

LINKING CONSERVATION AND ECOTOURISM DEVELOPMENT: LESSONS FROM THE UNESCO-NATIONAL TOURISM AUTHORITY OF LAO PDR NAM HA ECOTOURISM PROJECT

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1.0 BACKGROUND

1.1 *Tourism in the Lao PDR*

The Lao PDR's fledgling tourism industry is expanding rapidly. Statistics compiled by the National Tourism Authority (NTA) indicate that the number of international arrivals in the year 2000 was 737,208, increasing from 37,613 just 9 years prior. This impressive increase in the number of international arrivals can be attributed to current government policy actively encouraging tourism, coupled with the relative ease of obtaining a tourist visa since 1996.

Primary tourist attractions for international visitors are the nation's rich natural and cultural heritage. Nearly half of the country remains forested with over 12% its landmass under special protected area status known as National Protected Areas (NPA's). In addition to retaining one of the highest country forest covers in South East Asia, the Lao PDR is also home to 47 distinct ethnic groups, speaking over 230 different languages. The vibrant traditional culture of these ethnic groups remains largely intact, and complements the country's natural beauty. Together, they represent two tremendous resources for the development of sustainable community-based ecotourism.

The Lao authorities recognize the importance of these natural and cultural assets, and actively promote them in an effort to draw international visitors. However, the present lack of national capacity to plan, implement and sustainably manage cultural and nature tourism activities both inside and around NPA's places the precious natural and cultural heritage so vital to sustaining the industry at risk of being degraded. The tourism industry provides Lao PDR with one of the few opportunities to earn significant foreign exchange and so any threats to the cultural and natural resources that support tourism are of particular concern. In addition, social and environmental problems sure to arise from inadequate management of the tourism industry - especially nature and cultural tourism - will place an increasing burden on already strained government services and infrastructure.

1.2 *The UNESCO-National Tourism Authority of Lao PDR Nam Ha Ecotourism Project*

In response to the urgent need to develop a sustainable, endogenous model for community-based culture and nature tourism - collectively known as community-based ecotourism (CBE) - the Office of the UNESCO Regional Advisor for Culture in Asia and the Pacific launched the Nam Ha Ecotourism Project (NHEP) in Luang Namtha Province in October 1999. One of the main goals of the NHEP is to create an economically viable ecotourism development model that assists in the fight against poverty and contributes to the conservation and protection of Lao PDR's unique cultural and natural heritage. The project's implementing agency is the National Tourism Authority of the Lao PDR, with cooperation from the Ministry of Agriculture and Forestry and Ministry of Information

and Culture. The project's main donors are the Government of New Zealand through NZODA and the Government of Japan through the International Finance Corporation's Trust Funds Programme.

1.2.1 *Luang Namtha & The Nam Ha NPA*

Luang Namtha is located in the extreme northwest of Laos, bordering China and Myanmar. Mountains cover over 85% of the province's 9,325 km², with remaining forest cover estimated at 59%. The province is divided into five administrative districts, containing 470 villages, with a total population of 114,741. There are over 20 ethnic groups residing in Luang Namtha making it one of the most diverse provinces in the country.

The 222,400-hectare² Nam Ha NPA falls entirely within Luang Namtha's borders, and is contiguous with the Shiang Yong Protected Area in Yunnan China. Over 90% of the protected area is covered by dense mixed deciduous forest. Large mammals (37 species) such as tigers, bears, leopard, elephants and gibbons have been reported to exist, in addition to over 288 species of birds. Presently there are 25 villages located within the protected area and additional 86 villages just outside its borders. The majority of people living in and around the Nam Ha NPA are of the Akha, Khmu, Lantaen and Hmong ethnic groups.

1.2.2 *Tourism in Luang Namtha: An Overview*

The number of tourist arrivals to Luang Namtha increased from 4,732 in 1995 to over 24,700 in 2000. To accommodate the growing number of visitors many low-cost guesthouses and hotels have been constructed. Presently there are 19 in Namtha District, 12 in Sing District, 2 in Vieng Phoukha and 4 in Long District. The cost of overnight accommodations ranges from US\$ 1 – 15. These establishments often have attached restaurants serving Lao and some basic western food. Electricity is available from 6-10 pm in Luang Namtha City and 6-9 pm in Muang Sing Town, Vieng Phoukha and Long District.

The majority of tourists (97%) report that they travel overland to reach Luang Namtha, with the most popular international entry point being Houei Xai (43%) followed by Vientiane (38%). Houei Xai and Vientiane (Thailand – Lao) are also the most popular exit points (43% and 31%, respectively), with Boten (China – Lao) a distant third (13%). The mean number of days the typical visitor spends in Lao PDR is 23 (SD = 8.65) ranging from 2 - 60 days, with the average length of stay in the Luang Namtha area being 4 days (SD = 2.1). Mean daily expenditure is US\$ 9. The main reasons international tourists visit the province are for its natural and cultural landscape (table 1). In 1999, a survey of international tourists found that 74% were interested in overnight treks to the Nam Ha NPA with trained local guides and 82% were interested in guided river trips to the protected area.

Table 1. International Tourists Main Reasons for Visiting Luang Namtha n=132

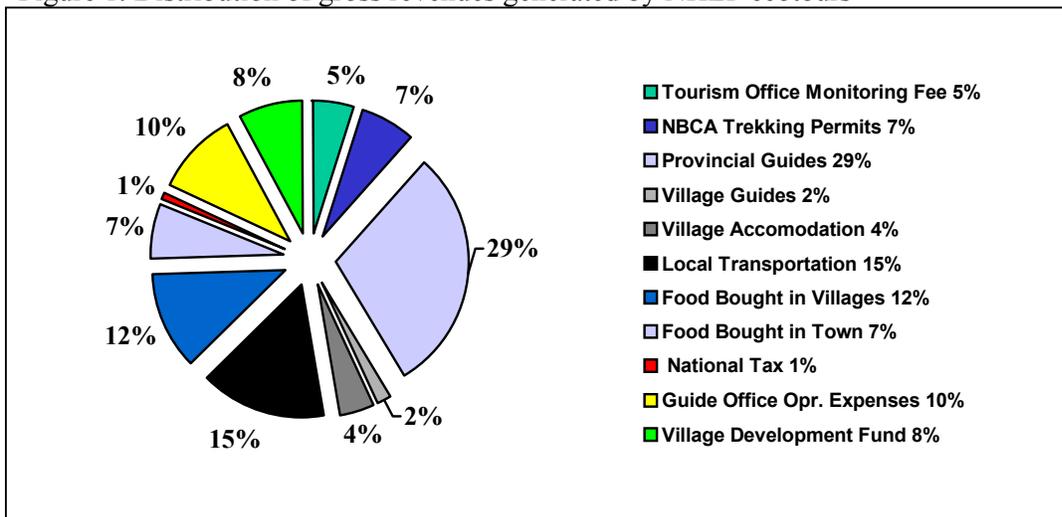
Nature	66 %
Monuments & Museums	6.1
New destination	43.5
Ethnic minorities	67.9
Culture	50.4
Food	11.5
Handicrafts	15.3
Other	13.0

1.2.3 Trekking and River Tours in and Around the Nam Ha NPA

Based on the survey data, the project team developed one, two and three-day treks in and around the Nam Ha NPA. As of March 2002, three treks operate regularly and there is also a one-day boat trip on the Namtha River running parallel to the Nam Ha NPA. The Nam Ha Ecoguide service - trained by the project team - runs the non-profit trekking and river trips, under the supervision of the Luang Namtha Provincial Tourism Office. Most tourists that go on the treks are independent travelers (backpackers), however a growing number of tourists arrive via tour companies based outside of Luang Namtha. Outside operators are welcome to market the treks as part of a package and set their own commissions. However all tourists that go on treks must pass the local “gatekeeper” - the Nam Ha Ecoguide service - and hire local guides to ensure that predetermined carrying capacities, environmental, cultural and village operational guidelines are followed. All revenue the Nam Ha Ecoguide service generates from the trekking operations is retained in Luang Namtha. Profits are re-invested in small-scale development activities or to expand community-based ecotourism in the province. Participating communities (8 villages, total population c. 2,000) receive substantial direct economic benefits by providing food and lodging, guide services, and through the sale of handicrafts (figure 1). Revenue from the trekking permit - the first of its kind in the Lao PDR - goes directly to the Nam Ha NPA Management Unit to fund trail maintenance and conservation activities in the protected area.

The gross revenue generated by the trekking and river tours from October 2000 – February 2002 was US\$ 34,400. Over 2,000 tourists from 38 countries went on treks and boat trips during this 16 month period. Monitoring data collected to date indicates that ecotourism revenues are contributing up to 40 % of total village income in some participating villages, and that a large proportion of the income is being spent on essential medicines, rice, clothing and household items. For this exemplary contribution towards poverty alleviation in the Lao PDR, the project team was awarded the 2001 United National Development Award.

Figure 1. Distribution of gross revenues generated by NHEP ecotours *



* based on a sample of three months operational receipts, October – December 2001

1.2.4 Cultural, Environmental and Economic Impact Monitoring

The monitoring protocol developed by the project team is attached as annex C. Guides and local officials from the Nam Ha Ecoguide service conduct the monitoring activities under the direction of the Provincial Tourism Office and Nam Ha NPA Management Unit.

1.2.5 The Potential of CBE to the Wider Development Strategy of the Lao PDR

One of the main goals of the Government of the Lao PDR is to bring the country out of least developed nation status by the year 2020. Because there are few viable opportunities for economic development in the country's most remote villages (such villages are often located inside NPA's and have the greatest potential for CBE development) integrating CBE into existing rural development, livelihood security and community-based conservation programmes offers a tremendous economic opportunity for the rural poor.

1.2.6 The Need to Strengthen Ecotourism Policy and Operational Regulations

There is a need to strengthen national ecotourism development and management policy in the widest sense. The temporary provincial operational regulations for CBE activities developed by the project team focus carrying capacity, trekking permits, guide certification, Nam Ha Ecoguide service administrative structure, finance, impact monitoring, and environmental and cultural safeguards. Although these regulations are a good first-step and can serve as an example for other projects and private sector operators, to ensure that the CBE model developed in Luang Namtha is given legal precedence it remains essential to revise national tourism policy and regulations.

2.0 CONSERVATION BENEFITS ARISING FROM ECOTOURISM DEVELOPMENT IN THE NAM HA NPA

This section discusses the tangible and intangible results and opportunities that have arisen as a result of CBE operations in the Nam Ha NPA.

2.1 Conservation Advocacy

Since the inception of CBE activities in the Nam Ha NPA there have been two proposals put forward for road construction into the protected area near trekking trail routes. In both these instances the existence of economically successful ecotourism operations served as a powerful advocacy tool to persuade the provincial authorities not to authorize these proposals. This is considered to be a major conservation gain for the protected area especially when considering the potential wider impacts of road construction that include increased logging, immigration and commercial trade in wildlife and non-timber forest products (NTFPs).

2.2 Trekking Permit Funds

The incorporation of an NPA Trekking Permit Fee into ecotourism operations ensures that the Nam Ha NPA Management Unit is able to benefit financially from ecotourism development. This revenue can be used in the long term to assist in funding a variety of NPA management activities including monitoring, patrolling and enforcement and community co-management programs. During the first 16 months of ecotourism operations, the NPA Management Unit has received over US\$ 3,000 from

trekking permit fees, a portion of which has already been used for maintaining trekking trails inside the protected area.

2.3 Wildlife, Threat and Resource Use Monitoring in the NPA

The weekly presence of ecotourism guides along trekking trails and rivers inside the NPA is providing a unique opportunity to integrate ecotourism operations with NPA wildlife and threat monitoring programs. The NHEP has collaborated closely with Wildlife Conservation Society (WCS) and the Nam Ha NPA Management Unit to develop a wildlife and threat monitoring program along trekking trails and also for river rafting programs inside the protected area that will be implemented by the ecotourism guides together with tourists. The two primary objectives of the monitoring program are: (1) to provide the NPA Management Unit and the PTO with comparative data over time that will indicate the impacts - negative or positive - of ecotourism on the presence of wildlife and scale of resource use inside the protected area and (2) to provide the NPA Management Unit with regular patrolling information on the presence of threats along trekking trails and rivers inside the protected area. This includes illegal activities such as hunting of threatened wildlife species, collection of protected NTFPs, fishing with explosives, large-scale tree felling and new immigration. In response to numerous reports made by rafting guides of illegal activities along the Nam Ha River, the NPA Management Unit is planning to purchase an inflatable raft for the purposes of conducting enforcement patrols along the river with local police and military personnel.

2.4 Village Wildlife and Tourism Reserves

The NHEP has assisted one of the target eco-tourism villages inside the protected area - Ban Nammat Kao - to establish a 100 ha Village Wildlife and Tourism Reserve within the village area. The reserve has been demarcated with signs (jointly designed with the village) and is effectively closed to all resource use activities. Local town guides accompany Akha hunter-guides from the village to lead tourists on an interpretative trail established in the reserve as an added attraction to the existing trekking operation to the village. The primary objective of the reserve is to provide an additional village-based, tourism product that will assist the village to earn greater revenue from the existing ecotourism operation. It was initially 'sold' to the village in terms of the potential conservation benefits it could bring through providing a breeding refuge for heavily hunted wildlife species - in particular birds and squirrels. With protection, time and simple monitoring it should be possible to see increases in local wildlife populations inside and around the reserve. In this way it can serve as a demonstration example of natural resource management for the village (and other villages) which can be expanded upon to include other economically important natural resources in the future.

In the short term the tourism revenue that is generated from the reserve provides a strong incentive for the community to protect and maintain the reserve. By directly linking economic benefits in the form of guiding fees with nature interpretation to tourists, the village can quickly see the value of conserving the flora and fauna in the reserve for the purpose of maintaining a successful ecotourism business. As a result of this linkage the Ban Nammat Kao village committee has decided independently of the project to implement a schedule of fines as a deterrent to hunting in the reserve. However as tourism is a fickle industry that is dependent on unpredictable, external market forces there is no guarantee that tourism revenues will remain consistent over the long term. Therefore any perceived natural resource management benefits arising from the reserve will also encourage the community to continue supporting the reserve through periods of low tourism revenue or in the event that tourism fails due to unpredictable external market forces. It is thus very important when

establishing Wildlife – Tourism reserves that the natural resource management function of the reserve is emphasized and demonstrated where possible.

Within a short time of opening the Ban Nammat Kao Wildlife Reserve the project received an unsolicited request by another nearby village to open a similar reserve for ecotourism purposes. This provides an indication of how effective this type of initiative is for linking ecotourism with widespread, tangible conservation benefits inside the protected area.

2.5 Ecotourism as a Deterrent to Outsiders Conducting Illegal Activities in the NPA

The regular presence of guides and tourists along trekking trails and rivers can act as a deterrent to outsiders conducting illegal activities in these areas. This is especially true on the Nam Ha River, which has a high incidence of hunting and fishing camps used as bases for outsiders to conduct illegal activities. Regular wildlife, threat and resource use monitoring currently being implemented by the guides in collaboration with the NPA Management Unit should eventually indicate if ecotourism activities are in fact acting as a deterrent to illegal activities.

2.6 Ecotourism – Conservation Contractual Agreements

The NHEP and PTO have prepared contractual agreements for discussion and ratification by all primary stakeholders – the village, PTO and NPA Management Unit - that formalize and clearly outline the objectives, benefits, regulations, management mechanisms and respective responsibilities of each of the stakeholders. An important conservation component of the agreement includes an article obliging the village to abide by selected national wildlife and protected area regulations (see Annex A – Ecotourism Cooperation Agreement). While obeying such laws are the responsibility of all Lao citizens, the introduction of the ecotourism agreement provides an effective forum for raising awareness about the existence and rationale behind such laws and of the need to respect them. Furthermore, by including such laws in a stakeholder cooperation agreement as a specific obligation in return for the opportunity to participate in and benefit from ecotourism development, there is likely to be a greater community resolve to abide by such laws.

Additional protected area co-management responsibilities included in the agreements require the village to establish a Village Conservation Team for the purpose of collecting information on the illegal activities of outsiders in the village area and on the presence of threatened wildlife species. The agreement also requests that the community assists the protected area staff when able in field management activities conducted in the village area such as patrolling, natural resource surveys, and demarcation of core zones and village boundaries.

2.7 Conservation Education and Awareness Raising

During the course of developing and implementing ecotourism programs there is regular dialogue with communities, guides and government officials about the importance of minimizing environmental impacts and of the linkage between a successful ecotourism industry and the conservation and protection of the natural assets upon which it is dependent. As a result there is now a relatively high awareness among all stakeholders of the need to conserve wildlife and protect scenic values for the purpose of maintaining a successful ecotourism industry.

The guides in particular have had intensive training and exposure to the principles of ecotourism and there are already indications of an emerging conservation ethos and professionalism among many of the individuals within the group.

2.8 Potential Long Term Changes in Resource Use Patterns Linked to Ecotourism Income Generation

There is a potential that significant increases in village household income from ecotourism may precipitate changes in natural resource use patterns that has a positive conservation outcome. For example, a family with more disposable income may have less need and/or time to harvest declining NTFP resources and wildlife for sale and consumption. It is conceivable that a family may even decide to use its ecotourism income to purchase rice to offset the backbreaking labor and effort required to make swidden, thus resulting in a reduction in forest clearance. The monitoring system presently being implemented by the project and the PTO is designed to detect such long-term changes in resource use patterns. It should be noted however that changes in resource use patterns precipitated by ecotourism development may of course, not always be positive and actually have negative environmental and socio-economic impacts. This possibility further highlights the need to carry out regular monitoring in order to detect such impacts.

3.0 ECOTOURISM DEVELOPMENT AS A PROTECTED AREA MANAGEMENT STRATEGY

3.1 Community-based Co-management / ICAD Programs Linked to Ecotourism

The immediate economic benefits that arise from ecotourism can provide a very effective ‘spring board’ or entry point for engaging local communities in the co-management of the protected area. Experience from the NHEP has shown that when a community is receiving significant income generation from ecotourism it is highly receptive to participating in other cooperative arrangements or conservation activities, especially if they are linked to further ecotourism development or other village development assistance programs. The NHEP has designed and partially implemented a co-management and ICAD (Integrated Conservation and Development) program in one target village which has potential for wider application in the protected area. Components of the co-management / ICAD program include:

- Participatory Village Assessment (including land and resource use mapping)
- Ecotourism development – trekking, lodging, handicraft production assistance, village wildlife and tourism reserves, village-based guiding services.
- Food security linked to conservation – irrigated terraced rice fields, fishponds
- Family planning and health care
- Conservation education and awareness raising
- Natural resource management and land use planning
- Village boundary demarcation
- Village Conservation Team
- Protected area core zone identification and demarcation
- Co-management Agreement

A conceptual framework and rationale of the co-management and ICAD Program in Ban Nammat Kao is attached as Annex B. A key component of the co-management / ICAD program is the binding

agreement between stakeholders. In this agreement the goal of the co-management partnership, objectives of the individual activities, benefits accruing from the partnership, responsibilities and obligations of each partner and the organizational mechanisms for maintaining and enforcing the agreement is clearly outlined and illustrated. As the population of Ban Nammatt Kao is illiterate, an illustrated representation of the agreement was used to facilitate discussion of the document with the village authorities.

Ecotourism can further directly contribute to protected area conservation objectives by providing a source of revenue for reinvestment back in to the co-management programs that it supports. To facilitate this the NHEP has established a system for allocating a portion of the gross tourism revenue into a special fund (the Village Development Fund) that can be used for this purpose.

Protected area co-management programs do not necessarily cost a lot of money (with the exception of some development assistance activities) but do require initial technical advisory assistance and effective cooperation between the agencies responsible for the various inputs. Most importantly however, it requires the NPA Management Unit to take the lead role in managing the programs and ensuring that ongoing follow up support is given to the participating villages. A further advantage therefore, of linking co-management programs to ecotourism is that the guides who regularly visit the villages are able to provide some of this follow up support and act as intermediaries for the NPA Management Unit.

3.2 Targeting Strategically Important Villages for Ecotourism – Co-management Development Programs

In order to maximize the opportunities available for enhancing protected area management through the introduction of co-management / ICAD programs linked to ecotourism benefits, it is important that the NPA manager takes an active role in deciding which villages should be prioritized for ecotourism development. This acknowledges that there is a limited pool of resources and opportunities available for developing co-management programs that are linked to ecotourism development. Priority villages for selection should therefore be those that are strategically important for protected area management. In most cases this will include villages which are utilizing resources in areas of high biodiversity value, such as core zones, areas containing rare micro-habitats (e.g. salt licks, wetlands, riverine forest) or areas with observable populations of wildlife. Such villages are also likely to offer high potential for the development of specialized village-based ecotourism attractions that capitalize on the high biodiversity values of the area - for example, accompanying village guides to view a remnant population of gibbons. Specialized, high-end tours into the remote reaches of the protected area to view wildlife employing local ethnic hunters as guides has the potential to generate considerable revenue for local communities and wider, tangible conservation objectives. A community earning significant revenue from tourists viewing a population of primates for example is likely to have considerable incentive to protect the animals from hunting both from within and outside the community. Through a comprehensive program of ecotourism development, awareness raising and agreements the community takes on a formal role of guardianship for high value tourism and biodiversity areas. The creation of Community Wildlife – Tourism Reserves to protect those natural assets upon which the tourism is based would be a key tool for achieving this.

However, not all high-biodiversity areas are suitable for ecotourism development. Ecologically sensitive habitats or populations of key wildlife species vulnerable to disturbance should be identified in the management plan and excluded from tourism development zones.

3.3 Ecotourism as a Strategy for Protecting the Nam Ha NPA Core Zone

In the Nam Ha NPA the designated core zone, in spite of its strict legal protection, remains inside the traditional resource use areas of some of the nearby villages and is therefore still subject to resource use activities. Although there is a program underway to demarcate the core zone boundaries with local communities and to raise awareness about its objectives and regulations, it is unlikely that this alone will deter traditional resource use patterns in these restricted areas. Actively enforcing the regulations of the core zone is not a realistic option either in the foreseeable future because of the remoteness of the area and limited number of NPA staff available for patrolling work. In this situation ecotourism development – accompanied by awareness raising programs and agreements – can be part of an effective management strategy that provides incentives to local communities to abide by regulations and become guardians of the core zone. Villages on the edge of the core zone would provide accommodation and guiding services to areas of high biodiversity values and would be expected in return to comply with NPA core zone regulations and take an active role in protecting the area from outsider threats. With imaginative product development and marketing it is possible to sell high end, nature tourism even without the guarantee of viewing wildlife - visiting remote and undisturbed forest areas with local hunter guides and having a ‘good chance’ of seeing wildlife is sufficient to attract high paying tourists. The higher revenues gained from this more adventurous and specialized type of eco-tourism provides a strong economic incentive to participating villages to abide by conservation agreements reached with them. An important part of the strategy is to identify individual villages that continue to use traditional resources inside the core zone as priority candidates for ecotourism development. Involving several neighboring core zone villages collectively to participate in ecotourism development in return for establishing and protecting Wildlife – Tourism Core Zone Reserves may be an even more effective strategy.

3.4 Opportunities for Strengthening the Capacity of the Nam Ha NPA Management Unit to Manage and Monitor Ecotourism Development

Since the project’s inception, the project team has focused primarily on developing the management systems and human resource capacity (particularly of the communities, guides and PTO staff) required to develop and manage an eco-tourism industry that is economically viable, ensures strong community participation, and results in acceptably low negative cultural, socio-economic and environmental impacts. The team has done this with considerable success and has also made inroads towards tangibly linking ecotourism with protected area management and conservation activities. However, there has been relatively little progress made to date in developing the capacity of the NPA Management Unit to take a more active role in managing ecotourism development inside the protected area and identifying opportunities for integrating ecotourism into protected area management strategies. As the agency responsible for the management of the protected area, the Nam Ha NPA Management Unit has the statutory responsibility and authority to manage and monitor ecotourism activities to ensure that they are compatible with the primary land use objective of the protected area which is biodiversity conservation. A key component therefore, of the proposed second phase of the project - post October 2002 – will be to strengthen the capacity of the Nam Ha NPA Management Unit to take on this role. This should focus on two main areas: 1) building the capacity of the NPA Management Unit staff to monitor and manage ecotourism development inside the protected area and; (2) building the capacity of the protected area staff to identify and develop opportunities presented by ecotourism to engage strategically important communities in the co-management of the protected area.

An essential output of this project component is the development of an Ecotourism Management Plan for inclusion into a wider NPA Management Plan. It should prescribe policies and actions for managing the threats posed by ecotourism development, including the development of an ecotourism-zoning plan for the protected area. It should also clearly outline an ecotourism development strategy that will assist the NPA manager to take a pro-active stance on recommending and prioritizing ecotourism development activities that have a strong linkage to conservation and community-based protected area management.

4.0 CONCLUSION

In summary, community based ecotourism offers enormous potential for economic development and cultural and natural heritage protection in the Lao PDR. In particular the economic benefits arising from ecotourism can be a powerful incentive for the conservation of protected areas at both the community and governmental level. However, unless local communities are empowered as stewards of the natural resource base that supports the industry, and the public sector - in particular the Tourism and NPA Management agencies - adopts and enforces strong regulatory mechanisms, community-based ecotourism is not likely to be sustainable in the long term and may even lead to irreparable environmental and cultural damage.