

TRAIL BLAZING

The development of community-based ecotourism in Lao PDR has become a model for poverty alleviation

BY BERNIE ROSENBLOOM



Photograph courtesy of LNTA



Photograph courtesy of Yoann/Green Discovery

In mid-2000 a UNESCO-backed team guided a handful of trekkers along a rugged trail in northwest Lao PDR's Luang Namtha province to a remote ethnic Khamu village. This pioneering group of paying tourists had been recruited for a trial trek and their feedback would help design the country's first community-based ecotourism (CBT) activity, the Ban Nalan Trek.

What they didn't know was that the trail they were blazing in the Nam Ha National Protected Area (NPA) would win a United Nations Development Award and become a model for poverty alleviation in Asia Pacific.

The seeds for the Nam Ha Ecotourism Project were sown in the early 1990s when increasing numbers of independent travellers began venturing to Lao PDR's far-flung provincial districts and unwitting villages.

"These first tourists triggered demand for trekking," says Steven Schipani, a member of the Nam Ha Ecotourism Project team and author of the subsequent UNESCO IMPACT Report, *Alleviating Poverty and Protecting Cultural and Natural Heritage through Community-Based Ecotourism in Luang Namtha*.

"Basically they ventured to distant provinces and found untrained locals to take them to ethnic communities. The villagers weren't ready to welcome Westerners who tripped all over their culture. It was a disaster," he adds.

The Lao National Tourism Administration (LNTA) quickly realised these tourists could bring as many social problems as economic benefits and, in 1996, they approached UNESCO with their dilemma.

"LNTA expressed the need to develop and test a CBT development model that stimulated local economic growth and minimised negative impacts," explains Thaviphet Oula, LNTA Deputy Director General, Planning and Cooperation Department.

UNESCO secured funds from the New Zealand government and selected Luang Namtha for its ethnic diversity, fast-rising visitor numbers and strategic location in the Greater Mekong Sub-region (GMS) and the Nam Ha NPA.

The three-year Nam Ha Ecotourism Project kicked off in October 1999 with a team of anthropologists, ecotourism planners and environmental specialists.

"The key issue here is that UNESCO and LNTA successfully brought together a diverse range of experience and expertise," says Mr Schipani, who is now LNTA Senior Advisor for the Asian Development Bank's (ADB) GMS Sustainable Tourism Development Project (STDP).

Step one established a national supervisory committee and provincial-level steering committee to implement the project's activities. Then, after training the project's local staff, the team assessed potential sites using a CBT selection matrix, SWOT analysis and visitor survey.

Today Luang Namtha has 10 operators and about 30 trails involving more than 50 communities.

"The villages had to be among the poorest and near attractions such as waterfalls or caves inside the NPA," says LNTA's Mr Oula.

The visitor survey found that 70% were interested in CBT activities, more than half preferred two-day forest treks involving overnight village stays and only 10% would purchase a tour lasting longer than two nights.

Tourism awareness seminars were held at the provincial, district and village levels, and then it was time for the trial tours. According to Mr Schipani these trial treks gave tourists and villagers the opportunity to exchange ideas on what they expected.

"It also helped familiarise villagers with Western possessions such as cameras. They took pictures of each other and saw it didn't 'steal their spirit'. They loved it!" he adds.

The project provided extensive provincial, community and site-specific guide training – a licensing model that is now national policy – as each tour requires at least one provincial and one village guide. The team trained villagers in hospitality and food preparation, and developed small-scale tourism infrastructure using local labour, materials and architectural styles. Meanwhile the Provincial Tourism Department (PTD) developed a regulatory framework for CBT treks that checks and balances power amongst the stakeholders.

Private sector involvement

According to Mr Schipani's report, opportunities may have been missed due to a lack of private sector collaboration but Mr Oula notes that, at the time, there were no tour operators in Luang Namtha and no one really showed any interest.

As a result the project helped establish the Nam Ha Ecoguide Service, which is essentially a PTD-supervised inbound operator, but Mr Schipani says it lacked the dexterity of a private sector enterprise and was barely profitable.

In 2001 Green Discovery, a Lao-managed tour operator, opened a branch in Luang Namtha.

"It was not our intention to do the Ban Nalan Trek," says Managing Director Inthy Deuansavan. "We had only done kayaking and our clients came for fun, river-based activities."

Three years later, however, Green Discovery moved into the trekking field, having found that river activities weren't bringing in enough business. "That's when we met Steven (Schipani)," recalls Mr Deuansavan.

Meanwhile, Luang Namtha was building a reputation for trekking. LNTA statistics show the Nam Ha Ecoguide Service took 944 trekkers on 201 tours in 2001. In 2003, with two new district eco-guide services and 10 circuits, the number soared 55% to 1,463 trekkers on 384 tours.



Photograph courtesy of LNTA



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At this point, Green Discovery approached the PTD. “I was convinced by the project’s success,” Mr Deuansavan explains. “I liked the concept. I thought it was very good...sustainable...and tourists liked it because it isn’t crowded.”

At first the provincial authorities were sceptical, viewing Green Discovery as a profit-driven threat.

“It was difficult, but Green understands that poverty alleviation is the goal. The margins aren’t high, but the volume is there,” says Mr Schipani.

Mr Deuansavan proposed a cooperative agreement that outlined each stakeholder’s role. The PTD and villages would control the treks and Green Discovery would use their guides. They accepted.

“These agreements are one of the most important legal mechanisms supporting sustainable tourism development in Luang Namtha,” says Mr Schipani.

Today Luang Namtha has 10 operators and about 30 trails involving more than 50 communities. Green Discovery has cooperative agreements for five.

“These agreements are exclusive licenses to operate and wholesale those trips, which is good because it provides for better and easier regulation. No other operators can sneak in and if the villagers have a problem they know where to go,” explains Mr Schipani. “The key is local people retain stewardship over the trails.”

He said the lesson learned is that in transitional economies such as Lao PDR, where the private sector is still becoming established, it may be necessary to find alternative business models.

“Now we talk to the private sector early as we want a committed partner from the start. We provide training, develop the product and make the agreements and then it’s up to the operator to sell it.”

Lessons learned

LNTA’s Mr Oula says everything went smoothly during the project but, once it finished in 2002, problems started to arise – chief of which was maintenance and management.

As some of the villages didn’t have facilities for the guests, the project built community lodges and toilets. “But when the project was over, no one provided upkeep,” he explains.

In 2003 a New Zealand Aid assessment concluded a second phase (2005-2008) was needed to strengthen capacity building.

Meanwhile, the recently completed Mekong Tourism Development Project (MTDP) applied the Nam Ha model to 20 CBT projects in four Lao PDR provinces, as will its second-phase GMS-STDP, which kicked off this year.

“STDP, which has been expanded to 10 provinces, is picking up where the New Zealand Aid project and MTDP left off. It focuses on pro-poor tourism and developing circuits with five to six villages, two of which will accommodate home stays,” Mr Oula says.

The other four villages will be developed to supply products including handicrafts and food. “We did this in Luang Prabang and ended up selling the goods in the night market. This is still CBT,” says Mr Oula.

Another lesson is that no two destinations are alike. “Champasak in the far south requires a big circuit as its attractions are spread out, but the development approach still follows the Nam Ha Model. The same holds true in Luang Prabang, where many operators are interested in mass tourism. We found that you can’t sell CBT alone,” he explains.

Mr Schipani adds: “You have to look at the conditions to see where the model will work best. It’s better to find a new place. This is why Luang Namtha is a success, because we could develop a model from scratch.”

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Thaviphet Oula, LNTA.

Poverty alleviation

A look at PTD records show where the benefits go (see below). In 2006, the Nam Ha Ecoguide Service sold 359 tours to 1,787 persons for USD56,940, of which 72.1% is labelled ‘trip expenses’.

2006	No. tour	No. tourists	Gross revenue	Trip expenses	PTD 5%	Village funds	NPA Permit	Provincial Tax	Sales agent	Profit
Total	359	1787	USD 56,940	USD 41,069	USD 2,257	USD 3,607	USD 3,271	USD 485	USD 1,787	USD 4,378
Percentage of gross revenue				72.1%	4.0%	6.3%	5.7%	0.9%	3.1%	7.7%

Nam Ha Ecoguide Service 2006 cash flow and revenue distribution. *Anticipated and actual percentages may not agree.

The Nam Ha Model calls for wide and equitable revenue distribution and, in this case, USD41,069 went straight into the locals’ pockets upon services rendered.

Lead provincial guides receive USD10-15 per day and village guides get USD5. They purchase set meals from villages for about USD2 per guest, accommodation for just over USD2 per person/per night and local transportation for USD6-20 depending on the tour. A traditional handicraft gift (approximately USD2) is also included.

Though these numbers are low compared to mass tourism, Mr Oula puts it into perspective. “Without tourism, households earn about USD5 per month, but income for participating CBT households has increased 10-fold to USD50 a month.”

“Tourism cannot be a villager’s main occupation. They’re subsistence farmers, but it gives them a job during the tourism high season,” he adds.

Green Discovery’s Mr Deuansavan agrees. “Communities are building up their village funds and families are doing better.”

Mr Schipani points to new schools and access to medicine, but perhaps more revealing is a conversation he had with a Ban Nalan headman three years after the project’s first phase finished.

“I visited Ban Nalan and asked the headman how tourism was working out for them. He grabbed my hand and wouldn’t stop shaking it. ‘Oh, Mr Steven, this year we had a terrible harvest and no food. It was money from tourism that fed us. Thank you so very much!’”

Alleviating Poverty and Protecting Cultural and Natural Heritage through Community-Based Ecotourism in Luang Namtha can be downloaded at: <http://unesdoc.unesco.org/images/0018/001826/182645e.pdf>

For further information: www.ecotourismlaos.com, www.greendiscoverylaos.com



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