

## Win–Win Approaches to Development and the Environment

### *Ecotourism and Biodiversity Conservation*



Center for Development Information and Evaluation

***Whether called nature tourism or ecotourism, recreational and educational travel based on natural attractions is a promising means of advancing social, economic, and environmental objectives in developing countries. It offers countries new opportunities for small-enterprise investment and employment and increases the national stake in protecting their biological resources. However, making ecotourism a positive economic and environmental tool requires policies that foster responsible nature tourism development, broad-based and active local participation in its benefits, and conservation of developing countries' biological heritage.***

### The Problem

Forest and marine habitats are being destroyed and some of the wildlife they contain is being driven to extinction under the pressures of hunting, logging, agriculture, and fishing. Where areas have been officially reserved for nature conservation, many developing-country governments lack sufficient funds to manage and protect them. These areas are being destroyed because they are not fully valued for their role as nature's genetic reservoirs of the world's biological resources.

### The Win–Win Solution

A recent USAID evaluation has identified ecotourism as an enterprise with potential positive contributions to the conservation of endangered biological resources. (See Synthesis Report *Stemming the Loss of Biological Diversity: An Assessment of USAID Support for Protected-Area Management*, July 1995). Contributions of ecotourism include raising local awareness about the value of biological resources, increasing local participation in the benefits of biodiversity conservation (through new sources of jobs and incomes), and generating revenues toward conservation of biologically rich areas.

Wildlife and its habitats in developing countries are becoming increasingly popular attractions for international tourism. Many of the richest areas, biologically, are in the developing world. Growing numbers of ecotourists are flocking to the mountains of Nepal and Madagascar, the tropical forests of Costa Rica and Thailand, and the beaches of Belize and Sri Lanka.

Nature tourists bring with them money to spend, money that creates jobs and incomes for households and communities in and around national parks and other protected areas. Ecotourism enterprises—tour agencies and guide services, lodges and private reserves—as well as such satellite activities as crafts industries and transportation and food services, also generate revenues and foreign exchange. Governments can use this income in operating and protecting natural habitats.

By recognizing the importance of protecting biological diversity, ecotourism is raising appreciation for biological resources and leading to better conservation practices by developing-country populations. It must of course be properly regulated and managed to protect against adverse environmental and cultural effects that can come with overbuilding of tourist facilities and influx of populations around fragile ecosystems. Assuming such oversight, nature tourism can benefit both the environment and economic development.

### The Role of USAID

USAID supports nature-based tourism activities as part of its biodiversity conservation programs in more than a dozen countries worldwide. The Agency's ecotourism activities include support for developing national park systems, demarcating and equipping new national parks, recruiting and training park staff, and encouraging government reforms that promote regulated investments in private lodging, guide service, and other tourism ventures.

The Agency's involvement is recent, beginning in the mid-1980s, and the effect of these activities is only starting to emerge. USAID biodiversity conservation programs have

demonstrated that potential local resistance to setting aside forest and fishing areas for conservation can often be softened by employment and income-producing opportunities ecotourism can generate.

**In Costa Rica, Jamaica, and Sri Lanka,** USAID support led to the creation of entirely new wildlife parks that have begun to spawn tourism facilities around them. Tourist demand for food, lodging, souvenirs, educational materials, and guide and transportation services stimulates local investment, employment, and incomes. Costa Rica has introduced revenue-retention arrangements to keep earnings from entrance fees for park operations; it awards contracts to local communities to operate food and souvenir concessions as a means of building local involvement in and commitment to park conservation. Costa Rica has also included a variable park entrance fee structure (charging higher fees to international tourists than to local visitors) to increase revenues.

**In Nepal, Madagascar, and Thailand,** USAID has supported integrated conservation and development activities to promote new livelihoods—including nature tourism-based employment—as alternatives to encroaching into protected national parks for hunting, logging, and farming. Engagement of local people in planning and conducting ecotourism activities has generated a new group of stakeholders with a vested interest in protecting parks. The new nature jobs depend on it.

USAID's Central American *Paseo Pantera* ("Panther Walk") project has helped establish national nature tourism councils in **Guatemala** and **Honduras** to involve local communities and tourism enterprises. The councils also enlist international conservation organizations as

advisers to promote green, self-sustaining tourism activities.

In 1989 the Agency began a Parks in Peril project to improve management of 20 parks in **Latin America** and the **Caribbean**. The project also seeks to enhance recreational and educational use of the parks. For example, in **Bolivia**, Parks in Peril is working through a U.S. environmental nongovernment organization (NGO) to assist a Bolivian NGO in providing nature tourism packages in two national parks. The project has helped create jobs for tour guides, park rangers, educators, and the like in several countries in the region.

These experiences suggest that ecotourism can be a constructive component of strategies to promote, at the same time, both environmental protection and development of private enterprise. USAID can help promote nature tourism in a way that maximizes its contribution to both the economies and the ecologies of developing countries. Specifically, USAID, other donors, NGOs, and developing-country governments can work together to

1. *Identify and mobilize funding for potential private nature tourism investments.* Ecotourism enterprises, like most business ventures, need operating capital. USAID and other donors can help identify promising funding sources.

2. *Formulate fiscal policies to promote nature tourism and to maximize its economic and environmental benefits.* USAID can encourage public policies (such as visitor fees, regulations for tourism operations, and investment incentives and land-use zones for tourist facilities) that promote environmentally sound tourism as well as community involvement in providing services and products such as guides, lodging, transport, and crafts.

3. *Encourage international exchange of information and know-how about nature tourism opportunities and operations.* USAID can foster participation by developing-country public agencies and private service providers in international nature tourism associations that can help them, through technical and management training, to meet the needs and interests of international and domestic nature tourists.

4. *Monitor and certify the performance of ecotourism activities.* USAID can support emerging international movements aimed at promoting “green tourism.” Green tourism takes

ecotourism a step further, promoting environmentally responsible tourist operations that conserve energy, recycle waste, and instruct staff and tourists on proper behavior in parks and protected areas.

5. *Fund research on ecotourism’s developmental and environmental impact.* Information is needed to demonstrate to decision-makers the economic contributions nature tourism can make. Better understanding of the impact of ecotourism (such as in resort development) is needed to regulate and enforce against environmentally damaging investments.

## Outstanding Issues

**Risk.** Unregulated, nature tourism can damage the environment and corrode local cultures. Pollution from runaway resort and hotel development around fragile park areas in Costa Rica, Nepal, and Thailand exemplifies poorly managed tourism activity.

**Distribution of benefits.** Where international travel and resort chains or urban investors control the tourism industry, the local economic effect of ecotourism may be reduced. Early studies of ecotourism expenditures suggest that in such cases not much—perhaps 20 to 30 cents of the tourist dollar—stays in the national economy; even less reaches local communities.

**Perceptions.** Developing countries fear that their parks and protected areas will become playgrounds for international tourists, with the land reserved for conservation and no longer available for farming to feed and employ their growing populations.

**Lack of information.** More and better information is needed about the actual and potential economic contributions of nature tourism ventures and practices. Inclusion of visits to natural attractions as part of regular recreational tourism needs to be explored along with “purer” forms of nature tourism and travel.

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