 - The tour operator drivers and clerks at the gate can also forge receipts and declare the wrong nationality of the tourist so that they pocket the difference.
 - With regards to river usage, the tour operators may understate the money which they get from the tourists for the boat tours.

- Allocation of development concessions
 - these can be manipulated and the concessions are not necessarily awarded to the highest or best bidder who will bring in the most revenue.
 - can get an instruction from a top official to allocate the concession to a particular individual with little or no expertise.
 - sub-standard infrastructure.

Proposed methodology

- Initially, we seek to create an economic model to help us understand how corruption works in the conservation sector and what impacts it might have on optimal park pricing, revenue generation and sustainable park management.
 - The park agency might want to maximize revenue.
 - The existing circumstances might be such that the park agency is not maximizing revenue.
 - The suggestions from the optimal park pricing models could help determine the level at which to peg the tariff.
 - However, in the presence of corruption, the park agency might not achieve optimal revenue generation.
 - Thus, addressing corruption concerns might also be an integral element of recommendations on optimal tariff setting.

Likely suggestions to prevent these challenges 1

- Establish sound corporate governance
 - Corporate governance is a set of processes, customs, value codes, policies, laws and structures governing the way a corporation is directed, controlled and held accountable.
 - Corporate governance ensures that the organization is run properly, that goals are being achieved and funds are being managed with high standards of propriety and probity.
 - Zimbabwe approved a Corporate Governance Framework for State Enterprises and Parastatals in 2010.
 - ZimParks is obliged to operate using this framework as it is a parastatal.
 - Establish the relationship between the board and the management, board is made up of politicians who may stop some policies that go against their personal interests from being implemented.
- Make sure the corporate governance framework is adhered to and penalize where necessary
 - Increased wages.
 - Increased transparency.
 - Encourage and reward whistle blowing, toll free numbers to report corrupt activities
 - Managers should discuss these corrupt activities with their employees, ask and/or be asked uncomfortable questions.
 - Make communities your allies

Likely suggestions to prevent these challenges 2

- Harmonize the corporate governance framework with the Parks and Wildlife Act to effectively address challenges that are unique to parks and wildlife management.
- Adopt the Standard Operating Procedure (SOP) to management to complement the corporate governance framework, avoids shortcuts and bribes.
- Advance the payment system at the gate, have an electronic and camera systems in parks which can make it easier to check the authenticity of tickets and nationalities.
- Depoliticize the parks agency and give it more autonomy.

Conclusion

- Difficult to measure resources in monetary value so some acts that result in lose of revenue may go unchecked.
- Acknowledge it existence and show its impact through research.
- Discuss it openly at all levels.