# A CAREFUL APPROACH TO NATURE TOURISM IN THE NAM HA NATIONAL BIODIVERSITY CONSERVATION AREA, LUANG NAMTHA, LAO PDR

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# INTRODUCTION

The National Tourism Authority of the Lao PDR (NTA) is implementing the Nam Ha Ecotourism Project in Luang Namtha Province, with cooperation from the Ministry of Agriculture and Forestry, Department of Protected Areas and Watershed Management and the Ministry of Information and Culture. The UNESCO Office of the Regional Advisor for Culture in Asia and the Pacific is the executing agency, providing technical assistance and monitoring. The project is funded by grants from the Government of New Zealand and the International Finance Corporation.

The project realizes that as a development activity, tourism, and especially cultural and nature tourism can both assist economic development, and stimulate conservation of the cultural and natural assets that make developing countries attractive to international tourists. Because like much of Laos, Luang Namtha possesses a pristine natural environment and rich cultural heritage, the Lao Authorities are actively promoting these assets in an effort to attract visitors. The Nam Ha Project addresses the urgent need to preserve the regions natural and cultural heritage and evaluate the potential for community-based, sustainable cultural and ecotourism in and around the Nam Ha National Biodiversity Conservation Area (Nam Ha NBCA).

The components of the Nam Ha Project include creating a tourism development plan that uses tourism as a tool for culturally appropriate rural development; ensures that tourism contributes in a positive way to conservation of the areas natural heritage; protects the cultural rights of affected indigenous peoples through community participation and active management of tourism development; provides members of local communities with the training and skills relative to the tourism industry, and finally, stimulates private sector investment vested in conservation and enhancement of the asset base which supports nature and cultural tourism.

# Luang Namtha & The Nam Ha NBCA

Luang Namtha is located in the extreme northwest of Laos, bordering China and Myanmar. Over 85% of the province's 9,325 km² are mountainous, with 59% of this landmass covered by dense forests (Luang Namtha Office of Information and Culture, 1999). The province is divided into five administrative districts, containing 470 villages, with a total population of 114,741 (1995 Census, Statistics Office, Luang Namtha). There are over 30 ethnic groups residing in Luang Namtha making it one of the most diverse provinces in the country.

The 222,400-hectare Nam Ha NBCA 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 such as tigers, bears, leopard, elephants and gibbons have been reported to exist, in addition to a large bird population. 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 NBCA are Akha, Khmu, Lantaen and Hmong.

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## Tourism in Luang Namtha: An Overview

The number of tourists visiting Luang Namtha has increased from 4,732 in 1995 to 18,600 in 1998 (Luang Namtha Tourism Office, 1998). 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 Muang Sing, 2 in Vieng Phoukha and 4 in Muong Long. The cost of overnight accommodations ranges from 5,000 - 50,000 kip. These establishments often have attached restaurants serving Lao and some basic western food. Electricity is available from 6-10 pm in Luang Namtha City, 6-9 pm in Muang Sing Town and dependant on privately owned generators in Vieng Phoukha and Muong Long. Table 1 shows the age sex and nationality of international tourists visiting Luang Namtha.

Table 1. Age, sex and nationality of international tourists in Luang Namtha Province (n =131)

Age: 27 (mean) 19 - 55 (range)

Sex: male 55%

# Country of origin:

Austria	2.3
Australia	6.1
Belgium	2.3
Canada	9.2
Denmark	2.3
England/UK	13.0
France	5.3
Germany	3.8
Israel	12.3
Italy	2.3
Japan	11.5
Netherlands	10.7
Norway	3.8
New Zealand	.8
Poland	1.5
Switzerland	3.8
Sweden	2.3
Thailand	.8
USA	4.6
Other	1.5

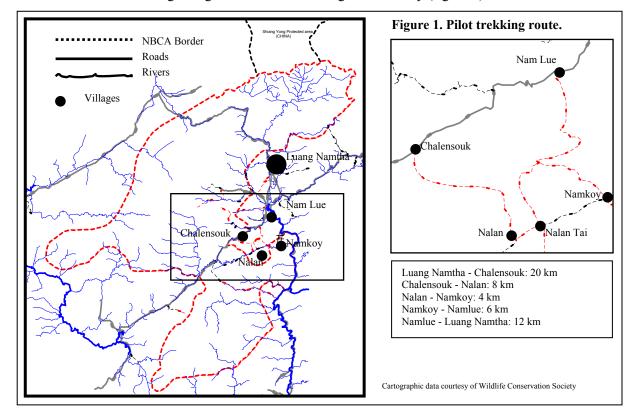
<sup>\*</sup> Percent

The majority of tourists (97%) reported that they travel overland to reach Luang Namtha, with the most popular entry point being Houi Xai (43%) followed by Vientiane (38%). Houi Xai and Vientiane are also the most popular exit points (43% and 31%, respectively), with Boten a distant third (13%). The mean number of days this population spends in Laos is 23 (SD = 8.65) ranging from 2 - 60 days, with the average length of stay in the Luang Namtha-Muang Sing area being 4 days (SD = 2.1). Mean daily expenditure is 9 US\$, indicating this group will spend an average of 207 US\$ per person during their stay in country. The major factors influencing tourists to visit the province are its natural and cultural landscape (table 2). An assessment of international tourists' interest in overnight trekking trips to the Nam Ha NBCA with trained local guides found that 74% were interested. When asked about guided river trips to the protected area, 82% expressed interest, confirming a substantial market for ecotourism activities in the NBCA presently exists.

Table 2. Main reasons for visiting Luang Namtha 66 \* Nature Monuments & Museums 6.1 43.5 New destination Ethnic minorities 67.9 Culture 50.4 Food 11.5 Handicrafts 15.3 Other 13.0

#### DEVELOPMENT OF AN OVERNIGHT TREKKING OPERATION TO THE NBCA

In cooperation with the Nam Ha NBCA Management Unit, the Nam Ha Ecotourism Project surveyed a number of trails in an around the protected area with the intention of identifying a 2-3 day trek. During the survey work our team considered specific factors including safety, level of difficulty, the natural and cultural landscape, accessibility, and villagers willingness to host foreign tourists. In addition, as we envision an operation that promotes natural resource conservation, we hoped to include a village(s) that has an endogenous natural resource management plan. After several attempts, we selected an aesthetically pleasing, logistically feasible circular route beginning 20 km south of Luang Namtha City (figure 1).



The Route

## Day 1 (5-6 hours walk)

The trail begins at Ban Chenlernsuk, a Khamu village approximately 20 kilometers from Luang Namtha on the road to Houiexai. After two to three hours of ascent, a ridge is reached where

<sup>\*</sup> Percent

wide views to the north and south open on either side of the trail. Much of the forest here was cut and burned for cultivation in April 2000. The trail crosses upland fields and patches of forest before reentering rich older growth for one hour. The days walk ends with a steep one-hour descent into the Nam Ha River Valley. As you make your way down the hill, the wet rice fields of Ban Nalan are visible on the opposite side of the valley, slightly to the east. The village itself is located on flat land at the edge of the river, surrounded by a stand of very large trees.

## Day 2 (6-7 hours walk)

The second day begins with a peaceful 1.5-hour walk along the banks of the river. About 30 minutes from Ban Nalan, the trail crosses a small settlement that was recently abandoned, before reaching the cluster of houses known as Ban Nalan Tai (South Ban Nalan). Lunch can be taken at or near Ban Namkoy, the Lanten village at which the path leads away from the river and begins to climb again.

From Ban Namkoy the trail follows a small stream, climbing for about three hours, the most challenging section of the route. Despite the difficulty of the trail here, this area is perhaps the most enjoyable, as the trail climbs through the most pristine and least impacted forest on the trek. The trail descends slightly into a hidden valley, then ascends briefly to the crest of the hill. Along the descending ridge views of Luang Namtha City can be seen to the north. The descent to Ban Namleu (populated by both Khamu and Lanten) takes about one hour. The return to Luang Namtha from Ban Namleu is roughly 30 minutes in a tuk-tuk.

Prior to organizing exploratory expeditions with tourists, our team made 3 visits to each village along the route and stated our intention to organizing a trial trek in the area. At Ban Nalan and Ban Namkoy, we had in-depth discussions with the villagers regarding the potential positive and negative outcomes of hosting tourists, as these villages are best situated to host tourists for meals and/or lodging. After obtaining informed consent from the villagers, we set out to organize a number of overnight treks during February - March, 2000.

### Recruiting Participants for the Trial Treks

Since establishment of the Nam Ha Project's field office in November 1999, a steady stream of tourists have visited the office in search of information and trekking opportunities, thus it was not necessary for us to actively promote the initial 4 trial treks. Another reason we did not advertise is because due to the early stages of the project, we did not want to create demand for an incomplete product. For each of the four test treks, participants were drawn from the group of inquisitive tourists seeking information at our office.

A total of 19 people (10 males, 9 females) participated in the first four treks, representing seven countries, ranging in age from 23 to 41 years. Tourists were asked to pay a token fee of 10 US\$ to help cover the cost of meals, transportation, lodging and staff per-diems. Prior to departure, we conducted a short session regarding safety and health precautions, cultural awareness and general information. Tourists were then asked to sign a disclaimer releasing the Project from any loss or personal injury incurred as a result of participating in the trek.

# Equipment and Supplies

During the third preparatory mission to Ban Nalan, project staff transported bedding to the village for use by tourists. Tourists were briefed on what to bring, including insect repellent, a torch, prescription medicines, bathing attire, toiletries, and a bed-net if desired. Because the trek presently requires only an overnight stay, the need to purchase camping and other wilderness equipment is minimized. A basic first aid kit was prepared and tourists were informed of potential

Question	Positive Feedback & Complements	Suggestions for Improvement	Negative Feedback
Please give your overall impression of the trip.	Great, very enjoyable, good combination of village and nature experience. The highlight of my 3 month SE Asian experience. Excellent but tiring. This trip is miles ahead of any "hilltribe" tour on the market Two fantastic days sharing information, impressions and the human spirit with people and nature. Charming guides were a real plus. Very educational, nice to feel off the beaten path.	I wish I had brought earplugs.	Troublesome logistic communication between the guides- villagers-trekkers.
Please provide feedback regarding the condition of the trail. Was it too difficult?  Too easy?	The trail was fine for a trip of this type. Good, nice combination for a range of abilities. Trail is very good provided the participants have a reasonable level of fitness. A very enjoyable challenge. Perfect. The route has been well chosen, the steep hills require physical fitness.	Moderately difficult, some trail improvement necessary (3)	
Did you feel unsafe at any time?	No. (all participants)		
What was your impression of the natural environment?	Beautiful, it was good to see how the villagers use the land. I really enjoyed the walk in the forest. Absolutely beautiful scenery. Fantastic. Beautiful and a lot of interesting flora were pointed out by the guides. Amazing, I learned a lot about various plants and forest food. Wonderful, even more so to learn about what the NBCA team is doing to conserve/preserve the forest. Very surprising for me, fantastic and incredible.	Don't raise expectations about wildlife, we did not even see a bird.  Would have liked the second day more if it weren't for the leeches.  We walked a bit too fast to reflect on what we were seeing on the walk.	
Did you enjoy your stay in Ban Nalan? What did you enjoy most in the village? Least?	Ban Nalan is a lovely village, I felt very welcome. Great to wash and relax in the river. I can't think of anything I did not enjoy in the village. Enjoyed watching peoples daily activities. Playing with the kids. This was the highlight of the trip. Sitting by the fire and laughing and drinking "lao lao" with the villagers. I enjoyed sleeping with a family. The stay was fantastic, too short The warm welcome the villagers gave us. The best part of the stay was the genuine unrehearsed hospitality.	More interaction with the villagers, but I realize {my} the language barrier. Build a separate, private sleeping house for visitors (4) Finding a place to go to the toilet was difficult. Better explanations of local life by the guide. The village stay was uncomfortable, as our stay there was unfocused. Follow up on forestry conservation.	Did not like the pigs and dogs following me to the toilet. Difficult sleeping without a comfortable mattress and mosquito net.
Would you recommend this trip to others?	All participants answered yes to this question.		
What can be done to improve the trip, including the trekkers and villagers experience?	Change nothing	Provide more water (8) English signs. Mosquito nets. Guide training (4) Ensure participants are physically fit (3) Guides need to maintain a slower pace (2) Increase the ratio of guides to trekkers Keep the number of visitors low. More information on ecology/biology/natural medicines. Involve trekkers with village activities, i.e. rice milling, cooking. Create a toilet area. Create a sleeping lodge for visitors (2) Smaller groups 5-7, maximum.	
Please suggest a fair price, US\$ per person, for the trek (2 days, 1 night) <b>all-inclusive,</b> with food, vehicular transport to the trailhead and back to Luang Namtha, a trained local guide and accommodations in Nalan village.	10 - 20 US\$ (2) 15 - 20 US\$ (4) 20 - 30 US\$ (7) 30 - 40 US\$ (6) 40 + US\$ (0)		

health risks including malaria. One of the two guides that accompanied each group was responsible for the provision of food and drinking water. A high percentage of food was purchased in the Luang Namtha market to avoid depleting the marginal food supply in the villages. Each participant received 3 liters of drinking water, and was asked to save the empty containers for refill with boiled water or herbal tea at Ban Nalan.

# Participants' Feedback

After completing the trek, participants were asked to complete an evaluation form covering various topics associated with the expedition. Table 3 summarizes participant responses to the survey. Overall, the pilot treks generally received a high rating from tourists, and participants provided a number of good suggestions concerning improvements to the program. Table three shows that the need for well trained guides will be essential to the success of the operation. Further work is also needed regarding lodging, especially sleeping arrangements and sanitary facilities. The suggestions put forth by participants did not raise any issues that can not be "fixed", reinforcing our feeling that the route itself or "hardware" is appropriate for development, yet the "software", i.e. guides, training, villager awareness and the creation of informational materials needs additional work.

# Initial Benefits to Villagers

Aside from the small economic benefits villagers gained from the initial pilot treks, visibly, the cultural exchange between villagers and tourists was mutually beneficial. Villagers were able to proudly showcase weaving methods, the production of bamboo paper, blacksmithing, rice milling, the distillation and consumption of rice alcohol (lao hai), and house construction. On the other hand, tourists delighted in the opportunity to play with village children, share meals with the villagers, and bathe in the river. On two expeditions participants presented the village headman and teacher at Ban Nalan with a number of pens and pencils, writing pads and sports equipment (volleyball and takraw) as communal gifts upon departure.

The economic benefits villagers derived from our visits were limited purposefully, as we were cautious not to create high expectations so early in the project. In addition to revenue from the sale of a small amount of vegetables, eggs and poultry, we made a contribution to Ban Nalan's communal social insurance fund in the amount of 3,000 kip per person to cover lodging costs. Tourists also purchased a limited amount of handicrafts such as Khmu baskets and shoulder bags.

# Implications for Conservation

In cooperation with the NBCA Management Unit, a number of villages in and around the protected area have established management plans regarding the use of natural resources. Such plans usually involve a trade-off, whereby villagers, to an extent, agree to forego the immediate economic benefits they can derive from extracting and selling resources in favor of long-term conservation objectives. Although usually a sustainable, environmentally appropriate strategy, a loss of one of their few cash producing enterprises may eventually cause villagers to return to using resources unsustainably. If this route is further developed, income from the trekking operation is a viable income generating activity, especially for interior villages such as Ban Nalan and Ban Namkoy, and could stimulate conservation of the resources that make the trek attractive for tourists, i.e. wildlife and flora and traditional lifestyles.

# A BRIEF ECONOMIC ANALYSIS

Conducting the four experimental treks has provided a clearer understanding of operating expenses and price elasticity in regard to pricing the expedition. For the pilot trips, tourists were

asked to pay 10 US\$ to help cover their food, logging, and transportation costs. A portion of this fee was also used to support staff per-diems. Any unmet costs were subsidized by the Project.

Feedback from participant evaluation forms indicate that tourists are prepared to spend 10 - 40 US\$ for the trek. Assuming a fee of 30 US\$ per-person is attainable, a group of 6 tourists will generate 180 US\$. A comparison of income and expenditures for an overnight trip to Ban Nalan is presented in figure 2.

Figure 2. Income and expenditures for a 6 person, overnight expedition to Ban Nalan. (7,500 k = 1 US\$)					
Income:	Expenditures		Remaining Balance		
1,350,000 kip (180 US\$)	Food & Consumab Lodging Guides (2) Transportation 5% incidentals	les 240,000 60,000 90,000 100,000 24,500			
	Total:	514,500	835,500 (111 US\$)		

These figures cover food for tourists and guides (4 meals), guide fees, transportation and a 10,000 kip lodging fee per tourist for overnight lodging in Ban Nalan. The lodging fee is based on plans to construct a small trekker's lodge in Ban Nalan, to be owned and operated by the villagers. It is felt that this arrangement will ensure community ownership and participation, and allow the village to maintain a high degree of control over the operation.

The remaining balance of 111 US\$ per expedition is substantial, and a portion of this balance should be reinvested into promotion, trail maintenance, rural development and conservation activities. Perhaps villagers could charge more for lodging and guide fees could be increased in order to distribute a larger portion of the balance to essential partners in the venture. Villages along the route should all receive at least some portion of this balance. In addition to (or inclusive of) the 30 US\$ fee, there should be a mechanism established to ensure the NBCA receives a usage fee from each person participating in the trek. The usage fee can be collected by issuing a trekking permit or entry ticket. The former may be more attractive to international tourists as it makes an interesting souvenir and can remind tourists of their contribution to conservation efforts in Laos.

This simple economic analysis does not address promotional and organization costs associated with running the trekking operation. Eventually, it will be essential to have a representative based in Luang Namtha City who is able to handle local and regional inquiries about the trek, and can "sell" the trip to tourists in Luang Namtha seeking such an opportunity. This person must possess a strong command of the English language, and should be responsible for coordinating licensed guides and booking expeditions independently and in cooperation with tour operators. Salary and overhead support for this representative will need to be deducted from the balance of operating income, and though this charge may represent a significant amount, the service is vital to the sustainability of the operation.

## **SUGGESTIONS**

Clearly, a market exists for cultural and nature tourism in and around the Nam Ha NBCA. In order to ensure sustainability, community participation and the underlying objective of natural and cultural heritage conservation, great care is needed while proceeding with the development of

the proposed route and other activities. Specifically, the following topics should receive special attention:

- Creation of ecotourism development and management plans with input from National and Local Authorities, villagers, tourism providers and tourists. These plans should set social and environmental guidelines regarding cultural and nature tourism, and create mechanisms that ensure equitable distribution of economic benefits derived from such ventures.
- Promote private-sector investment in sustainable ecotourism activities that conform to the social and environmental guidelines set forth in this development plan.
- Training for local guides, especially English language training. Guides may be drawn from the NBCA Management Unit, Provincial Tourism Office, the general population, and ideally, from villagers along the proposed route.
- Monitor the socio-cultural impacts of the operation, paying close attention to changes in livelihood systems, lifeways, and level of participating communities satisfaction with the operation.

Finally, although tourism revenues can stimulate rural economic development and heritage conservation, over the long term cultural and nature tourism is unlikely to remain sustainable unless decision making power and benefits are equitably distributed to affected communities.